

CATEGORY MANAGEMENT

newsletter

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In the pharmaceutical industry, Category Management strategies are creating striving challenges in daily business for both Category Managers who aim at implementing these policies and for Suppliers who are directly involved in this evolution.

PRINCIPLE

Category Management is a corporate policy of supply chain optimization and as a spirit of strategic planning, global sharing information and cost savings, its goal is to develop an organization in Product Categories as a profit center, gathering substantial data about market positioning, key stakeholders, pricing, quality and technical benchmarking.

MAIN STEPS

- Determination of the categories scope and sourcing characteristics according to the product life cycle management plan and the risk mitigation strategy
- Data gathering (market enquiries through RFI, RFQ tools), rationalization approach and reducing information treatment in partnership with key-suppliers of categories
- Cost structure of a Category, determination of cost variation factors and cost savings potentials
- Competitivty in the market place and SWOT analysis
- Checking the efficiency of existing procurement process and transactions systems
- Reviewing the performances of existing suppliers, screening opportunities for improvement (best practices, economic insight, quality improvement programme and implementation)
- Qualifying new suppliers and benchmarking mapping (analyzing the technical capability, the know-how for new tooling developments, the production capacity and flexibility of the selected suppliers)

- Audits & controls
- Share learning with suppliers (shared defect catalogues, quality agreements ...)
- Building up a framework for a long-term corporate supply contract with key-suppliers

CHALLENGES

A successful Category Management policy requires the material expertise, leadership competences, fair and open communication skills of a Category Manager who is able to reach the internal adhesion of a cross-functional team in a multi-cultural environment. Last no least, its success depends on the quality of partnership developed with suppliers and on a comprehensive understanding of the supplier's process and organization.

Based on its experience, COPLAX Pharma's Team is supporting Pharmaceutical companies and Suppliers of the pharmaceutical industry to seize the stakes and opportunities that lay beneath the spirit of Category Management.

ZUSAMMENFASSUNG:

Erfolgreiches Category Management in der pharmazeutischen Industrie stellt eine echte Herausforderung dar! Gegensätzliche Interessen müssen auf übergeordnete Ziele hin fokussiert werden. Die häufigsten Fehler bei der Einführung von Category Management:

1. Category Management wird für alle Warengruppen zur gleichen Zeit eingeführt.
2. Mangelnde Erfahrung und Ausbildung: man wird nicht als «CatMan» oder «CatWoman» geboren, man muss sich die Kompetenzen erarbeiten.

WICHTIGSTE SCHRITTE ZUR EINFÜHRUNG VON ERFOLGREICHEN CATEGORY MANAGEMENT:

- i. Definition der strategischen Warengruppen
- ii. Assessment der bestehenden Lieferanten und deren Produkte, Kostenstruktur der Warengruppe
- iii. Datenermittlung: Konkurrenzprodukte, 2nd Source-Potenziale, Kosten für die Validierung von 2nd Source-Potenzialen, SWOT-Analyse
- iv. Qualifizierung der potenziellen Neulieferanten: Auditierung der potenziellen Neulieferanten, Erstellung von Qualitäts- und Liefervereinbarungen und gemeinsame Fehlerkataloge
- v. Permanente Weiterentwicklung und Kostenreduktionsprogramme; Partizipation der beteiligten Partner

PERSONELLE VORAUSSETZUNGEN:

Profundes technisches- und kommerzielles Wissen über die zu führende Warengruppe, überdurchschnittliche Kommunikationsfähigkeit und Führungskompetenz bilden die Grundkompetenzen eines erfolgreichen Category Managers.

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