## Pharmaceutical Industry

SCM adopted for driving innovation in organizational capabilities and profitability will ultimately optimize inventory levels & resource efficiency.

## Advanced Manufacturing (APS) Diagram Innovation 1 \_ Weekly Synchronization (demand-driven) APS System (Cello) Product manufacturina Raw material Demand Sales Demand Planning (DP) manufacturing factory factory 0 plannina plannina Sales execution & demand planning Package Goods (SKU) (amount) Raw material purchase purchase purchase Master Planning (MP) Products & goods/material supply plan Innovation 2 Execution of SCM Processes and Operational Rules raw material purchase planning (aiming at improving SCM efficiency & effectiveness in the pharmaceutical industry) Optimization (OPT) 8 Principles of Operational Process/equipment/ Rules Ń Supply Chain Operations iilil Process daily production planning (Monitorina) (Demand 3, Supply 4, Operation 3) (Chanae management) Innovation 3 \_ SCM Metrics Monitoring Sales Manufacturing Procurement Inventory ERP BI Automatic Fixed schedule · QC compliance Inventory period Demand forecast adherence ordering rate accuracy Backorder · On-time Production plan · Demand plan (stock out) ratio delivery ratio adherence change rate Notable Improvements & Benefits Reduced labor cost Reduced out-of-stock Reduced Reduced situations discards inventory cost (overtime/year) 50% 77% 30%

## SAMSUNG SDS