

## CASE STUDY

Boehringer Ingelheim Corporation

### **New System Infrastructure Yields Bottom Line Results**

#### **Challenge**

Boehringer Ingelheim Corporation needed to integrate information across departments and create new processes for all U.S. locations to reduce operating costs while achieving compliance with strict FDA guidelines.

#### **Solution**

Built a new systems infrastructure, resulting in a single system supporting human resources, payroll, finance, accounts receivable, sales and marketing, and logistics that is compliant with FDA regulations.

#### **Benefits**

Gained visibility into all business functions and allowed management to evaluate and better manage employee and company performance:

- Reduced inventory with an estimated savings of over \$2.5 million per year
- An estimated annual savings of \$9.5 million can be directly attributed to the project, but total savings could reach nearly \$20 million per year

*“We are amazed at the breadth and depth of Clarkston Consulting’s understanding of our industry. Choosing Clarkston Consulting was a key advantage for us.”*

**Holger Huels, CFO,  
Boehringer Ingelheim Corporation**

## Challenge

Competitive pressures influenced Boehringer Ingelheim Corporation's executive management team to streamline operations, reduce costs, improve supply chain visibility, and increase employee productivity. Among the major business challenges were:

- Reducing operating costs associated with maintaining 31 disparate systems
- Improving supply chain performance and realizing cost savings on production materials and ordering processes
- Automating many of the manual transactions and processes throughout the organization to increase employee productivity and lower costs
- Developing ways to improve customer and employee service
- Complying with strict FDA systems validation guidelines

## Solution

Clarkston Consulting helped Boehringer Ingelheim Corporation build a new systems infrastructure, integrate information across departments, and create new processes for all of its U.S. locations. Project highlights include:

- Implementing and integrating SAP, Ariba, DCS, CARS, and Manugistics into a single system supporting human resources, payroll, finance, accounts receivable, sales and marketing, and logistics.
- Ensuring that the systems complied with Food and Drug Administration (FDA) regulations, resulting in more than 3,700 documents created for computer system validation.
- Training 1,000 developers and users on the new computer system and business processes.

## Benefits

The successful project provided Boehringer Ingelheim Corporation with visibility into all business functions and

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allowed management to evaluate and better manage employee and company performance. Boehringer Ingelheim Corporation:

- Estimates an annual savings of \$9.5 million can be directly attributed to the project, but believes total savings could reach nearly \$20 million per year
- Reduced manual tasks throughout human resources, finance, logistics, sales and marketing departments, improving productivity in kind
- Improved financial controls by providing access to real-time reports and shortening accounts receivable cycle
- Reduced inventory with an estimated savings of over \$2.5 million per year
- Complied with FDA regulations for computer systems validation, avoiding possible large fines and even facility shutdowns

## Company Profile

Boehringer Ingelheim Corporation is the U.S. member of the Boehringer Ingelheim worldwide group of companies dedicated to the discovery, development, manufacture and marketing of innovative human and animal health care products.

It is the principal U.S. licensee of Boehringer Ingelheim GmbH, an international chemical and pharmaceutical firm that develops, produces and sells pharmaceuticals, veterinary medicines and biologicals, agricultural chemical products and fine, specialty chemicals in more than 41 countries.

Boehringer Ingelheim Corporation is the parent of a group of U.S. companies that produce ethical pharmaceuticals, natural health products, veterinary products and fine chemicals. Collectively, the U.S. Boehringer Ingelheim companies employ more than 5,300 people.