

Case Study

Merit Pharmaceuticals

“Merit Pharmaceuticals is continually evolving by listening to our customers and their needs. We focus on service, supply and price and in doing so we needed a system that will allow us to deliver on that promise. The return on investment we have gained from ProERP is an agile, scalable and efficient system that can handle our growth, coupled with the knowledge that, going forward, we have excellent support from the Principal Logistics Technologies Team.”

Gerard Nugent, Managing Partner, Merit Pharmaceuticals.



Merit Pharmaceuticals, a leading short-line Pharmaceuticals Wholesaler for generic, ethical, PI and OTC products in Ireland, operates in an intensely competitive, highly-regulated and fast-moving industry sector. It chose Principal Logistics Technologies and its ProERP software as the solution to its Enterprise Resource Planning (ERP), distribution and Supply Chain Management (SCM) business needs.

ProERP Benefits

- ▶ **Agility** allowing modeling to meet current and future strategic objectives
- ▶ **Automation** of the 80% of the business running in-line with the strategic objectives
- ▶ **Alerts** relating to the 20% of the business that needs attention enabling action
- ▶ **Full Product Traceability** enabling easier product recall and greater compliance
- ▶ **Streamlined Processes** leading to reduced errors and improved time management
- ▶ **Real-Time Visibility** across all business areas
- ▶ **Fast, Fact-Based Decision-Making** due to the availability of information on-demand
- ▶ **Total Control** over processes and workforce with role-based responsibilities
- ▶ **Complete Customer Service Management** through use of cross-selling and up-selling opportunities
- ▶ **High Volume Throughput** - scalability greater than 1 million sales order lines per 8 hour day

ProERP: Pharmacist Benefits

- ▶ **Guaranteed Next-Day Delivery** of any order
- ▶ **Guaranteed Higher Margins** on all products ordered through the ProERP Order System
- ▶ **Exceptional Price and Supply** of a range of products
- ▶ **Choice of Special Offers** and other marketing initiatives
- ▶ **Reduced Errors and Decreased Delays** due to system efficiencies
- ▶ **Exemplary Customer-Service and Support**

Background

Merit Pharmaceuticals, which was established in 2009 and has been trading since August 2010, supplies and distributes a range of pharmaceutical products to an increasing number of pharmacies throughout Ireland.

According to Gerard Nugent, Managing Partner, their goal was to become an agile, customer-focused company working alongside its customers to provide exceptional service, supply and price.

“At Merit Pharmaceuticals our focus is to deliver added value through supply, price and service. We have a philosophy of partnering in our customers’ success which has seen our customer base grow daily.” Gerard Nugent.

Project Objective

One of the prerequisites for Merit Pharmaceuticals to achieve this goal was to choose an integrated ERP, distribution and SCM system able to support both their current and future needs and to provide the ability to scale-up and expand in an extremely dynamic environment.

“From the beginning we envisioned Merit Pharmaceuticals to be a significant pharmaceutical wholesaler. To reach our goals we needed a system that would allow us to offer the service, supply, and price our customers require and demand in a highly competitive and fast-moving market.”

Gerard Nugent.

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Preparation: Needs Analysis

The search began with an analysis of the key criteria for the ERP, Distribution & SCM system. One of the most critical considerations for Merit Pharmaceuticals was the ability of the system to provide full, accurate product traceability, from entry into the warehouse through to its delivery to the pharmacist.

The level of agility and flexibility provided by the system was also crucial, driven by Merit Pharmaceuticals' need to react to constant changes within the industry.

"Orders are placed daily, based on our price list which is issued on a monthly basis. As a result, we need to be exceptionally flexible, on an ongoing basis, in order to remain competitive." **Gerard Nugent.**

A further requirement was the ability to maintain high levels of efficiency and productivity throughout the business with a lean, dedicated team. Finally, due to the complex nature of the industry and the increasing legislative and compliance requirements, the level of experience of the chosen vendor, within the Pharmaceuticals Wholesale industry, was particularly important.

Agile & Scalable: ProERP

Following needs analysis and vendor review, Principal Logistics Technologies was selected due to its proven ability to deliver a robust, agile and scalable solution, on-time and to budget, combined with extensive support.

ProERP, built on the Microsoft.NET framework, was designed specifically for complex, wholesale, distribution operations like that of Merit Pharmaceuticals. Crucially, it offers the ability to empower the company through business agility, business automation and business alerts.

ProERP contains modules designed to cover all the elements of the supply chain. These include Purchase Order Management, Goods-in, Putaway and Replenishment - all of which are available using RF-controlled hand-held terminals - as well as Sales Order Management, Picking, Order Assembly, Invoicing and Delivery Management.

ProERP also offers complete visibility into, and control over, the business, through the provision of Business Information dashboards and Workflow and Alerts modules.

The ProERP Batch Control Module proved vital as it guarantees the integrity of the supply chain - a critical requirement for regulatory-compliance with the HPRA, Ireland's Health Products Regulatory Authority.

"It was clear from the demonstration I had of the ProERP system that it more than met our initial requirements and would facilitate growth. We had the added advantage of being one of the first users of the system, which enabled complete collaboration between ourselves and the Principal Logistics Technologies team."

Gerard Nugent.

Fast and Efficient Implementation

Following the decision to proceed with the project, a discovery period was set in motion and collaboration between the project team commenced in order to ensure the provision of a "best-in-class" software solution, configured to Merit Pharmaceuticals' needs.

Within a matter of weeks the system was delivered, installed and ready to use in the warehouse. It went live, upon commencement of trading, and has since proved integral to the entry, growth and success of Merit Pharmaceuticals in the Irish Pharmaceuticals Wholesale Industry.

Project Success

The success of the project enabled Merit Pharmaceuticals to serve over 20% of the potential Ireland market. The high levels of efficiency gained from ProERP has enabled the company to provide exceptional service and supply to all of its customers, delivering them complete commitment.

The scalability of the system - greater than 1 million sales order lines per 8-hour day - has also proved critical and will continue to be integral to the growth and success of Merit Pharmaceuticals. Most importantly, the system allows the company to combine HPRA compliance with the requirement for extensive agility, within the confines of a complex and dynamic industry sector.

In conclusion, Gerard Nugent commented...

"Due to ProERP's modular design we have the ability to mould the system to our changing needs. We find that we are able to configure ProERP to allow us to create new and exciting ways of presenting offers to our customers. Some systems considered just weren't flexible enough to be able to implement these initiatives. ProERP's capabilities allow us to keep one step ahead."