

»The TRM project eliminated a stubborn bottleneck. It gave us the flexibility necessary to respond quickly to changing requirements.«

Joachim Heyer,  
Head of Supply Chain Management, hameln pharmaceuticals gmbh



### Customer

- As a medium-sized contract manufacturer in the hameln group, hameln pharma produces parenteral pharmaceuticals for well-known pharmaceutical companies around the world. Based in the Weser Uplands region of Germany, the company has over 300 employees and specializes in the production of sophisticated painkillers and anesthetics.

## Suitable IT Solutions for Guaranteed Quality Medical Products

**Initial situation** Strict controls are placed on the production of parenteral pharmaceuticals. Lawmakers and customers have high standards for regulating the quality, reliability, and documentation of production processes. Companies must comply with the standards specified in European Goods manufacturing practice (GMP) directive. Regular audits by health ministries and authorities, such as the FDA in the U.S., are part of daily quality control procedures. These conditions require a transparent software solution that efficiently structures compliance with these requirements and ensures a high degree of precision when implementing processes.

**Efficient warehouse management using TRM** One weak link in the process chain to date has been the subsystem used in the warehouse to manage warehouse automation, which was unstable and required extensive maintenance. For this reason, hameln pharma decided to replace this inflexible system with a more dynamic and reliable solution in 2004.

The company chose to implement the Task & Resource Management (TRM) module. The module's range of functions and its close integration into the existing system environment were key factors in this decision.

To ensure the rapid and problem-free implementation of the project, hameln pharma went in search of an IT provider that had proven experience in the pharmaceuticals industry, was extremely familiar with the SAP world, and had logistics expertise. arvato systems was tasked with developing a solution that would enable interaction with SAP Logistics Execution System (SAP LES), a basic version of which had already been implemented, while also ensuring the seamless mapping of all logistics processes right down to the material flow level. A subsystem is no longer required to manage the high-bay warehouse. Commands for the internal warehouse transport system, which are communicated via an SPS S5, are distributed by means of a telegram level in SAP. arvato systems developed a monitor that enables failures in communication to be resolved from SAP.

»We were looking for a partner that was both familiar with the SAP world and would bring logistics expertise to the table. arvato systems provided us with excellent support, especially during the critical project phases.«

Joachim Heyer,  
Head of Supply Chain Management, hameln pharmaceuticals gmbh

**Challenges during implementation** In order for just-in-time deliveries to hospitals and healthcare pharmacies to be easily processed, the schedule for the test phase was adjusted to suit the company's distribution requirements. The installation test was scheduled to take place on evenings and weekends, and was implemented within a narrow time frame. The implementation phase took place alongside productive operations. This ensured that company's daily operations were not impacted and eliminated the risk of possible damage to the company's reputation if it had been unable to meet its delivery obligations.

**Result: Transparency and significant flexibility** The new logistics solution went live after just 5 months in July 2005; around 20 users are now working with the solution for warehouse, logistics, and goods management, as well as distribution. The launch of TRM is seen as a key project, as the solution optimizes material flow and logistics processes, thereby minimizing the security risk. This first step on the path to an integrated application infrastructure based on SAP products has improved quality across the entire company and ensures favorable audit results and certifications. The transparency of the solution also allowed the company's own IT team to assume responsibility for the further development and maintenance of the system.

**Customer benefits** In practice, the open-ended, flexible system meets all necessary requirements for quality and delivery assurance and provides a stable and secure platform that supports the company's further growth. This was borne out in the projects to modernize plants and in the expansion of the production facilities, which were put into operation at the beginning of 2008. New operational facilities were able to be integrated into the IT infrastructure by hameln pharma itself at no great cost.



## An Overview of the Case

### INDUSTRY

- Pharmaceuticals

### PROJECT

- Replace LVS/MFR with Task & Resource Management in the automated warehouse
  - Storage and retrieval machines in the high-bay warehouse with twice the storage space
  - Conveyor belts
  - Elevators
  - Traversing carriage
- Optimize the 'goods to operator' picking area combined with a pick-to-light system

### TECHNOLOGY PLATFORM

- SAP R/3
- SAP Logistics Execution WM and TRM
- Siemens S5-SP5

Any questions? Please contact us.

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