



### **PRESS RELEASE**

# DAIICHI SANKYO optimizes European Logistics Processes with the Help of IDS Scheer AG

- Standardization of logistics processes and implementation of a SAP template in 12 European affiliates
- Implementation of a centralized replenishment process
- Direct integration with logistics service providers

Darmstadt, April 26, 2010 – Recently acquired by the Software AG Group, IDS Scheer AG successfully supported DAIICHI SANKYO, a leading global pharmaceuticals company, in its efforts toward process standardization and introduction of SAP logistics functions in all of its affiliates across Europe. Over a mere 13 months, they introduced SAP in 12 subsidiaries in the sales and materials management areas, while implementing an automated interface to centralized logistics service providers at the same time. This was a substantial step forward for DAIICHI SANKYO in standardizing logistics processes throughout Europe and establishing a transparent value chain.

DAIICHI SANKYO is a leading global pharmaceuticals firm that is currently counted among the top three pharmaceutical companies in Japan as well as among the top 20 worldwide. Its research and development activities focus primarily on cardiovascular diseases, diabetes and metabolic diseases as well as bone and joint ailments — all of which are fields that are projected to see strong growth in the future. Elements of DAIICHI SANKYO's growth strategy include harmonizing its European supply chain processes, improving transparency and data quality in the logistics area as well as a centralized inventory control. And thanks to the support of IDS Scheer AG, DAIICHI SANKYO is a great deal closer to its goal.

With the help of IDS Scheer consultants, the company implemented the SAP SD (Sales and Distribution) and MM (Materials Management) modules in all 12 European subsidiaries as well as established an XI/PI interface with a central logistics service provider — all in just 13 months. Key features of the project include:

- Centralized definition of supply chain processes and their supporting SAP functions
- Accomplishment of an on-site analysis to evaluate local differences in processes as well as legal conditions and requirements
- Definition of relevant processes: procurement, goods receipt, order entry, delivery, warehouse management, contract manufacturing
- International availability in the following countries (in order of implementation): France, Spain, Switzerland, Austria, Great Britain, Italy, Portugal, Turkey, Ireland, Belgium and the Netherlands
- Electronic interface towards the logistics service provider and implementation of outsourced processes in individual countries
- Linking to local wholesale platforms for automated order entry
- Validation of the system with respect to legal requirements for the pharmaceuticals industry





Thanks to the commitment and expertise of the team, which was comprised of IDS Scheer consultants and DAIICHI SANKYO employees from their European headquarters and subsidiaries, this complex project was completed on its ambitious timetable and kept within budget. With this foundation in place, the company can now utilize central replenishment to further reduce inventories and save costs.

Prior to this project, the company undertook a full SAP implementation — also with the support of IDS Scheer AG — for its European headquarters in Munich and its central production location in Pfaffenhofen. It also implemented Financial Accounting and Controlling (FI/CO) modules to standardize its European bookkeeping processes as a basis for consolidating all of its European financial data in accordance with international financial reporting standards (IFRS).

Now DAIICHI SANKYO has standardized processes for all of Europe and a comprehensive, cuttingedge SAP system, which will enable them to reduce inventories and optimize processes to substantially reduce costs.

###

#### **About DAIICHI SANKYO**

DAIICHI SANKYO ranks among the top 20 pharmaceutical companies worldwide and employs more than 15,400 people. Located in Munich, DAIICHI SANKYO Europe GmbH is responsible for managing and coordinating business activities in all of Europe. 2,400 employees in 12 different European countries market DAIICHI SANKYO'S products.

Their therapeutic focus centers on cardiovascular diseases, diabetes and metabolic diseases, bone and joint ailments, infectious diseases as well as cancer and allergies.

#### **About IDS Scheer**

IDS Scheer is part of the Software AG Group and a leading provider of Business Process Management (BPM) software, solutions and services for corporations and public organizations worldwide. With the ARIS Platform for Process Excellence, the company offers an integrated, comprehensive solution portfolio for the strategy, design, implementation and controlling of business processes, allowing companies to continuously improve their overall business performance. Utilizing the ARIS Value Engineering (AVE) approach, IDS Scheer consultants bridge the gap between corporate strategy, business processes, IT solutions and process controlling.

## **About Software AG**

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first <u>B2B</u> server and <u>SOA</u>-based integration platform, webMethods.

We are unique in offering the world's only end-to-end - and easiest to use - <u>business process management (BPM)</u> solutions, with the lowest Total-Cost-of-Ownership. Our industry-leading brands, ARIS, webMethods, Adabas, Natural and IDS Scheer Consulting, represent a unique portfolio for: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

Software AG had revenues of € 847 million in 2009 and has more than 6,000 employees serving 10,000 enterprise and public institution customers across 70 countries. Our comprehensive software and services solutions allow companies to continuously achieve their business results faster. The company is headquartered in Germany and listed on the Frankfurt Stock Exchange (TecDAX, ISIN DE 0003304002 / SOW).

Software AG - Get There Faster

Software AG | Uhlandstraße 12 | 64297 Darmstadt | Germany Detailed press information about Software AG including a picture and multimedia database are available under: <a href="https://www.softwareag.com/de/press">www.softwareag.com/de/press</a>

Contact:

Paul Hughes <paul.hughes@softwareag.com>
Director Media Relations
Telephone +49 (0) 6151-92-1787
Fax +49 (0) 6151-92-1623

Norbert Eder < Norbert. Eder@softwareag.com > Vice President Corporate Communications
Telephone +49 (0) 6151- 92-1146
Fax +49 (0) 6151- 92-1444