

A graphic element consisting of several bright, overlapping lines in shades of orange, yellow, and blue that radiate downwards from the top center of the slide, creating a starburst or comet-like effect.

**F A R O N**

# **MANAGING THE COMPLICATED SUPPLY CHAIN - SMALL PHARMA STYLE**

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*Strictly private and confidential*

# FARON PHARMACEUTICALS LTD.

## Subtitle

- Biopharmaceutical company developing novel treatments for medical conditions with significant unmet needs
- The company currently has a pipeline focusing on acute organ traumas, vascular damage and cancer immunotherapy
- Working as virtual company concentrating on science behind the products/drugs
- Successfully conducted several clinical trials (phases I to III) and plans to grow to global markets within next years
  
- Located in Turku, Finland
- Number of Faronians 25 people (wide job descriptions)
- AIM listed company

# TURKU ON MAP



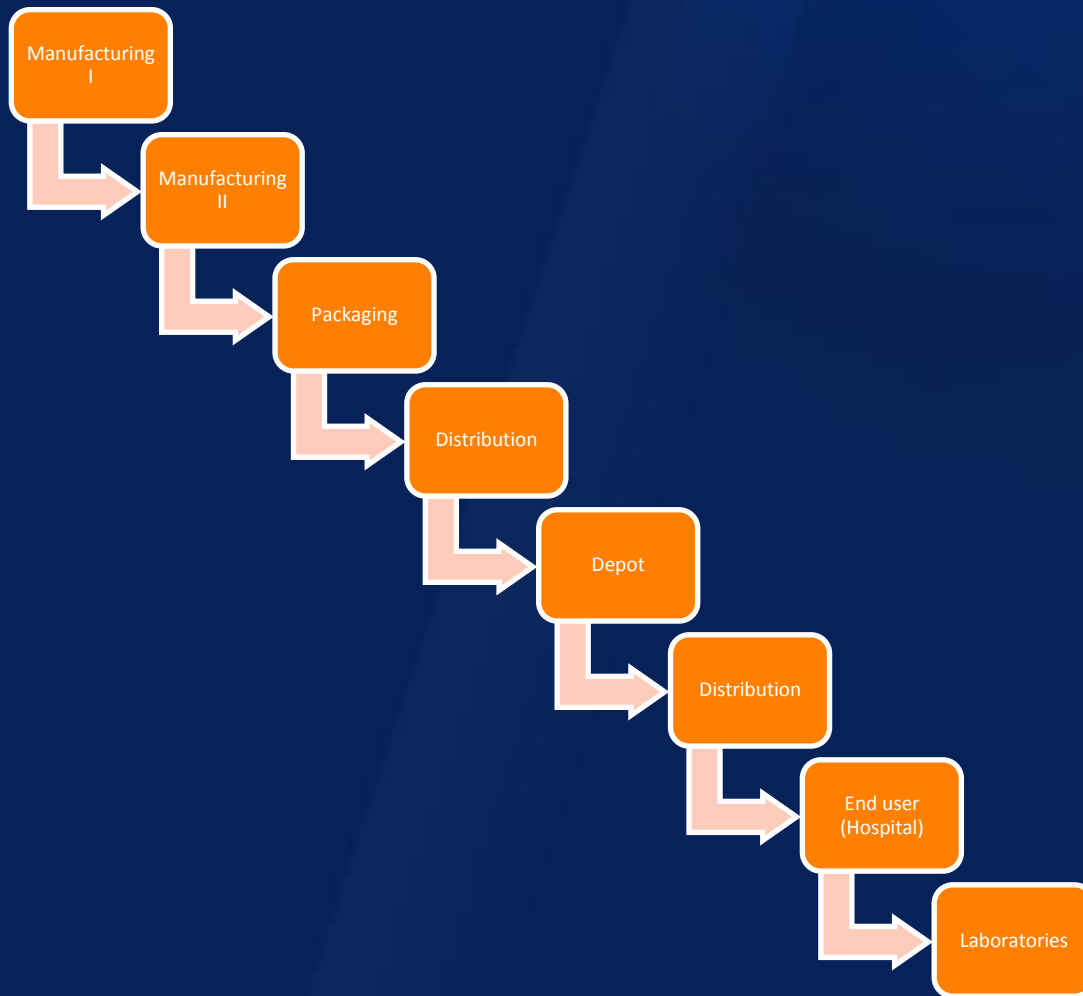
# FARON'S ITEMS

## Subtitle

- Drugs: biological drugs (long lead times, high production costs) to be used in hospitals
- Patient samples: unique blood, serum and biopsy samples from hospitals to laboratories
- Storage and shipment conditions:
  - Drugs: 2- 8 °C
  - Samples: From ambient to -70 °C
- Delivery needed within 24/48 hours
- Strict requirements for documentation
- Locations:
  - Within EU
  - Between EU and UK
  - Between EU and US

# FARON'S SUPPLY CHAIN

Subtitle



# TECHNICAL CHALLENGES IN SUPPLY CHAIN MANAGEMENT

Subtitle

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- 1 Documented cold chain and expedited shipments needed throughout the supply chain
- 2 Restricted drug availability and short shelf lives
- 3 Country-specific pharma requirements and processes in distribution and sales. Differences in customs requirements in different countries. IOR needed.
- 4 Every sample is unique. Their value from scientific point of view is priceless.
- 5 There are several items “travelling” in the supply chain to different directions: products, information, money

# STRATEGIC CHALLENGES IN SUPPLY CHAIN MANAGEMENT

Subtitle

- 1 To find the right partners to get everything running smoothly. We are not buying only (logistic) services but also expertise.
- 2 Effective management of wide network
- 3 Implementation of Faron's strategy throughout the network

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# FARON'S SOLUTIONS

Subtitle

- 1 Careful selection of service providers. Discussions with personnel really conducting the work not only with BD people.
- 2 Building-up the atmosphere in which the open, quick and honest communication is possible. It is all about the people.
- 3 Readiness to test new solutions and service providers. Encourage to change chosen ones if needed.

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# LOGISTICS/SERVICE PROVIDER'S SOLUTIONS WHEN WORKING WITH FARON

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- 1 Tailored service case-by-case
- 2 PMs trained to serve different kind of customers
- 3 Every shipment has an owner who receives the request and manage it through the whole supply chain
- 4 With (flexible) document templates and ordering system it can be confirmed that all needed information is in place
- 5 Honest evaluation if the work needed is in the scope of the company

# COMMENTS FROM FARON'S SERVICE PROVIDERS

## Subtitle

- "Small company requires an increased project management support to provide expertise. However that means that much stronger relationships can be built. The successful expertise and guidance through to project completion (as a CMO or CRO) gives the trust to support future projects."
- "With larger companies, they internally have set processes & SOPs, meaning they are looking for a provider to fit into their processes. This gives less scope to modify and optimise the relationship to the main point of contacts (project management). As less guidance is needed, trust in partner CMO/CROs is based more on metrics & KPIs."
- "An effective way to ensure the correct match of supplier project management is to tell the supplier what you expect from them at RFP stage. If you let them know the key aspects you expect (communication & expertise), they can then find an appropriate individual to be your PoC (Point of Contact)"

# COMMENTS FROM SERVICE PROVIDERS

## Subtitle

- "Ability to give and receive feedback is crucial to both sides of the relationship. As a customer good AND constructive feedback helps build the cooperation. In addition, as a customer ask for feedback on what you could do to help the supplier. There are usually areas that both parties can refine to improve communication."

# MY PERSONAL SOLUTIONS TO MANAGE COMPLICATED NETWORKS

Subtitle

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- 1 To create personal relationship with representatives of service providers. When they know you, they want to help you. "Management by person"
- 2 To share the big picture behind the work. We all are working together to get life-saving drugs to the very ill patients
- 3 On-line communication - we are always available and reachable to get work done also when challenges are faced

# CHARACTERISTICS OF BEST SERVICE PROVIDERS

Subtitle

- 1 Good, proactive attitude. Dedication for each task/work/shipment.
- 2 Quick, open and honest communication
- 3 Latest knowledge and willingness proactively to share it
- 4 Competitive pricing

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**THANK YOU!**