



The Trusted Platform for
Business Spend Management

MIRATI
THERAPEUTICS

Providing a Prescription for Financial Health

MIRATI MAKES A THERAPEUTIC INVESTMENT



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BETSY GELFAND
VP Finance, Mirati

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1,000
invoices a month with few exceptions



SUSTAINABLE ACCELERATION

Founded in 1995, Mirati Therapeutics is a clinical-stage biotechnology company whose mission is to discover, design and deliver breakthrough therapies to transform the lives of patients with cancer. Headquartered in San Diego, Mirati has grown very quickly in recent years having listed on NASDAQ in 2013.

In 2020, Mirati appointed Betsy Gelfand as its new VP Finance. "When I joined Mirati, I quickly realized how significant our growth was," she says. The organization was spending close to \$40 million every month with a procurement process that was effectively manual.

"I started seeing some financial statement risk around not understanding what items were coming through the door for our scientists and not having appropriate approvals," she says. "Furthermore, the traceability of those items on the procurement side and then on the payment side was very manual. With the growth that we were experiencing, it was time for us to graduate a little bit."



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Mirati's Director Procurement Dave Keizer concurs, "We were using four different systems that weren't talking to each other: a requisition system, a contract system, our ERP system and procurement."

The procurement team was issuing blanket POs for Mirati's scientists. Who, in turn, would place orders directly with Dave. These orders would come in via email, telephone, chat, face to face, or via the requisition system. Dave would then visit a variety of e-Commerce sites to place orders.

"We had no visibility for scientists as far as immediate availability or pricing. I also needed to keep everybody aware of when materials were coming in. End materials would land on our dock, and we had to connect those materials to the right scientists," he says.

Data silos are far from ideal at any organization, but can threaten the health of a life sciences company. They prevent scientists from quickly getting the materials they need to save lives. These silos can make it difficult to prepare for the next stage of growth, such as clinical trials or an acquisition.

Mirati, in common with most other successful life science organizations, was running very lean on the BUs outside its core areas of R&D and science. The small accounts payable team was touching every single invoice and was already processing over 1,000 invoices per month.

“ With a click of a button, I can see how many invoices are processed every week, how many are past due and what's out for end-user review. This allows me to evaluate the bandwidth of my AP team at any given moment. ”

PUNCH AWAY MANUAL PROCESSING

"We hired a consultant to come in and evaluate our system and what our long-term growth looked like," says Betsy. The consultant determined that NetSuite was the right place for Mirati to go to solve its ERP headaches. "Coupa was our next decision. The integration between Coupa and NetSuite is seamless so that was an easy decision to make," says Betsy.

The primary reason for going with Coupa was its punchout capabilities. "When you look at the different vendors that are out there and some of them say they have punchout, but it's not really a punchout. Coupa's punchout capability is extremely strong and was one of the strongest ones that we saw when we were evaluating different providers," she adds. This integration of accounting and procurement has enabled Mirati to automate its ordering process, massively reducing the need for manual data entry.

"Coupa was the one that checked all of our boxes, other providers could check a couple and then maybe the other one was like a half a checkmark," says Betsy.



WINNING OVER INTERNAL STAKEHOLDERS

Building a business case was a matter of winning over three distinct stakeholder groups: The executive leadership, the implementation team and the end users. Of the three groups, the leadership team was the most straightforward. The financial statement risk was a strong incentive for this audience according to Betsy, in addition to the fact that using Coupa promised to deliver efficiencies that would enable Mirati's finance and procurement team to do more with less, and scale at pace.

For the implementation, which included both Coupa and NetSuite, Mirati opted to lighten the load on internal employees by bringing in a specialist contractor. "I highly recommend this approach. Implementing both at the same time had the potential to be quite overwhelming, but we did it very successfully. I think part of that is because we had an outsourced project manager who was completely dedicated to the project," says Betsy.

Winning over end users though posed a different set of challenges. Once they could be shown the benefits of the solution in terms of ease of use, visibility into prices and availability, and the amount of time it would save them, it would be simpler. But change management is a big challenge during any implementation.

Mirati identified scientists on the teams who could become Coupa Champions. "We got them on-board early, shared a sandbox environment, demonstrated the punchout capabilities, and the real time visibility into inventory. They even saw pricing, which they'd never seen before," adds Dave.

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Procurement was scaled without additional headcount despite 2.5X employee growth.

DELIVERING AN ADVANTAGE

The benefits to the business are clear. For procurement, Coupa delivers real time visibility on spend, and much tighter controls over invoicing. But one of the big wins for Mirati is the three-way matching. “To have a touchless process of the PO, the receipt, the invoice and not having to send messages out to VP level personnel for low dollar invoices to approve to confirm materials that come into the dock, was a big win for us for sure,” says Dave.

The punchout capabilities have also lived up to expectations and one of the chief benefits of this for buyers is the ability to check for availability. If something is out of stock, which can often be the case due to supply chain issues, a buyer can quickly and easily punchout to new suppliers. “We have eight punchouts setup now and I’m lining up to add at least another eight down the road. We’ll have everything from Office Depot to Fisher Scientific to Sigma and other groups,” says Dave.

“I think the other piece that we didn’t realize was going to be a benefit is that the system has key performance indicators, and the reporting functionality within Coupa

is very robust,” adds Betsy. “With a click of a button every week I can see how many invoices were processed, how many are past due, how many are current, and what is out for end user review. I can quickly evaluate the bandwidth of the accounts payable team through the reporting.”

Before Coupa, finance and procurement processes couldn’t keep up with rapid growth, there was a lack of visibility into spend that led to financial statement risk, and manual AP and procurement processes were prone to error with excessive follow-up. Today, procurement has scaled without additional headcount despite 2.5X employee growth; invoice traceability has created greater visibility into spend; and a two-person AP team now manages 1,000 invoices a month with few exceptions, thanks to nearly touchless procurement and payments processes.

It is early days for Mirati and Coupa, but with masses of positive feedback from end users, the anecdotal evidence suggests that Betsy and Dave have put the pieces in place to eliminate financial risk, grow the business sustainably, and improve the working lives of hundreds of colleagues.

About Coupa

Coupa is the cloud-based Business Spend Management (BSM) platform that unifies processes across supply chain, procurement, and finance functions. Coupa empowers organizations around the world to maximize value and operationalize purpose through their business spend.

Coupa's community of 3,000+ customers use the platform to maximize the value of over \$4T of direct and indirect spend to date.

For more information, visit coupa.com.



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