



Ionis Pharmaceuticals expands its Coupa footprint and doubles the number of suppliers worldwide

Industry: Life Sciences

Geographies: North America

ERP: Microsoft Dynamics 365

Challenges

- Manual, duplicative data entry intensive processes
- Inefficient vendor onboarding
- Limited visibility into payment status

Solutions

- Coupa Supplier Information Management
- Coupa Pay

Results

- 56% of invoices are processed digitally, with only a handful left in the ERP
- 96% of invoices and over \$200M of spend is processed through Coupa
- >85% 'on time' payments
- 6x reduction in requisition cycle time, from 19 days to just three
- Digitized supplier management

Ionis Pharmaceuticals is a leader in RNA-targeted drug discovery and development. It has created an efficient, broadly applicable, drug discovery platform called antisense technology that can treat diseases where no other therapeutic approaches have proven effective.

As a fast-growing company, Ionis's Finance team had to deal with increasing volumes of invoices, payments, and transactions that needed to be processed. The Procure to Pay Team (PTP) knew that to be a facilitator of business growth it needed to modernize its manual, and paper-intensive processes.

To better manage its business spend on a global scale across the entire procure-to-payment lifecycle, Ionis deployed the Coupa Business Spend Management (BSM) solution. This enabled Ionis to achieve paperless purchasing and significantly increase operational efficiencies. For example, Coupa helped Ionis handle a more than 2x increase in the number of invoices and requisitions per year, as the invoice volume jumped from 13,000 to 30,000.

When Ionis, which now consists of 10 legal entities, took its wholly owned subsidiary Akcea public in 2017, Akcea quickly began opening more offices to prepare for commercial operations. This presented immediate challenges for AP and Purchasing as it began onboarding twice as many suppliers across the US, Canada, and Europe.

"For AP and Purchasing, opening global offices and having international operations was kind of like the scene from "Harry Potter and the Sorcerer's Stone" where the envelopes come flying in through the door. It was obvious to me that our payment processes had to be fixed quickly," said Carrie Albrant, former Director of Accounting at Ionis.

96% of invoices and over \$200M of spend processed through Coupa

Before implementing Coupa Pay, Ionis manually processed a significant portion of its 15,000 annual payments through its enterprise resource planning (ERP) system, paying about 50% of its US vendors by paper check.

"We had tons of new suppliers and lots of new payments that had to be made by wire. While we could do checks by ACH fairly easily, wire transfers were a problem. They required us to run a payment batch and then manually type payment details into our bank's website," Carrie said.

With the need to now onboard 1500 new suppliers annually, Carrie and team took the initiative to work with Coupa to eliminate manual data entry for payment batches, digitize reconciliations, and help ensure that the status of each payment was immediately available internally and to suppliers.

At the time the team went to implement Coupa Pay, Akcea was changing its bank in Europe, which could have resulted in more manual processes. By deploying Coupa, Ionis avoided sending files back and forth and manual reconciliation of payment settlements.

"What I love about Coupa Pay is that the exchange rate is right there. Whatever we pay is the exact amount that flows through our general ledger (GL). We don't have to reconcile exchange differences later and we no longer have duplicate payment issues. Suppliers are happy and our accounts payable (AP) team is again perceived as providing quality service to the organization," she said.

After implementing Coupa's digital payment solution, Ionis has virtually eliminated the manual payments process, increased operational efficiency, and significantly reduced errors. Coupa Pay provides Ionis with greater visibility and control.

From manual to automated supplier onboarding through supplier information management

Despite all the benefits of digital procurement, the Finance team was still challenged to keep up with the company's continued growth. "In just one year, the company jumped from working with 700 to 1,500 suppliers, and there simply weren't enough resources to onboard all of those suppliers manually," said Carrie.

Another challenge was paying suppliers on time. As David Mohr, Executive Director of Purchasing at Ionis, said, "When the Akcea acquisition was completed, we had an "aha moment" - onboarding was a real problem, as we didn't always collect complete information so payments could be made. We needed to move from being reactive to proactive, and that's when we decided to expand our partnership with Coupa and implement its supplier information management solution.



“ Without Coupa, we definitely would have had to increase our headcount. ”

– Carrie Albrant, Former Director of Accounting

"Digitizing supplier management helped us connect the dots with our ERP system. Now everything is in the system, whereas before we were filling out PDF forms that were often stored separately from the related W-9 form. Now supplier information is all housed within Coupa, which is our single source of truth. So it makes it a lot more efficient when we need to find information," said Carrie.

David added, "Our IT group worked with Coupa to integrate it so supplier information flows automatically to our ERP and doesn't have to be re-entered manually. Since implementing supplier management, we've automated many manual processes, which is a huge improvement for us, and data accuracy has increased."

Letting suppliers manage their information via self-service saves time for AP by reducing manual work and eliminating failed transactions due to outdated supplier banking information. In addition, the move to digitize the management of sensitive banking information provides a safeguard against common fraud schemes and helps to harden critical Ionis controls.

Achieving goals and influencing culture

With a unified, seamless process in place to streamline supplier on-boarding, P2P, and payments, the team was able to eliminate almost every manual process. As a result, 96% of invoices are processed digitally, with only a handful left in the ERP. The team has also greatly improved efficiency, slashing requisition cycle time from 19 days to just three - a 6x improvement, while improving 'on time' payments to >85%.

Ionis' procure-to-pay process is now well-equipped for future growth, thanks to automating supplier onboarding and payments for multiple payment methods through Coupa Pay. The team has also reduced errors by implementing consistent processes. "We finally get all the information we need up front, instead of it trickling in," said Lori Barlow, Assistant Director of Purchasing. "We realized with the right processes, we could serve constituents and suppliers more efficiently."

It took a few weeks, but the Ionis constituents warmed up to the changes. "Some people were hesitant because they were used to the freedom of buying first and telling us later," Lori said. "But they immediately saw the benefits when suppliers got paid faster and with fewer mistakes. AP has helped improve supplier relations and gained more trust throughout our organization," Lori added.

Carrie said the new processes enabled the team to eliminate the friction that previously existed between Finance and other teams across the Ionis organization. It also helped Finance to influence the corporate culture while aligning to the company's core principles, which reflect its company spirit: scientific excellence, hard work, creativity, and diversity. "Ionis emphasizes collaboration and mutual respect. Coupa has definitely helped Finance to achieve that with our constituents," said Carrie.

What's Next?

Ionis credits Coupa's ease of use, continuous improvement mindset, and holistic approach to the team's success. Ionis also rolled out Coupa Pay's virtual card program in January 2021 and plans to expand adoption of this program across its entities giving the team another tool to manage their spend and payments.

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