



Industry: Life Science

Geographies: Global

Coupa Solutions:

Coupa Procurement

Coupa Contracts

ERP: IFS

Results

- 70% reduction in PO cycle time, accelerating drug discovery process
- 50% of purchases are now self-service, with the goal of 80% by year-end
- 120,000+ purchase requisition line items processed annually, growing 25% annually
- Procurement focuses on strategic category management, not processing tactical orders

Biotech Leader Spends Smarter to Fuel Growth and Accelerate R&D

Evotec is a drug discovery alliance and development partnership company that works with leading pharmaceutical and biotechnology companies, academics, patient advocacy groups and venture capitalists. To fuel its innovation and rapid global expansion, Evotec needed to:

- Speed up procurement of millions of compounds to ensure scientists have what they need when they need it
- Accelerate the integration of newly acquired companies and new locations
- Increase the ROI of its spend to get more value from every investment

Evotec executives entrusted global supply chain leader Marcos Escuder with developing a vision and plan to achieve these business-critical goals.

The Challenge: A Biotech Environment that Changes in a Nanosecond

No two days are the same in the drug discovery world of Evotec. Continually changing projects, compounds, and teams makes it difficult, to say the least, to get millions of evolving compounds into the hands of the right scientists at the right time:

- Rapid expansion to new locations and at least 1 merger or acquisition per year meant scientists were frequently shifting across projects and labs
- Rapid innovation resulted in a continual influx of new compounds to be sourced across Evotec facilities
- A rigid, non-user friendly ERP couldn't keep catalogs updated, and it was difficult for scientists to shop from and order the compounds and supplies needed

Marcos knew that gaining buy-in from the board for a new way of doing things would require him to show how transforming Evotec's spend management processes would achieve two key business outcomes:

- Increased operational speed to better support scientists and accelerate the drug discovery process
- Significant ROI and increased operational efficiencies through automation to enable the company to cost-effectively scale for growth

New Approach: "Discovering" New Ways to Manage Spend in Just a Matter of Months

The path to spend transformation success required "discovering" innovative ways to spend smarter. Critical new capabilities include:

- **Process automation to speed-up drug discovery while scaling the back office.** Evotec is a fast-growing company, with a rapidly-changing portfolio of projects and customers, where demand for compounds and lab supplies fluctuates and at the same time needs to be fulfilled quickly. This dynamic environment results in a high volume of purchase requisitions and an ever-expanding product mix. However, with Coupa, supplier onboarding is fast and frictionless. A highly diverse set of supplier catalogs are seamlessly hosted and dynamically updated, creating an Amazon-like shopping experience that makes it fast and easy for scientists and all Evotec employees to shop for and order what they need, then quickly get back to the project at hand.
- **Quick and Easy Approvals with the Right Oversight Where Needed.** Pre-negotiated categories of product and services allow any employee to self-approve spend based on appropriate approval limits. Items above these thresholds are processed through intelligent approval chains, where managers and executives at any level now make fast yet informed approval decisions from their mobile devices without ever needing to leave their email inbox.

"The purchasing process is simplified and accelerated for our scientists, who quickly buy what they need from an always up-to-date, digital marketplace, and then get back to their project at hand to help bring new therapeutics to market."

— Marcos Escuder,
EVP, Head of Global Supply Chain




- **Harmonized and Blueprinted Processes.** For a fast-growing company, having a harmonized procure-to-order blueprint across all locations helps Evotec move faster, consolidate purchasing power and identify savings to reinvest in R&D.
- **Working from Home—Without a Hiccup.** A digitized purchasing process has made working from home a snap for everyone at Evotec with zero process disruption. This new working model is the new normal. The digitally-transformed spend management processes has made it seamless for Evotec to operate and continue to efficiently grow their business further even with employees working from home.



Spending Smarter to Grow Smarter

Previously, the procurement team spent the majority of their time on tactical, manual order management. Now that every employee has self-service access to purchase the approved goods and services they need, all with the appropriate amount of oversight, procurement can focus on strategic category management in areas that will materially benefit the organization and drive savings for the company. This strategic, rather than tactical, work has changed the company's perception of procurement, who is now seen as a key business partner and resource to help Evotec scale and grow.

The time to onboard and train new scientists to purchase products has been reduced by 6 months. Scientists and all other employees are instantly onboarded and can easily purchase what they need.

A robotic arm is shown in a laboratory or industrial setting, with various components and wires visible. The background is slightly blurred, focusing attention on the arm.

“Bringing newly acquired companies into the fold has never been easier, thanks to Coupa. Now we have full visibility and consistent control across all of our locations, allowing us to maximize purchasing power while scaling for growth.”

— Marcos Escuder, EVP, Head of Global Supply Chain

The business spend transformation results achieved by Marcos and his team have been felt by Evotec company-wide by:

- Speeding-up lab operations with 50% of purchases now self-service, giving scientists more time to spend on drug discovery.
- Enabling the procurement team to focus on strategic category management to identify savings to fuel company growth.
- Automating spend management processes with a 70% reduction in PO cycle time, increasing operational efficiency across the company to scale the business while keeping costs in check.

