

# Kela

## ABOUT KELA

KELA exports its health care and pharmaceutical products for both livestock and companion animals to a vast number of countries all around the world. It has grown to become a prominent pharmaceutical company, building a solid reputation for its high-quality products and innovative research and development.

Still a family owned business, more than 70 years of manufacturing experience have resulted in high standard production capabilities enabling KELA to handle complex manufacturing processes and Galenical presentations based upon natural rather than synthetic components. Their product range, over 200 products, encompasses powders, tablets, ointments and injectable solutions and suspensions.

KELA has an excellent team of highly qualified scientific staff for the development of new and innovative products. This team co-operates closely with several European institutions and the Veterinary Department of Ghent University. The team's experience and knowledge ensures outstanding product quality and Good Manufacturing Process (GMP) compliance is consistently achieved.



## HIGHLIGHTS

- Standardised ERP system across the organisation that supports compliance needs
- Transparency of operational activity and increased reporting capabilities
- Confidence in the ability to meet regulatory challenges of the pharmaceutical industry
- Transition from old to new in a single move, without disruption of operational activity.

## PROMINENT PHARMACEUTICAL COMPANY IMPLEMENTS SAP ERP FOR THE DEVELOPMENT AND PRODUCTION OF ITS HIGH-QUALITY LIVESTOCK PRODUCTS

### CHALLENGE

With their constant focus on high standard production capabilities for complex pharmaceutical manufacturing processes, KELA recognised the need to ensure compliance with strict, regulatory standards.

*"There was an increasing pressure from the regulatory authorities, saying that in the pharmaceutical industry, everything that you do must be validated," states Bart Lavrysen, Chief Financial Officer, KELA Group. "This related not only to our production processes and quality control systems, but also the use of IT systems that supported our operation."*

*"We are an organisation focused on the production of high-quality pharmaceutical products," continues Bart. "But we had developed in-house an enterprise resource planning (ERP) system. This system was coded using RPG and ran on an IBM AS400 platform. We had a small IT team, and our IT Manager, who developed the in-house system, was soon going to retire."*

*"KELA had the option of beginning a GMP compliance validation process for our existing IT systems," explains Bart. "We recognised that this would not be possible with the resources available to us and so decided to find a brand-new ERP system."*

## SOLUTION

KELA embarked on a search for a suitable ERP system and implementation partner.

*"We are family-owned company that has grown, but we are still a medium sized enterprise," says Bart. "We did not have a substantial IT department, so, were pragmatic about what we could do. We knew that we would have to replace our existing system completely, in a 'big bang' implementation. Our priority was to ensure the new system would enable us to continue doing what we needed."*

*"When we studied the market for solutions for the pharmaceutical industry, we quickly saw that very few providers offered what we needed," says Bart. "We came up with 3 possible systems, one of which was SAP. We did a first comparison, and quickly realised that it came down to how the service companies could demonstrate and evidence how the solution they offered could do what was required."*

*"SOA People was able to convince us they understood what we needed," continues Bart. "They showed us a case study of a similar project that they had done for a pharmaceutical company that demonstrated their knowledge, expertise and passion for what they do. We also felt that in terms of resources, we needed a solid, larger service partner to work with. Not many companies could offer what we needed locally, in Belgium. Their proposal was realistic and cost-effective. The combination of SAP and SOA People came out best."*

The implementation began in the knowledge that transitioning from the existing in-house systems to the new SAP ERP system needed to be completed in a single step.

*"We had a good start to the project," says Bart. "A great kick-off, with everything run professionally, as we expected from a company doing this type of work, helping to inspire performance. SOA People introduced the team that would work with us to define our processes and develop the blueprints. The ability of a consultant to describe a process and guide the team, in a certain area of SAP, is fundamental from beginning to end. With SOA People, they worked with us to explain, and sometimes convince, for a change in working processes."*

*"Compared to before, we now have a completely integrated system," says Bart. "Entry of a single piece of data is used throughout the system, through the whole process. We have found that the system must be fed more than before, so we have not reduced the number of people working in it, but what we have got is a far more intelligent system. For reporting and production planning there is much more transparency. For*



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*example, we can now see production variances. This transparency is one of the biggest benefits that we have realised, and that is making us more efficient."*

*"We wanted the new system to enable us to continue as before operationally, but now with GMP validation," explains Bart. "We are running smoothly, so now we can realise the benefits of SAP. It is a gradual process, and SOA People are working with us to improve what we do. We are looking to see what intelligence we can get out of the system, and what can benefit us over what we had before. The system allows our people to have complete visibility of what they are doing. For example, in terms of purchasing. Their experience has been that this gives them the information they need."*

## SUMMARY

*"SOA People has successfully supported KELA with its SAP ERP implementation that has helped comply with the regulatory challenges that they faced as part of the pharmaceutical industry," says Pascal Beyens, Chief Executive Officer, KELA Group. "In addition, SOA People has been a professional and constructive partner to work with, in every step of the project as well as the support after Go Live."*

## BENEFITS

**Supporting the organisation's regulatory compliance needs.** KELA now has a fully integrated system. Data is available throughout the system that supports all their process, and provides a far more intelligent system.

**Transparency of operational activity and increased reporting capabilities.** The SAP system has provided KELA with greater transparency and access to relevant, timely information. This has been one of the biggest benefits that they have realised, and is making them a more efficient organisation.

**Confidence in the ability to meet regulatory challenges of the pharmaceutical industry.** Implementation of SAP by SOA People has enabled KELA to achieve their regulatory GMP compliance obligations. This has supported their high standard production capabilities and complex manufacturing processes.

**Successful implementation with limited internal resources.** KELA is a medium sized enterprise without a substantial IT department. Working together with SOA People has ensured the smooth implementation of a new, GMP compliant solution, that continues to support their operational needs.

**Transition from existing system to SAP ERP.** SOA People has transitioned from the existing in-house system to the new SAP ERP system in a single move, without disruption of operational activity.

**Supporting management processes and decision making.** KELA is working with SOA People to improve the information and intelligence taken from system, to support decision making across the business, in areas such as planning and purchasing.

## TECHNICAL DETAILS

- SAP ERP ECC6.0
- 150 users
- SAP modules FICO, SD, WM, QM, PP