

# Fisher Scientific and Unity Lab Services Identify **Over \$787,000** in Supply Chain Cost Savings and 14,000 Hours in Increased Productivity

## The Situation

A large pharmaceutical research and development campus was under pressure to reduce operating costs and maximize productivity. The site had experienced long-term problems in accumulating excess inventory, impacting both its available space and safety.

## The Solutions

Fisher Scientific and Unity Lab Services performed an in-depth needs assessment at the site, focusing on the existing supply chain for laboratory supplies and chemicals. The assessment was designed to identify opportunities for improvement in the current supply chain and devise alternative methods that would result in a more efficient and cost-effective way to supply inventory. Unity Lab Services performed the following:

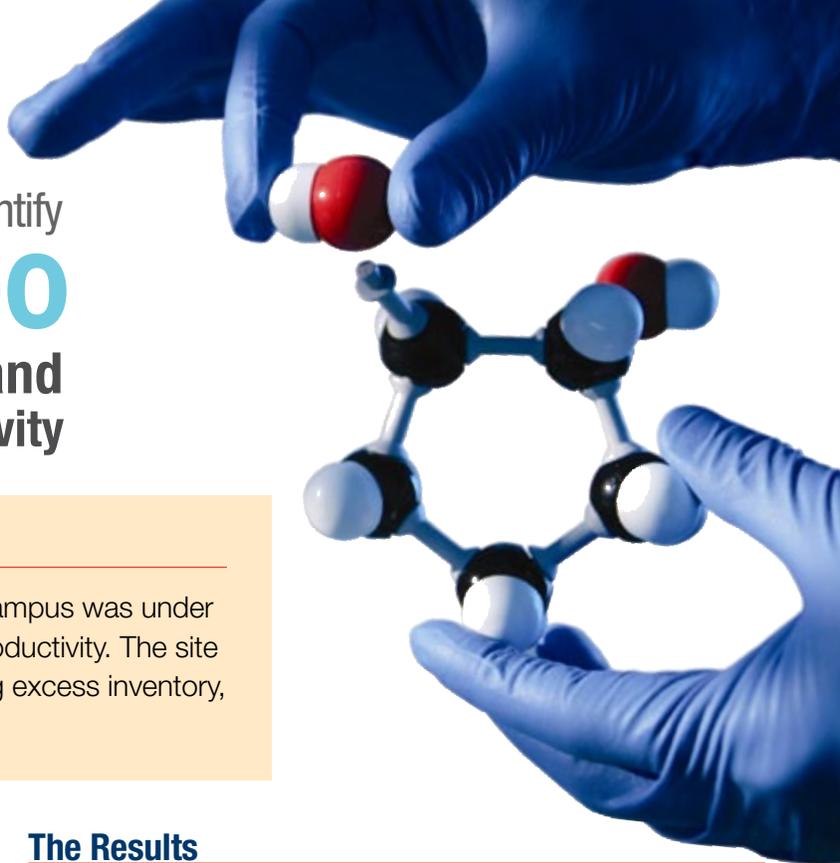
- Interviewed and surveyed more than 390 individuals
- Analyzed 9000 pieces of inventory
- Examined more than 125,000 lines of raw data, providing critical use data for impact analysis
- A cost model of current practices was developed that factored in several components of cost, including: ordering, freight, receiving, handling, space, inventory carrying costs, obsolete inventory and labor
- Multiple methods of managing inventory were modeled using actual financial data provided by the customer and Fisher Scientific-generated financial models
- Multiple laboratories were chosen with four identified key disciplines to create statistically relevant sample-sets. In all, more than 30 individual laboratories were surveyed

## The Results

Unity Lab Services confirmed that there was a significant opportunity to reduce working capital (inventory), while improving researcher productivity through enhanced supply-chain dynamics. In some of the laboratories surveyed, more than 80% of the inventory was considered in Static or Obsolete mode. Additionally, the Unity Lab Services consulting team quantified the time and costs expended at the site to support laboratory supply purchases, finding that 92% of all researchers were involved in some form of inventory management, averaging 2.2 hours per week.

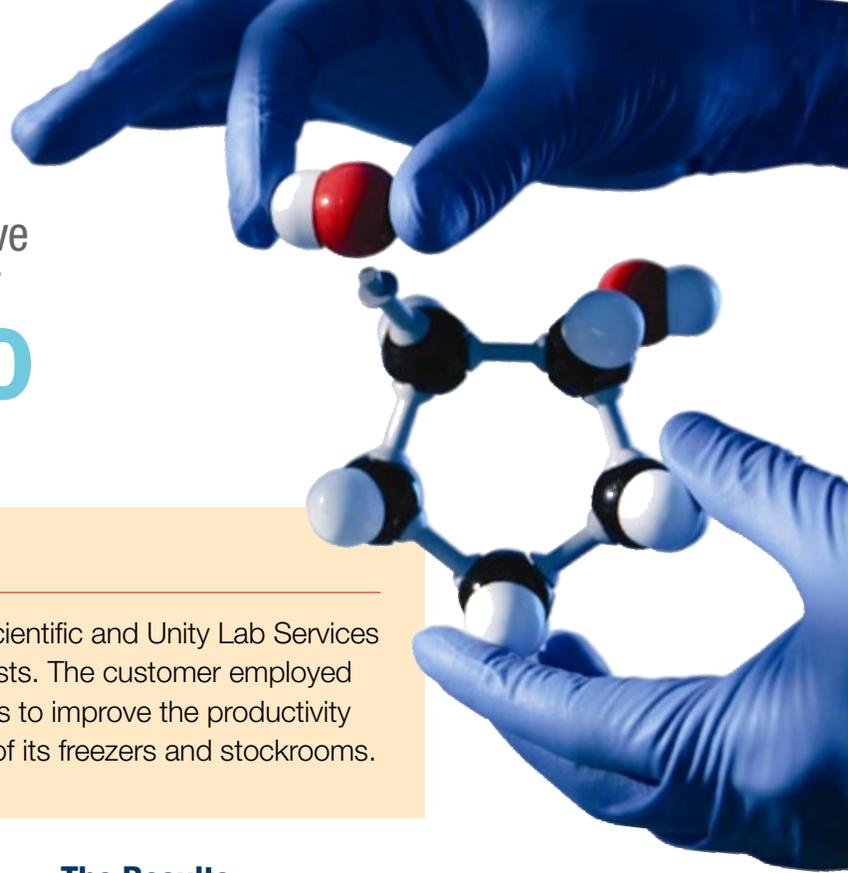
Through a financial modeling exercise, the Unity Lab Services consulting team was able to demonstrate that by using non-technical resources to support routine lab supply management and requisition processing, the site could reduce supply chain costs by \$787,000 per annum and achieve increased productivity from its researchers estimated at 14,000 hours per annum.

Fisher Scientific and Unity Lab Services helped to improve this pharmaceutical company's overall organization through a Pilot Implementation Program. This eight-week process identified pilot candidates based on historical data, and upon completion, became an ongoing supply program. By reducing redundant orders, eliminating waste and expired materials and creating a safer working environment, Unity Lab Services was able to improve the overall productivity and reduce costs.



Fisher Scientific and Unity Lab Services Save  
a large Pharmaceutical Research Company

# Over \$105,000 in Inventory Management Costs



## The Situation

A major pharmaceutical customer engaged Fisher Scientific and Unity Lab Services to assess opportunities for reducing procurement costs. The customer employed 450 research scientists at a single site. Their goal was to improve the productivity of these researchers by improving the management of its freezers and stockrooms.

## The Solutions

To assist the customer in reaching these goals, Fisher Scientific and Unity Lab Services performed an in-depth needs assessment, providing the following solutions:

- Two full-time Unity Lab Services Site Specialists to handle order management, including order entry, order follow-up, expedited orders, returns, etc.
- These Specialists also review orders for potential cost-savings opportunities for the customer. Once identified, the customer is asked to approve any savings opportunity prior to a change being made

“Fisher Scientific and Unity Lab Services keep our science running.”

- A Unity Lab Services Site Technician was placed onsite to manage several stockrooms and the CORE (Convenient Onsite REplenishment) freezer program, which automatically stocks, tracks and replenishes freezer contents

## The Results

- The site now supports 450 researchers with one buyer without hiring additional personnel, saving the customer more than \$80,000 in administrative labor costs
- Stockroom and CORE management saves the customer additional administrative costs and has eliminated lost/damaged and inventory carrying costs of more than \$25,000
- Order entry, order management and stockroom management services save the buyer and researchers time, which “keeps our science running.” One researcher reported saving more than eight hours per week in time spent on ordering and follow-ups
- Specialists provide additional cost savings on products through daily requisition review
- By signing up for glassware washing services, the client will continue to save additional labor costs

**Unity** Lab Services

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