



When game-changing integration technology helps deliver life-changing medical treatments

octapharma®

Company:

Octapharma USA, Inc.

Headquarters:

Hoboken, New Jersey

Founded: 2004

Industry: Pharmaceutical

Revenue: Privately held with more than \$650M in revenues (U.S.)

Employees:

110 employees (U.S.)

Business needs: Data transformation, MFT, EDI communications

Business Need

Octapharma is one of the world's largest human protein fractionators, developing and manufacturing both recombinant and human cell line therapies. Octapharma's product lines include therapies used to treat moderate to severe coagulation and immune disorders, many of which don't have cures.

A crucial part of Octapharma's business is ensuring these treatments are delivered to hospitals, treatment centers, doctors, pharmacies, and, most importantly, patients.

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The Challenge

Distribution is a critical business component for pharmaceutical companies, and being able to facilitate EDI transfer to support distribution was one of Octapharma's highest priorities. The company has to be able to reliably communicate with 19 distribution partners in the U.S., which includes sending and receiving data in multiple formats. The data also must help validate sales and distributor chargebacks, which are regulated by the FDA, and must be clearly documented to maintain compliance.

Octapharma USA had already used Cleo for the data communications piece but outsourced its EDI transformation to a value-added network (VAN) with a reputation for "seamless" EDI integration. However, the vendor immediately had challenges with completing Octapharma's transformation setup, and the migration project quickly stalled.

Octapharma didn't necessarily have a complex situation (averaging 44 data elements of content in a single EDI doc), yet the data transformation technology kept misfiring. This led to an astounding 40 percent exception rate that had the Octapharma team spending 20 to 30 hours a week manually fixing the supposedly "seamless" EDI transformation.

What was supposed to be a six-month migration project had no visible end 18 months in, and the time and effort to fix the issues were skyrocketing. Of its 14 distributors at the time, only five were in production after 18 months and the additional manual efforts to manage those trading partners finally came to a head. After the repeated errors, chronic issues, and incomplete and costly work, Octapharma was ready to bring its EDI transformation back in-house.



"We sell our products through GPOs (group purchasing organizations), and we sell through distributors, who sell to doctor's offices and private practices. There are lots of hands to deal with, and we realized we couldn't track it effectively, which is a problem when much of your business requires meeting compliance regulations."

— **Michael Donham**,
Director of IT for
Octapharma USA, Inc.



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The Solution

With aggressive growth ambitions, true automation had to be in place for Octapharma. The company had such a great experience using Cleo for communications that Octapharma didn't hesitate to tap further into the Cleo Integration Cloud for end-to-end B2B integration. The Cleo Integration Cloud data transformation solution delivered the data in formats that Octapharma's distributors required, and the integrated communications component reliably moved the data, eliminating the manual sorting of files downstream.

"Plain and simple, Cleo delivered. From project charter to launch to planning to execution, everyone performed admirably," Donham said. "Everything that was promised was delivered, and we completed the entire project in three months. That's a testament to the Cleo team, not just the technical experts but the project management and sales sides as well. I couldn't have asked for better, and my company got everything that we were looking for."

All of Octapharma's communications and data transformation functions are handled internally now, and Cleo solved such a major business headache for Octapharma that the company plans to explore further integration with different parts of the business, including sales operations, government contracting, finance, and also marketing.

"We want to partner with Cleo where it makes sense for our business," Donham added. "Going forward, we want to exhaust all of our opportunities for cost savings and expanded integration before looking elsewhere."

Octapharma found in Cleo a partner that delivered a reliable, cost-effective, and comprehensive business solution that will help the company continue to operate efficiently and within FDA compliance. And that means Octapharma can better help people all over the world receive the treatments they need to live better lives.



"The push has always been logistics and trading partners. Inventory control, stock management control, distribution, purchase orders/invoicing. That's what we do with the Cleo Integration Cloud (CIC), and Cleo handles all of our supply chain operations. We can handle our entire distribution lifecycle with CIC."

— **Michael Donham**,
Director of IT for
Octapharma USA, Inc.

