



# CASE STUDY

## Primary Packaging Materials

Our customer is a mid-west US based CDMO of sterile products producing small scale, early phase batches of four customer products (20k to 100k units each). Their customer was launching these four generics in the market and needed to hit a certain timepoint for launch to make the cost of developing the product viable to them. Our customer, the CDMO, had been quoted a 52-week leadtime on the primary pack components (8 sku's of vials and caps) from its incumbent supplier, which put the four projects in jeopardy. They asked Xagonal for assistance.

We initiated our standard process with the customer, establishing criteria for the selected supplier to be evaluated against and identified target outcomes in terms of delivery, cost savings and any additional value adding services which could be included.

We received three valid options and negotiated on our customers behalf to get the best deal for them. We then presented our preferred option to the customer and received their approval to move forward.



## Results

One of the key criteria was that the materials be US sourced. We were able to achieve this.

Leadtimes were reduced from 52 weeks to between 16 and 26 weeks, resulting in the project being given the green light.

Annual cost, based on forecast volumes, reduced from \$996k to \$413k, a \$583k saving for the CDMO to keep.

Added 'Ready to Use' specification free-of-charge, saving on both cost and time.

Storage space was a limitation at our customer, so we were able to add local storage at the chosen suppliers local distribution center free-of-charge, with guaranteed next day delivery.