

TIBCO enables healthier customer relationships at Merial



MERIAL

A leading animal health company operating in more than 150 countries and owned by Merck and Co., Inc. and Aventis S.A.

Industry ▶

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GLOBAL

Deployment Summary

- TIBCO's solution integrates enterprise resource planning (ERP) order-fulfillment system with third-party distributors
- Easy TIBCO deployment went live in just two months
- TIBCO's solution uses business rules to validate orders and either correct or warn about shipping errors

Benefits

- TIBCO's solution enhances customer service by improving shipment tracking, auditing, and visibility
- Ability to accurately track orders in real time reduces shipping errors
- Real-time integration between order fulfillment system and distribution partners speeds order closing from four to five days to two days, potentially increasing revenue through faster billing cycles
- Addressing shipping issues before they affect customers dramatically improves customer relationships
- Real-time integration with the distribution partner enhances partner management and efficiency of the partner's operations
- Ability to easily incorporate different ERP systems and additional partners into the system allows company to expand processes without reworking infrastructure

"Since TIBCO, we are using our ERP system in the right way and have real-time information from our distribution partner about where our shipments are and when customers have received them. Now, we can solve issues proactively and provide customers with the high level of service that we believe in."

—Robbie Merritt, director of logistics, Merial Limited

Formed in 1997 as a joint venture between Merck and Co., Inc. and Aventis S.A., Merial is a leading animal health company. Merial operates in more than 150 countries worldwide, producing a wide range of pharmaceuticals and vaccines that keep pets and livestock healthy and productive. Sales of US\$1.7 billion kept fulfillment centers bustling, but the company needed to improve its distribution infrastructure.

Merial and its third-party distributors, which handle the majority of the company's shipments, fulfilled orders through a batch process. Merial would send a bundle of several hundred orders to a distributor, who would then send a file indicating that the batch had shipped. The batch process did not provide a way to track orders and shipments in real time. As a result, inventory tracking was difficult.

After Merial deployed its ERP application and manually integrated it with its primary distribution partner, the company found that it had another challenge on its hands.

"Everyone knows that ERP implementations are a challenging task," says Craig Hudson, director of technology at Merial. "We had to write a lot of custom code to integrate the new ERP application with our third-party distribution partners. Yet when the ERP went live, the integration of our systems with our partners' systems had significant issues. We lost the visibility into our shipments."

Rapid TIBCO deployment enables Merial to farm out distribution

To integrate its systems and processes with those of its partners, Hudson's development team evaluated several vendors. After an extensive evaluation, Merial chose TIBCO Software Inc., a leading enabler of real-time business.

"I have worked with TIBCO in the past," Hudson says. "I have extreme confidence in TIBCO products—I know they work. TIBCO delivers effective and efficient business solutions."

Robbie Merritt, director of logistics at Merial, agrees. "We needed to get a solution up and running very quickly to meet customer demand," Merritt says. "TIBCO's solution was easy to implement and went live in just two months. TIBCO helped us get on track to handle the high volume of shipments from our upcoming promotional campaigns."

TIBCO fosters healthier customer and partner relationships

Merial shed its existing batch process in favor of a system that enables the company to enter orders in real time and accurately track and view each shipment. Instead of waiting for a batch of orders to accumulate before forwarding them to distributors, Merial employees enter each order into the ERP system as soon as they receive it. Using several business rules,

TIBCO's solution validates the orders and then forwards them to the third-party distributor. The distributor's system automatically sends back shipment confirmations and tracking numbers.

Because TIBCO's solution scans orders in the ERP system for errors, customer service also has improved. TIBCO's solution produces a warning if an order contains a problem, allowing Meril to proactively monitor shipments to ensure they are accurate—and notify customers of any inaccuracies in advance.

TIBCO's solution has enabled Meril to work more effectively with its third-party distribution partners. Meril's primary distribution partner values TIBCO's solution for having made the fulfillment process more efficient—and this newfound efficiency gives Meril the potential to increase revenue.

"We are integrated much more tightly with our distribution partner," Hudson says. "We now close about 98 percent of all orders within two days as opposed to four or five days."

Hudson says TIBCO's solution has helped Meril get the most out of its ERP implementation. TIBCO's delivery validation capability has given Meril the ability to identify inefficiencies in its ERP system processes and fix those issues in the future.

Ease of future integrations gives Meril the flexibility to thrive

TIBCO's solution enabled Meril to quickly solve an immediate problem—fixing the integration between the company's ERP system and its primary distribution partner—using its existing infrastructure. Over the long term, the company plans to integrate and consolidate all of its systems, including separate ERP instances, at company locations worldwide. TIBCO's business integration solution provides Meril with the flexibility to easily extend the distribution process globally to incorporate other ERP instances and add new distribution partners. The company also plans to create an inventory system in which partner inventory tracking will be automatically reconciled in real time.

"Since TIBCO, we are using our ERP system in the right way and have real-time information from our distribution partner about where our shipments are and when customers have received them," Merritt says. "Now, we can solve issues proactively and provide customers with the high level of service that we believe in."

TECHNOLOGY

Solutions Summary

TIBCO's business integration solution has enabled Meril to quickly integrate its ERP order-fulfillment system with third-party distributors, without re-architecting the company's existing infrastructure. TIBCO's solution adds to the efficiency of the existing ERP system by using business rules to detect shipping errors and enabling customer representatives to address issues before they affect customers. Real-time order entry speeds shipping and billing cycles, which helps to increase revenue. Meril can easily integrate additional ERP instances and add new partners into this system as needed.