



GFR Pharma Ltd

Leading Canadian contract manufacturer focused on quality, product excellence and regulatory compliance

Name:

GFR Pharma Ltd

Location:

British Columbia, Canada

Industry:

Full service contract manufacturing

Product:

High quality natural health products

Employees:

100+

Website:

www.gfrpharma.com

Business Challenges:

- Manual data entry
- Manual processes that disrupted each other
- Cumbersome reporting and visibility
- Challenges in measuring productivity
- Legacy system database

Benefits:

- Automated, integrated business processes
- Real-time reporting
- Scalable ERP foundation that supports custom processes
- Robust production and inventory capabilities

SAP Solutions and Services

- SAP Business One
- Vision33 – SAP Partner
- Produmex

GFR PHARMA

Quality assurance is the lifeblood of GFR Pharma, where quality processes and procedures are strictly followed in every aspect of their business, from formula and raw material control to finished product testing. As the leading contract manufacturer of natural health products and supplements in Canada, GFR Pharma helps all sized businesses across the world achieve brand success by consistently delivering quality client care and cost-effective manufacturing solutions. Their commitment to innovation and growth resulted in the need to switch to a business management solution that would help them achieve their goals and remain an industry leader.

“ If we wanted to see how something was costed in the legacy system, we had to find the physical hard copies. With SAP Business One we can now extract this data quickly and generate reports that show the division of labour costs, material costs and manufacturing overhead.

Ted Wiebe, Controller, GFR Pharma Ltd.

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Reaching the Limit of their Legacy System



In operation since 1998, GFR Pharma is a privately held full-service GMP contract manufacturer, packer and formulation expert of natural health products and supplements. As a full-service manufacturer, GFR Pharma ensures supplements are consistently manufactured, prepared and stored to meet specific quality standards. GFR Pharma tests and assesses all raw materials and finished supplements to guarantee the identity, purity, strength and composition. This prevents wrong ingredients, mislabeled ingredient amounts, and possible contamination.

The company's business model is divided up into several functional areas:

- **Quality control**
- **Production control**
- **Blending and dispensing**
- **Packaging**
- **Research and development department**
- **Design department**
- **Customer Service- Sales & Marketing**

GFR Pharma has experienced steady growth since they began their journey, continually investing in the latest technology and training to stay at the forefront of supplement manufacturing. They used a legacy system to run their business processes but in the last year started experiencing challenges with capturing data and operational visibility due to the rapid growth of the business. GFR spent unnecessary time and energy making this system work for them to maintain the highest levels of quality control and customer satisfaction throughout.

In order to keep up with demands and consider expansion into new markets, GFR Pharma needed a new solution that would have to overcome three major challenges:

Inefficient Inventory Management

GFR Pharma's warehouse staff were spending too much time looking for inventory that would have only taken them minutes to find with an integrated business management system. Using a disparate and outdated system, the company did not have efficient means to perform cycle counts. "We would use time when production was shut down to do any counting. That was a problem," says Ted Wiebe, Controller of GFR Pharma.

Paper-Based Business Information

GFR Pharma was using a paper-based system that required time-consuming data entry. This meant that production efficiency was determined by accessing hard copies of production records. The legacy solution also did not have any real-time reporting capabilities, which made it difficult and time consuming to split out labor, material, and overhead cost.

Unstable System

GFR Pharma's legacy system was difficult to navigate and provided some data in a format that was not user-friendly. The data in the system was cluttered with information they did not need. The tipping point for a new system came when their system began to crash periodically and they experienced down time, presenting a huge business risk to the company.

Implementation of SAP Business One

After realizing the need for an integrated Enterprise Resource Planning (ERP) system, GFR Pharma researched and evaluated several solutions. The new solution needed to help them maintain complete control and visibility of their company data as well as keep them in line with the latest industry regulations. In order to continue to provide the highest quality customer service, GFR Pharma's requirements included:

- **Access to Real-Time Information**
- **Lot Number Traceability**
- **Flexible Bill of Materials**
- **Custom Reporting in multiple areas of the business**
- **Warehouse Management Capabilities**



The decision to choose SAP Business One was based on the recommendation from the company's Controller, Ted Wiebe. He had experience implementing SAP Business One at other companies and understood how valuable a tool it was for a growing business. Designed for small to mid-sized enterprises (SMEs), SAP Business One provides comprehensive support for manufacturing companies like GFR Pharma through advanced reporting tools and seamless inventory management capabilities.



After implementing SAP Business One, GFR Pharma experienced the benefits of having access to their company information almost immediately. With a reliable and integrated platform, they are able to track and control everything that goes on in their company, from accurate reporting in their dispensing operations to efficient product quoting to customers. With SAP Business One, GFR Pharma has been able to improve their daily operations through:

Operational Visibility and Real-Time Reporting

With SAP Business One, GFR Pharma has access to real-time information and custom reports for all of their business needs. The company can extract data quickly without sacrificing accuracy. The reporting functionality also allows the company to track and split costs more effectively. Being able to identify material, labor, and overhead costs, has given the company a more accurate view of their business as a whole. As the Controller, Ted Wiebe has full access to financial information and reports, giving him the autonomy to drill into the data much easier than in the old system.

Automated Systems and Production Accuracy

SAP Business One has helped GFR Pharma maintain the highest levels of quality control by integrating all of their key processes. On the production side of their operations, it is necessary for operators to use a lot number with the product. With the legacy system, lot control required numerous supervisor double checks to ensure accuracy. Using SAP Business One, the process is automated with wireless tablets and scanners to instantly update their records, automating the discipline to the system. Since implementation, this customization has increased production efficiency through accurate, real-time data.

Manufacturing Efficiencies

Vision33 worked with GFR Pharma to customize several of their functional areas unique to the business, specifically dispensing operations and quality control. In their Dispensing room (see below), various powders are weighed and dispensed as per the master formulas of the product. The environment is challenging as it is temperature controlled and has a lot of dust that usually shortens a computers life-cycle. The Vision33 team implemented a custom touchscreen application, where the operator follows the procedure on the screen and at regular intervals updates the Production Dispensing function.

“ We have the ability to get information out quicker now and offer our customers another level of service,” **Ted Wiebe, Controller, GFR Pharma Ltd.** ”



This photo was taken from one of the dispensing rooms at GFR. The black box on the wall is a computer with a touch screen embedded. This box is dust proof and waterproof, connected to a Datamax label printer and it has a Wireless scanner attached to it.

The blue screen is a touchscreen. The SAP/Produmex application is used without a keyboard (when necessary a screen keyboard is present).

A Future Built on Innovation, Service and Quality

GFR Pharma is a respected health products manufacturer in the Canadian market but now, with SAP Business One, they are able to expand further into International markets. With the help of Vision33 as their chosen implementation partner, GFR Pharma can leverage accurate and real-time business information to quote and ship items out faster, allowing them the flexibility they need to maintain company growth.

Overall, SAP Business One is a flexible solution that fits with GFR Pharma’s business needs. The accuracy of their data and the speed at which they can access company information provides GFR Pharma with the tools they need to remain a leader in the industry.

Working with Vision33

In order to use SAP Business One to its fullest potential, GFR Pharma selected a local SAP Gold Channel partner Vision33 for their implementation. For GFR Pharma, the value in partnering with Vision33 is in the access to experienced technical resources that helped the company customize and align SAP Business One with their unique business needs.

“We had a really great experience working with the implementation consultants, recalls Ted Wiebe. “They had a very good understanding of our business processes and were able to transform the solution to fit our unique requirements, allowing us to focus on our business strategy and growth.”

