

## CASE STUDY

# Pharma Dynamics prescribes Netstock as their inventory health check

# NETSTOCK



**Company** Pharma Dynamics

**Location** Cape Town, South Africa

**Industry** Pharmaceuticals and Manufacturing

**ERP** SAP Business One

**Pharma Dynamics**, a Cape Town based pharmaceutical company, provides quality generic medicines that enables cost savings for patients of up to 70%. They have ten market-leading brands across 30 treatment categories, including heart health, diabetes health, digestive health, pain management, and antibiotics. They have over-the-counter products for cold and flu, allergy, heartburn, and immune boosters.

### \ Challenge.

Pharma Dynamics had been using Netstock, but not to the full extent of what the solution was designed to provide. In March 2018, they embarked on a drive with one main goal in mind, and that was to reduce their inventory holding over a 12-month period. In order to achieve this, they had to trust the solution and allow it to guide them in terms of their optimal stock levels.

### \ Solution.

Accenture investigated Netstock's algorithms and confirmed that they were happy for Pharma Dynamics to use Netstock to its full capacity.

### \ Result.

As a result of trusting Netstock's inventory recommendations, Pharma Dynamics were able to reduce their inventory by more than R40 million over 12 months. Stock on hand days came down by 69 days, and their fill rate that was sitting at 100% only dropped by a mere 0.37% to 99,63% with a massive reduction in stock.

“We recommend Netstock to other companies as we are now able to predict, control and have full visibility to make informed decisions of our inventory projections now and for the future.”

Jacobus Redelinghuys, Supply Chain Manager, Pharma Dynamics.



Pharma Dynamics found the Netstock dashboard to be a significant advantage as they were able to see future stock projections quickly and were able to predict any out of stock issues before they became a problem. The Netstock algorithms were paramount in determining safety stock requirements. The online training portal was also a significant benefit for Pharma Dynamics as the vast amount of training materials assisted to onboard new users to become productive quickly.

“By reducing our inventory costs by over R40 million, we were able to optimize our working capital and use this elsewhere in the growth of the business,” says Jacobus Redelinghuys, Supply Chain Manager, Pharma Dynamics.

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