

Customer Success Story:



OVERVIEW/INTRO

Dong-A Socio Holdings is acknowledged as a leading name in South Korea's Pharmaceutical industry with child companies such as Dong-A ST, Dong-A Pharmaceutical, and DM Bio. The business encompasses a broad range of activities related to the developing, manufacturing, and distributing of ethical drugs, medical equipment, energy drinks, biopharmaceuticals, and active pharmaceutical ingredients (API). Over the years, the company has built alliances with some of the biggest international companies to expand its market base. Its major products include the Stillen tablet, Zydena tablet, and widely available Bacchus energy drink, among others, with the latter having gained unprecedented popularity across the country.

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We made the right choice with BatchMaster, and we are very happy and satisfied about it.

Mr. Minsung Kim Head, ERP System, Dong-A Pharmaceutical

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trategically moving ahead, the company went in for a structural rejig to find new growth engine after 80 years of its successful existence, splitting into three companies through stock split and asset carve-out – Dong-A Pharmaceutical, to solely focus on OTC business, Dong-A ST(Science & Technology) for the ethical drug business area, Dong-A Bio for Biopharmaceutical products in alliance with a Japanese Pharmaceuticals Mfg. Co. and the Dong A Socio Holdings, the holding company, to focus on new investments such as biosimilar and other healthcare business, thus marking its foray into the biosimilar business.

Apart from having a strong base in the South Korean market, Dong-A Group has a presence in approximately 40 countries in Europe, Latin America, and Asia, where it markets its products, thus strengthening its foothold in the global pharmaceutical market. Dong-A also invests heavily in Research & Development (R&D) through its state-of-the-art Biotech Research Center. Based on its gene recombination, animal cell culture, and other futuristic technologies, the company aims to create patient-oriented innovative biomedicines.

THE NEED

INTEGRATION & COMPLIANCE

Dong-A had been operating on in-house software, which was struggling to meet its evolving business needs. Moreover, after the split, the Group wanted to deploy an ERP system which would act as an integrated solution to the needs of all that would act as an integrated solution to the needs of all three businesses by bringing them on the same page. The pharma giant also grappled with a myriad of industry-specific regulations, including the FDA's intense scrutiny, meeting FDA 21 CFR Part 11 compliance needs, and complying with the requirements of manufacturing practice (GMP) guidelines, among others.

CUSTOMER	Dong-A Socio Holdings, Dong-A ST, Dong-A Pharmaceutical and DM Bio
INDUSTRY	Pharmaceuticals Manufacturing
LOCATION	Headquartered in Seoul, South Korea
PRODUCT	BatchMaster Enterprise with POS Functionality





A majority of the company's compliance-related struggles stemmed from the fact that the legacy system was not capable of managing the compliance needs of all three businesses. This resulted in insufficient control over the compliance activities and limited or no real-time compliance reporting, thus creating the need for a new system laden with proficient compliance management functionality.

As the Dong-A Group wanted to use the new ERP system for cGMP-critical operations, it also wanted the prospective software to have third-party testing and subsequent validation done. This was a pre-requisite for the company, as any such validation would have testified that the product is in line with FDA and global regulatory guidelines and meets all the FDA and cGMP standards. Another requirement of the software was third party manufacturing capability.

QUALITY CONTROL

Then there were other needs too, as Dong-A needed both formula (in-process) Quality Control(QC) and final product QC capability from their new software. By having the in-process QC functionality, the company wanted to ensure consistency in quality during all stages of production, apart from the ability to conduct temperature checks and check the manufacturing process on other parameters during production. There was an inherent need for the new ERP to have a robust QC module with a strong Non Conformance (NC) and Corrective Action Preventive Action (CAPA) system.

THE SOLUTION

ROBUST YET FLEXIBLE

Considering all the aforementioned needs, the Dong-A management wanted an experienced, competent, and specialized ERP solution rich with features specific to the pharmaceutical industry. After reviewing demonstrations from few several companies, Dong-A narrowed the list to BatchMaster Manufacturing for SAP Business One and an offering from another prominent ERP player. In late 2016, after an exhaustive on-site software selection process, Dong-A decided to go with BatchMaster, believing it was the best fit for the scope of the project, its multi-divisional financial and manufacturing needs, and best value for the price. "Our goal was to implement an ERP system that would be robust yet flexible," said Mr. Minsung Kim, the head of the ERP implementation project at Dong-A. "We wanted to have a system that was robust in the sense that it had strong formulation, compliance, QC, and planning & scheduling modules, and flexible in the sense that it could adjust to the needs of our evolving business model, acting as one integrated solution."





BATCHMASTER – THE BEST-FIT

What the company also liked about BatchMaster's offering was the fact that it provided efficient processing capabilities without compromising with Dong-A's existing business-critical functionalities. "The brilliant combo of BatchMaster Manufacturing and proven capabilities of SAP Business One offered us the best solution in terms of industry-specific functionality, technology, and implementation methodology, along with the scalability to match our expanding business among all the systems we evaluated. Hence it was a no-brainer for us," added Mr. Kim.

BatchMaster Manufacturing for SAP Business One is a process manufacturing add-on for SAP Business One. It is not integrated but built into SAP Business One, rendering its process manufacturing capabilities and making it a complete solution handling all of Dong-A's distribution, manufacturing, finance, quality, and compliance needs.

THE IMPLEMENTATION

Getting rid of the antiquated legacy software to bring in a new ERP system to manage all three businesses was not easy to begin with. The different group businesses had different and unique business processes, and bringing all of them under the scope of one ERP software was always going to be challenging during the implementation phase. However, the Dong-A management saw it as an opportunity to standardize and improve processes across all the businesses.

SEAMLESS TRANSITION

BatchMaster Manufacturing for SAP Business One provided the desired flexibility and scalability to support all the unique business processes of Dong-A's different businesses. The solution is seamlessly integrated into the processes and adapted to meet specific business needs. Initially, the company did not require much customization, as the solution was an as-it-is fit for their business needs. But gradually, it opted for customizations on its own end for a few customized processes

Throughout the implementation project, the team of consultants at BatchMaster was extremely supportive of Dong-A's needs. They ensured that the transition from the legacy system to BatchMaster Manufacturing for SAP Business One for all the users at Dong-A's different companies was seamless. The pilot exercises post-implementation made sure the users were completely at peace with the new system and ready to make the big switch.





THE RESULTS

BatchMaster Manufacturing for SAP Business One streamlined and automated Dong-A's critical business processes, proving to be the ideal solution for all its three businesses by bringing them together. The fact that BatchMaster's offerings have third-party validation helped, as the company didn't have to think much before selecting it

MEETING GMP GUIDELINES MADE EASIER

It is easier now for Dong-A to meet GMP guidelines by using backward and forward traceability for raw materials/finished goods in inward/outward transactions. GMP demands that each process should be documented properly to establish evidence that the produced drug meets its predetermined specifications and quality attributes. It is thus important for the process manufacturers to create and maintain Batch Manufacturing Records (BMR), something Dong-A was missing with its legacy software & managing with hand-written BMR & MBR.

But with BatchMaster Manufacturing for SAP Business One, the company can now create and maintain BMRs/MBRs, listing vital details such as batch records, Bill of material, equipment cleaning record, yield, and general instructions for manufacturing, in-process QC, checklists, and finished Goods QC. Defining QC tests as per the GMP norms, like quarantine, release, and rejection, is also possible now for Dong-A. With the in-process QC functionality, the company is now assured of quality during all stages of production

FULFILLING A MYRIAD OF NEEDS

The software's other modules have enabled Dong-A to manage its inventory, planning and advanced scheduling, NC and CAPA, formulation, production batches- running both Super Batch and normal batch, etc. —efficiently.

COMPLIANCE SIMPLIFIED

Last but certainly not least, the solution has acted as a panacea to all of Dong-A's compliance needs. The company is now confidently managing its complicated compliance processes, as the solution is FDA 21 CFR part 11 compliant, thus fulfilling one of Dong-A's most important compliance requirements.

In summary, Dong-A is extremely satisfied with its ERP choice and has readily agreed to become BatchMaster's reference customer.





About BatchMaster Software

BatchMaster Software is a leading provider of ERP solutions that help emerging and growing formula-based manufacturers streamline their operations and scale production while reducing costs and complying with changing customer demands and ever more stringent regulatory mandates. The company delivers industryspecific solutions for Food, Beverage, Nutraceuticals, Pharmaceuticals, Cosmetics, Chemicals, and other process industries. BatchMaster ERP is seamlessly embedded within SAP Business One, providing a comprehensive process manufacturing solution that is available on-premise and in the cloud. BatchMaster Software has served the process manufacturing market for over 30 years and supports thousands of customers worldwide.



BatchMaster Software

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