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Transparent planning and plant-wide optimization



BIOTRONIK: Transparent planning and plant-wide optimization with wayRTS

Since the development of the first implantable cardiac pacemaker in 1963, BIOTRONIK has developed into a world-leading medical technology company for cardiological therapies. The value chains for pacemakers, defibrillators, and other devices are complex. Various components of the cardiac pacemakers manufactured in Berlin come, for example, from the BIOTRONIK plants in Germany, the USA, and Singapore. Since 2017, the company has been using valantic's sales & operations planning software waySuite to plan and optimize its supply chain. BIOTRONIK uses <u>wayRTS</u> as

an APS system (Advanced Planning and Scheduling) for planning the capacity of its own plants.

Results

- Accurate and efficient planning thanks to Al-assisted optimization
- Demand-oriented and end-to-end short, medium, and long-term planning
- Optimized inventories and consequently reduced capital commitment
- Reduced scrap risks and scrap costs





Initial situation

The planners at BIOTRONIK in Berlin were dissatisfied with the MRP (Material Requirement Planning) in SAP. Among other things, they complained that

- The planning horizon could not be adjusted
- No transparency and visualization were available
- There were no possibilities for simulating different planning scenarios
- There was a lack of uniform planning rules
- Past planning situations were not available for comparisons

Finally, planners and buyers started working with Excel tools to avoid these problems. Planning became an elaborate manual act and was prone to errors. The consequences were inventories that were too high all along the supply chain and inconsistent processes on the company's own premises. Management decided to introduce planning software to complement SAP's ERP in 2015.

wayRTS and scenario technology

valantic's wayRTS prevailed: The simulation function with the very user-friendly and transparent scenario technique was decisive. The go-live was completed by 2017, and wayRTS has been BIOTRONIK's leading planning tool company-wide since 2020.

One problem at BIOTRONIK, which repeatedly resulted in costs of up to seven figures, was the scrapping of components due to product discontinuation or introduction.

High safety stocks, expensive components,

or components with long delivery times (up to one year), and delivery contracts with acceptance obligations were among the triggers. The real-time simulation of scenarios in wayRTS helped to gain transparency about the complex relationships and plan the product change across plants in such a way that the material supply and production processes could be coordinated in terms of time and quantity. In concrete terms, BIOTRONIK achieved a 50% reduction in the amount of scrap that can be influenced by planning.



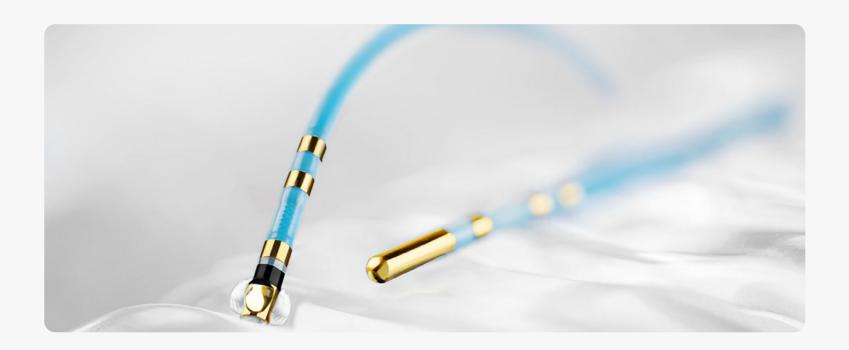


wayRTS and automatic optimization

SAP is the leading data system at BIOTRONIK. wayRTS makes more of SAP data. For this purpose, wayRTS obtains the data from SAP daily, then the data is aggregated, visualized, and evaluated. Several scenarios are created automatically every day.

BIOTRONIK conducts monthly rolling planning for the next two years. Since the Singapore plant only produces for the Berlin site, the capacities there have a direct impact on the planning for Berlin. At other plants, it must be taken into account in the planning that they also produce for external customers.

Optimization helps to manage complexity:
The actual available production capacities are used more evenly. For example, bottlenecks arise due to machines that are being used; personnel is also a scarce resource in terms of capacity planning. The current employee information, including vacation schedules, other absences, and scheduled settings, is fed into the system every morning so that it can be taken into account for optimization. Both the manually fixed planning and optimization results are transferred to SAP via the standard wayConnect interface.



High data volumes and complex data structures, for which there are no visualization options in SAP, such as inventory histories of components, additional requirements, deliveries that were made too early or too late, can be viewed easily in wayRTS with the so-called "views." In addition, the views can

be individualized according to special requirements and can be called up at any time. The planners therefore also give colleagues from other areas read access to appropriate views in the planning system. In the future, dashboards will also be used to make it easier to interpret AI optimizations, for example.

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"I have to admit that we initially underestimated the effort. Various Z-fields, Z-transactions, and different working methods in the plants required adjustments in the SAP connection. valantic responded quickly and we were able to work together to develop solutions. Today, we have a view of many areas of demand and capacity that we cannot achieve with SAP alone."

About BIOTRONIK SE & Co. KG

BIOTRONIK is a global leading medical technology company active in the fields of cardiac arrhythmia therapy, electrophysiology, vascular intervention, and neuromodulation. BIOTRONIK is headquartered in Berlin and has a presence in more than 100 countries.

With the goal of adapting technology perfectly to individual patient needs, BIOTRONIK sees itself as an innovator and develops reliable cardiovascular, endovascular and neuromodulation solutions. The company's products and services save and improve the lives of millions of people with cardiovascular disease and chronic pain.

BIOTRONIK maintains research, development, and manufacturing facilities exclusively in high-tech locations in Germany, Singapore, Switzerland, and the USA. All critical components are manufactured in-house to meet the highest quality standards and to guarantee absolute reliability and uncompromising safety. One in five employees at the headquarters in Berlin works in the field of research and development.

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About valantic

valantic is Number 1 for digital transformation and one of the fastest growing digital solutions, consulting, and software companies on the market. More than 500 blue chip clients rely on valantic, including 33 of 40 DAX companies and many leading international companies as well. With more than 4,000 specialized digitalization experts and net sales of approx. EUR 600 million in 2024(e), valantic is represented in 18 international locations around the globe.

More than 2,000 digitalization projects over the past five years have shown that valantic understands the business challenges of its customers. From strategy to tangible implementation, they have the necessary expertise to accompany projects from start to finish and make them successful. In this, valantic combines technological expertise with industry knowledge and the human touch.

valantic consults companies on all challenges of digital transformation, helps them to better manage their corporate performance and leverage the potential of data and artificial intelligence. In addition, valantic supports its customers in optimally shaping the customer experience, profitably using core digitalization technologies and optimizing company processes from end to end.