

# Johnson & Johnson Making External Manufacturing work for you

Case Study  
Life Sciences

## Developing manufacturing partners into a seamless extension of your own manufacturing.

**Company Name:** Johnson and Johnson's World Wide Chemical Production (WWCP) Unit

**Location:** China, India, and the U.S.

**Sector:** Life Sciences & Healthcare

**Business Challenges:**  
The need to standardize working practices

**Consulting Services:**  
Process Excellence, Supply Chain

**Client Quote:** *Success means an assured, flexible and partner-based supply chain. We will build trust and grow benefits forward.*  
VP of Global Chemical Manufacturing, WWCP

### Situation

Johnson and Johnson's World Wide Chemical Production (WWCP) Unit defined a clear strategy for their organization: to become a supply chain company with internal manufacturing and equally secured competitive, reliable and compliant supplies of all externally produced Active Pharmaceutical Ingredients (APIs) and Intermediates for Johnson & Johnson.

WWCP engaged Celerant in a project to support and accelerate this journey. The objective was security of supply through management of external manufacturers, as a seamless extension of their own manufacturing footprint with the same best in class standards.

### Approach & Delivery

The WWCP and Celerant team addressed the specific requirements for the optimal way forward. Clear time-lines and results-focus were achieved through the installation of a robust project and portfolio management system. To manage external manufacturers on an ongoing basis there was a need to establish a new management ecosystem for the organization and new tools to manage the product portfolio. These spanned various levels within the business and included milestone reporting, project status reporting, project portfolio reporting, as well as, definition of the key meetings across this new ecosystem.

### Results

The new approach provided WWCP with a clear, integrated view on all external manufacturing. The net impact of the alliance management system is that WWCP has reached expert benchmark level at managing external manufacturing partners rapidly and sustainably.

- Improved CAPEX avoidance
- Accelerated Cost productivity benefits in outsourcing
- Assured security of supply
- Improved competitive position
- Released capacity for innovation and development

### Client Satisfaction

External manufacturing activities are systematically monitored and managed as a whole. The approach is built on agreed milestones for attainment within projects and drives rigorous planning. Improved financial transparency resulted in timely decisions with corresponding actions. The net impact of the alliance management system is that WWCP has reached expert benchmark level at managing external manufacturing partners in the least time possible.