



Dräger Rethinks Procurement

Vertical

Manufacturing

Featured Product Families

- Supply Chain Collaboration
- Supplier Intelligence

Other Owned Product Families

- Invoicing
- JAGGAER One Platform

About Dräger

Drägerwerk AG & Co. KGaA is among the world’s market leaders in the fields of medical and safety technology. The product portfolio of the listed family company — now in the fifth generation — is broad and includes professional-standard ventilators, gas warning systems, protective suits and smart rescue systems. Customers work in industries such as the healthcare, chemicals, shipbuilding, steel and many more.

The Challenge

For a company with around 15,000 employees on five continents, efficient purchasing processes are an important factor for global success. And this is especially true against the background of a divisional purchasing structure that has replaced the previous central purchasing approach. To guarantee this success, Dräger decided in 2017 to rethink its procurement. The aim was to optimize the inbound supply chain worldwide while making it more efficient and transparent.

To this end, the company set up a core team of 10 representatives from production, logistics, strategic and operational purchasing. They defined a target for Dräger’s global purchasing, in terms of flexibility, availability and reliability of its direct procurement processes, by 2024. The team developed a principle whereby suppliers, purchasing, production and logistics can jointly access an EDI cloud and operate it digitally. After a long market analysis and in-depth feasibility study of the tools offered, JAGGAER was chosen as the ideal suite solution for Dräger.

Why JAGGAER

JAGGAER One is an intelligent source-to-pay and supplier collaboration platform, and the catalyst for enhancing human decision-making to accelerate business outcomes. Dräger leveraged JAGGAER’s Supplier Intelligence, a comprehensive view of supplier performance and risks that enhances relationships, seizes innovation opportunities, and proactively addresses risks with intuitive insights.

“The project was very ambitious in terms of content, technology and timing. But with JAGGAER we stayed on time, within the planned budget, and the solution is extremely stable.”

Alexander Bramkamp, Head of Strategic Supply Chain, Dräger



The Solution

From the suppliers' visibility over forecasted future procurement quantities, through order and confirmation to shipping notification and invoicing, at least 95 percent of all order items for direct procurement in Germany are being processed using JAGGAER. And this applies to all logistics models offered by Dräger.

"The JAGGAER suite was just the perfect fit," explains Alexander Bramkamp, Head of Strategic Supply Chain. "From the outset, it mapped the end-to-end processes largely as they run at Dräger." In addition, both the solution and the developers at JAGGAER demonstrated flexibility in adapting the suite to Dräger's special requirements. "Quite simply, this level of performance convinced us." Before the roll-out in Germany and later also in China, the Czech Republic, USA

and Great Britain, the two partners carried out a blue-print phase in which they first created a deep understanding of Dräger's requirements. They then implemented the processes close to the standard and only added to them at a convenient point, based on customer-specific needs. This approach enabled Dräger to achieve process standardization while also boosting efficiencies selectively according to those specifics. In November 2019 Dräger ran a pilot allowing selected suppliers to test the system. This proved: Mission understood — mission accomplished! Onboarding of the first 100 suppliers commenced in February 2020. Dräger offered its 100 largest suppliers individual training sessions with JAGGAER coaches, the latter having been prepared and trained in detail by Dräger beforehand. During these training sessions, the coaches explained how to work with

the system and discussed open questions. Along the way, employees were also introduced to the new procurement solution. Dräger presented it to representatives from purchasing, production and logistics in Lübeck and at all international locations. International rollout is planned for 2021.

The Future

With the JAGGAER suite, Dräger has now standardized its procurement processes within the company and in its

communication with suppliers. This means that the company has achieved significant time savings in procurement management and will benefit internally and externally from significantly more transparency and efficiency in the individual steps in the procurement process. The system is extremely robust. "We could hardly be more satisfied – that's why the next projects with JAGGAER are already in the pipeline."

Benefits Achieved With JAGGAER

- Worldwide standardization of procurement processes in the company
- Standardized communication with suppliers
- Time savings in processing supplier feedback, and partly in the supplier's processes
- Increased transparency across the end-to-end procurement process

