

Life Science Leader

Topic: Single Use Vendor Satisfaction

Due: 2 February 2012

Editor/Contact: Rob Wright

Biopharmas Increasingly Satisfied with Vendors of Single Use Products

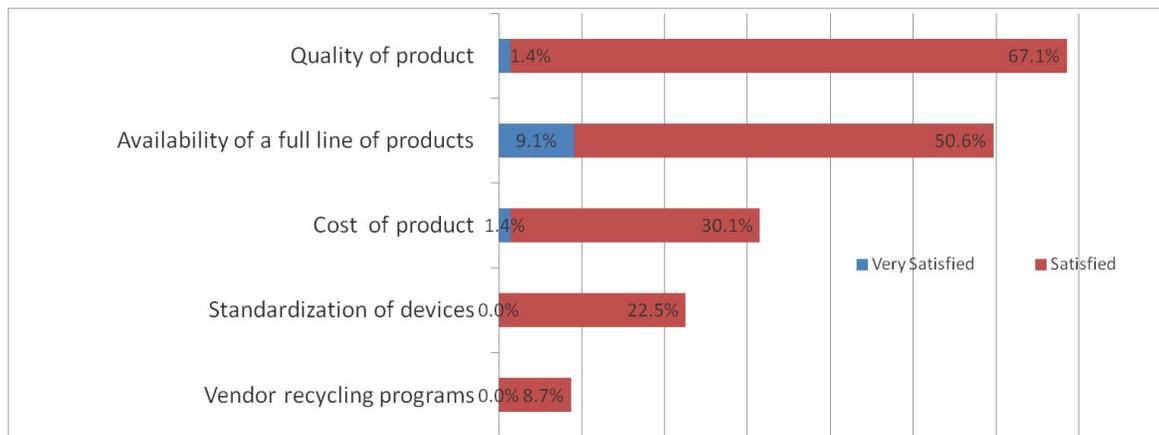
But vendors are not always delivering on the most critical attributes

Biopharma manufacturers are increasingly satisfied with their suppliers of single use devices, but that satisfaction is sometimes misplaced on less critical attributes. Data from our study, 9th *Annual Report and Survey of Biopharmaceutical Manufacturers* indicate that 68.5% of end users of single use devices are ‘satisfied’ or ‘very satisfied’ with the quality of their vendors’ products. Among the 13 attributes we evaluated, product quality, again this year, topped the satisfaction list.

In addition, we found that 31% of end-users report being happy with their vendor regarding product costs. For the first time since 2008, “cost of product” did not appear at the bottom of our list. Both this year and in 2011, availability of a full line of products was near the top of the list. This year, we found that 59.7% were “Satisfied” or “Very Satisfied” with availability. In addition, a majority of respondents reported satisfaction with their vendors for providing useful quality data, while nearly half were “satisfied” or “very satisfied” with “Custom design of systems and assemblies.”

Lowest on the totem pole was “Vendor recycling programs,” a new factor we measured this year, with just 8.7% of end-users reporting a level of satisfaction with their vendors in this regard. On the other hand, over 30% of decision-makers consider vendor recycling an “important” factor. As more single use devices are used at greater numbers of facilities, we expect this factor will increase in importance. If vendors are not ready to improve their single-digit satisfaction rating for this attribute, they may miss an opportunity to differentiate themselves.

Fig. 1: Selected Single Use Vendor Satisfaction, % Indicating “Satisfied” or “Very Satisfied,” 2012



Source: 9th *Annual Report and Survey of Biopharmaceutical Manufacturing, Preliminary Data, Release April 2012, BioPlan Associates, Inc.*
www.bioplanassociates.com

Answer Options	Very Satisfied	Satisfied
Quality of product	1.4%	67.1%
Availability of a full line of products	9.1%	50.6%
Cost of product	1.4%	30.1%
Standardization of devices	0.0%	22.5%
Vendor recycling programs	0.0%	8.7%

Similarly, “Standardization of Devices” rates near the bottom of the satisfaction scale, but in terms of importance, there is a big gap, as 62% of the industry considers this to be an ‘important’ selection attribute.

Importance Factors When Selecting a Vendor

Product quality rated at the top of the vendor attributes list this year; factors such as Deliver on Schedule were close behind. An important area where vendors have limited control is in avoiding raw materials changes that require QA documentation. Nearly 40% of the industry indicates this to be a critical decision factor, yet being able to document and communicate changes in raw materials from their many dozens of raw materials, chemicals, parts and plastics suppliers is a daunting challenge. However, in a regulated environment, the ability to provide accurate raw materials data is critical to the quality of the high-value drug products.

Fig. 2: Importance of Single Use Attributes in Vendor Selection, % Indicating “Very Important”



Source: 9th Annual Report and Survey of Biopharmaceutical Manufacturing, Preliminary Data, Release April 2012, BioPlan Associates, Inc. www.bioplanassociates.com

Answer Options	Very Important
Quality of product	62.9%
Deliver on schedule	57.7%
Providing leachables and extractables data that regulators will accept	50.0%
Avoid raw materials changes that may require QA documentation	39.7%

Trends Emerge

When comparing this year's data to 2011 and years prior, we find that satisfaction with product costs ticked up even if it did remain low on the list. "Availability of a full line of products" jumped from 32.1% of respondents in 2011 reporting being "Satisfied" or "Very Satisfied" to 59.7% this year. This factor rose rapidly to second place this year, which could signal that vendors are responding to demand and are rapidly developing new products.

"Custom design of systems and assemblies" has continued its steady growth begun in 2009, suggesting that the design services at vendors are beginning to meet demand or expectations of the clients. Satisfaction with vendors' ability to "Deliver on schedule" has continued to hover at around 50% over the past 3 years.

Overall, the data paints a mixed picture. On the one hand, increased satisfaction levels with factors such as "cost of product" and "availability of a full line of products" are positive developments. On the other, if vendors are to continue to differentiate themselves in this increasingly competitive market, they will need to address emerging factors like recycling, and standardization.

References:

1. 9th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, BioPlan Associates, Preliminary Data, Release April 2012.



About the Author:

Eric S. Langer is president and managing partner at BioPlan Associates, Inc., a biotechnology and life sciences custom marketing research and publishing firm established in Rockville, MD in 1989. He is editor of numerous studies, including "Biopharmaceutical Technology in China," "Advances in Large-scale Biopharmaceutical Manufacturing", and many other industry reports. elanger@bioplanassociates.com 301-921-5979. www.bioplanassociates.com

Survey Methodology: The 2012 Ninth Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production yields a composite view and trend analysis from 325 responsible individuals at biopharmaceutical manufacturers and contract manufacturing organizations (CMOs) in 31 countries. The methodology also encompassed an additional 150 direct suppliers of materials, services and equipment to this industry. This year's survey covers such issues as: new product needs, facility budget changes, current capacity, future capacity constraints, expansions, use of disposables, trends and budgets in disposables, trends in downstream purification, quality management and control, hiring issues, and employment. The quantitative trend analysis provides details and comparisons of production by biotherapeutic developers and CMOs. It also evaluates trends over time, and assesses differences in the world's major markets in the U.S. and Europe.