

A Seven Year Journey: Transition – Transformation Results

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**FRESENIUS
KABI**

caring for life

Fresenius Kabi USA

Lifesaving medicines and technologies

The Fresenius Group

We are part of a group of companies with unique depth and breadth in health care. We employ more than 170,000 people on six continents with nearly \$30 billion a year in revenues.

Fresenius Kabi

Medicines and technologies for infusion, transfusion and clinical nutrition.



Fresenius Medical Care

Equipment and services for dialysis and renal care.



Fresenius Helios

Operation and management of hospitals and other sites of care.

Fresenius Vamed

Planning, construction, and management of care facilities.

Fresenius Kabi

Who we are

Fresenius Kabi is a global health care company that specializes in lifesaving medicines and technologies for infusion, transfusion and clinical nutrition.

Our products and services are used to help care for critically and chronically ill patients.

Our scientific and manufacturing experience spans more than 100 years.

Our service is award-winning and certified to the highest standards in health care.

Medical Device Portfolio



Medical Technologies	Apheresis	Blood packs	Manual blood processing	Bacterial testing	Cell washing	Auto-transfusion
	High efficiency cell separation devices with applications for cellular therapeutics and component collections	Broad array of blood-pack collection systems for processing, storage and transportation of blood	Wide range of specialty products and automated blood component processing equipment	Rapid, qualitative immunoassay for the detection of aerobic and anaerobic Gram-positive and Gram-negative bacteria in platelets	Automated system to wash and concentrate white blood cell products through a proprietary spinning membrane technology	Continuous flow auto-transfusion device for use during and after surgery

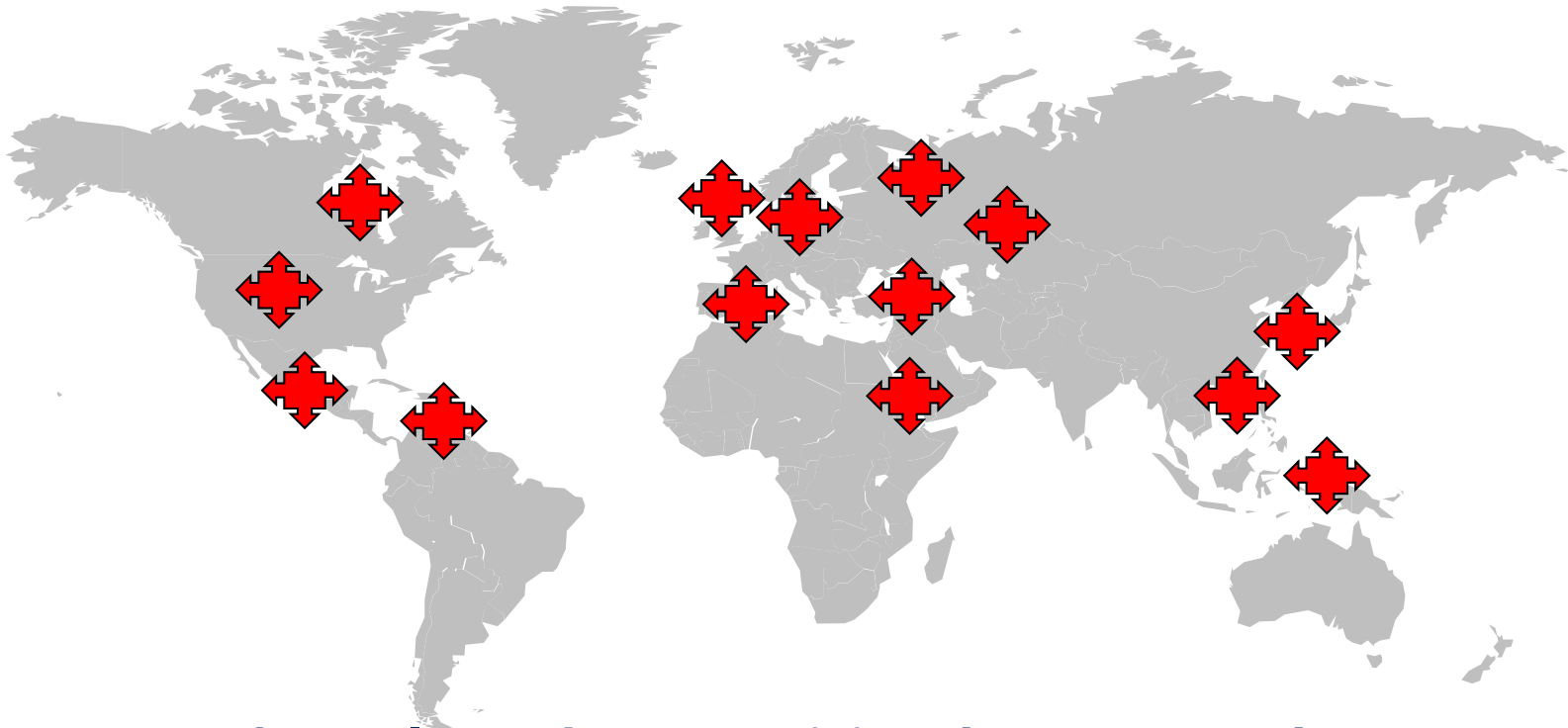
The Change

- Fenwal – established 1949.
A Division of Baxter Healthcare for nearly 50 years.
- In 2007 Baxter Healthcare sold Fenwal
 - \$500M Business
 - Operating in over 50 countries
 - 3,500+ employees
 - ~100,000 device footprint
 - Blood Center and Plasma Center presence



The Transition Goal

Within 12 months – begin implementation to one stand alone global company.



Complete the transition by year end 2008.

Getting Started...

Building the Organization



What we had:

- Sales
- Marketing
- Clinical
- Technical Field Service
- Customer Service
- R&D
- Regulatory

What we needed:

- Finance
- Legal
- Supply Chain – Warehousing
- Quality Assurance – Supplier Quality
- Purchasing / Procurement
- Forecasting / Planning
- Device Manufacturing
- EHS
- IT / Systems / Master Data
- Human Resources
- Communications
- Global Trade Compliance

Begin with the End in Mind

Covey, the seven habits of highly effective people.

"...Create a vision

- Articulate that vision**
- Passionately own that vision**
- And relentlessly drive it to completion."**

~ Jack Welch – General Electric ~

The Vision

Become a World Class Service Organization



- ✓ Fleet of Foot
- ✓ Able to Flex and Adapt to Changing Circumstances
- ✓ Willing to Change Established Routines and Methods
- ✓ Able to Change “Old Ways of Doing Business”

The Vision

Become a World Class Service Organization



Demonstrate the ability to create a consistent standard of excellence which transcends Global boundaries



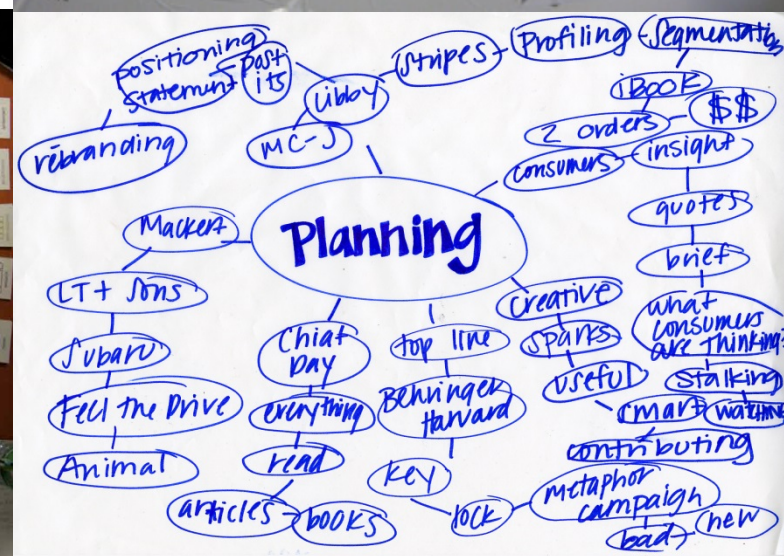
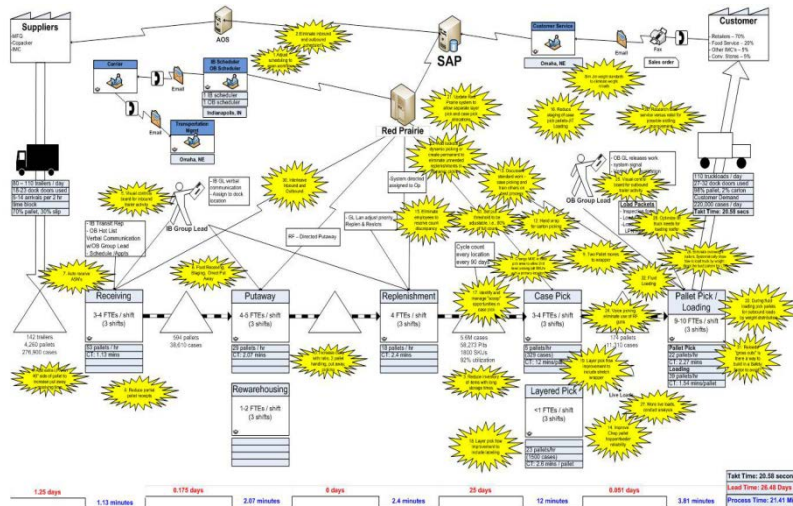
The Roadmap

SCP Field Service Standard Criteria



Planning

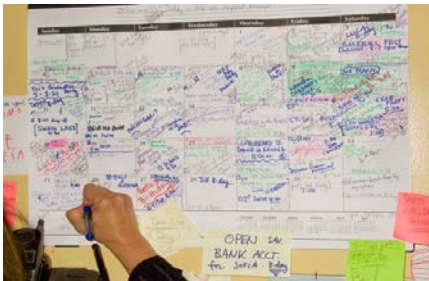
- Kaizens – Value Maps – Journey Mapping – RACI Matrix



The Rules



Set Target - Milestones



Stay On Schedule



Keep Score – Measure Progress



Be Responsible – Be Accountable
– Be On Time -

Accountability is an inside job.

The Transition

Execute the Global transition within one year.

Complete by year end 2008.

North America

Move Corporate offices

New Systems – SOPs – Org

Operational Go-Live...November 1, 2008

Latin America

Establish direct & distributor countries

Consolidate direct countries to regional base

Operational Go-Live.....October 1, 2008

Europe/ Middle East / Africa

Consolidate 14 country offices into one

All new systems – SOPs – Org

Operational Go-Live...March 1, 2008

Asia Pacific

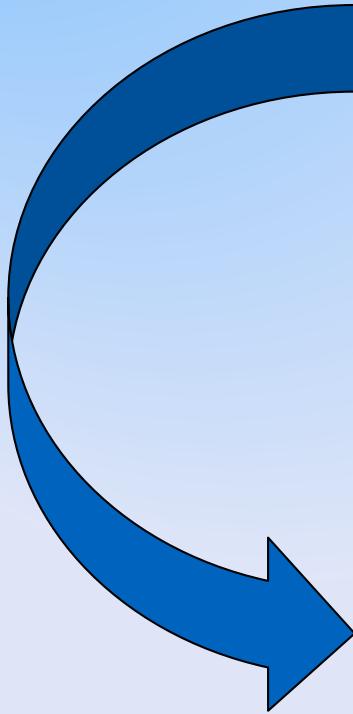
Establish direct & distributor countries

Consolidate direct countries to regional base

Operational Go-Live.....December 1, 2008

Transformation

A Shift in Mindset



~~What's in it for me?~~



What can I do to help?



The Evolution

Defined Requirements
- Knowing the "Why" -



Understanding

Empathy



Compassion

Delivering on
Commitments



Trust

Everyone has a Story...

Caring is **CUSTOMER FOCUS**

"EVERYTHING WE DO HELPS SOMEONE SOMEWHERE EVERY DAY, AND THAT'S WHAT IT'S ALL ABOUT."



Caring is **INTEGRITY**

"EVERYTHING WE DO MATTERS. WE ARE PART OF A LARGER COMMUNITY OF PEOPLE HELPING EACH OTHER"



Caring is **COLLABORATION**

"WE ARE ALL PART OF THE SOLUTION. IT'S ABOUT HOW WE WORK, NOT HOW WE'RE ORGANIZED."



Caring is **PASSION & COMMITMENT**

"WE GIVE PATIENTS AND FAMILIES HOPE AND TIME - TO BE A PART OF THAT IS AN INCREDIBLE PRIVILEGE."



Caring is...Service

The Results

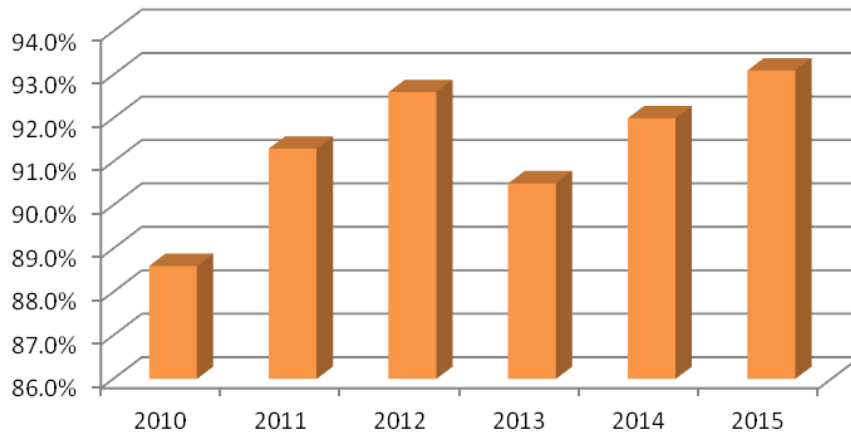


World Class Characteristics

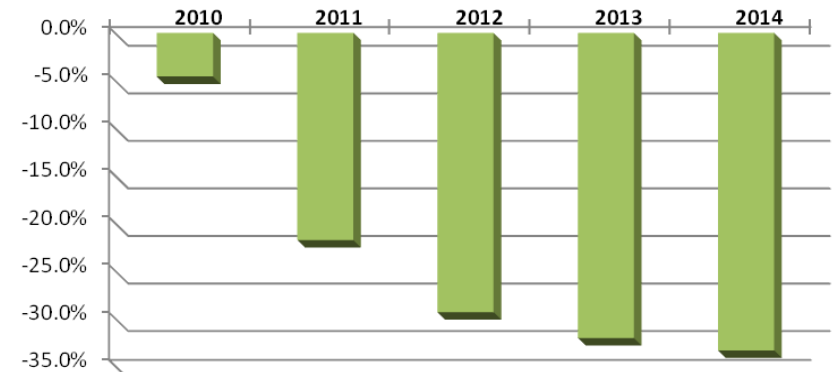
**Fleet of Foot – Adapting to changing circumstances –
Changing established routines – Changing “Old Ways of Doing Business”**

The Results

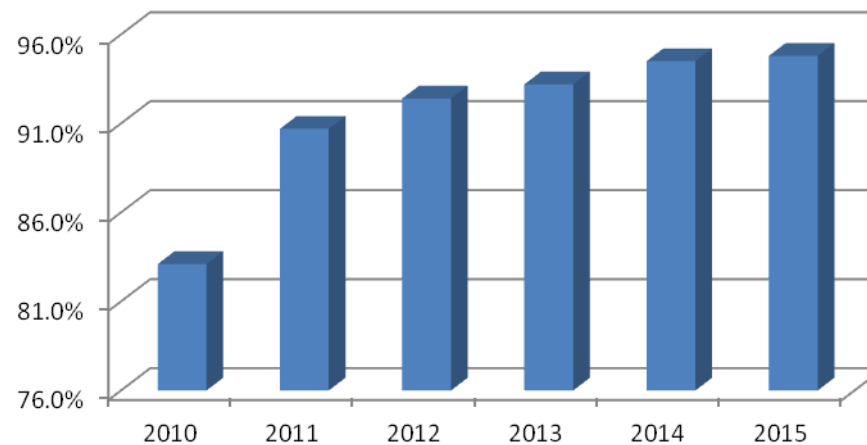
% First Time Fix



Cummulative % Change in Service Cost per Device



% Very Satisfied - Event Survey



The Learnings

- **Have A Vision**
 - Define It – Communicate It – Own It
- **Navigate The Waters With a Clear Roadmap**
 - Know...and Share The Requirements
- **Be Disciplined**
 - Stay On Target – Keep Your Commitments
- **Everyone Has A Story...Listen For Them**
 - Empathize – Support – Trust - Care
- **Celebrate.**



Questions?