

Case Study Bayer AG

Bayer achieves massive cost savings in the area of procurement of building services through myFutura

Since November 2000 the international pharmaceutical and chemical company Bayer has been using the communication platform myFutura for the procurement of building and other services. Not only have the procurement processes been optimised and speeded up through the use of myFutura; there has also been a considerable cost saving.

Bayer AG has a considerable purchasing volume. The bidding volume for building works alone amounts to several hundred million Euros. The Purchasing Department Technics and Services is responsible for this task. At the beginning of 2000, when Bayer was looking for a new, modern AVA system, they discovered Futura. The company has been operating under the name of Futura Solutions GmbH since November 2005. Claus Wagner, Procurement Manager, Purchasing Technics and Services at Bayer, who trained as a civil engineer, explains: "The online bidding system myFutura was of great interest to us from the start. We were enthusiastic about the communication platform straight away."

Customer-orientated solution

Bayer had good reasons for choosing myFutura. Wagner explains: "myFutura is very user-friendly, has an intelligent software approach and the business processes we require are well supported. In addition, our business partner has been very customer-orientated and was prepared to take change requests for the online bidding process into consideration."

"Thanks to myFutura our bidding processes have become more and more efficient. By using this flexible, innovative and easy to use communication platform we have made considerable cost savings."

*Claus Wagner, Procurement Manager
Bayer AG*



After an initial project duration of only one month myFutura went live in November 2000 as planned. According to Bayer "this quick introduction was due to the fact that the alignment of the online system totally met their requirements and those of their industry. The system has an extremely high usability."

It has been emphasised "that the ASP solution for online tenders can be handled and navigated with a standard browser". The training for about 20 users took only one hour. As far as efficiency is concerned the advantages are compelling. About 1,5 years after introducing myFutura Wagner sums up: "Those who don't use a system like this for online tenders for the purchase of building services and materials waste precious economic optimising potential".

**Futura
Solutions
well
integrated**

The comments which have been made are based on substantial experience. The Procurement Manager at Bayer calculates that costs have been reduced by about 90 % compared to the standard procedures. In addition according to Bayer "there has been a time saving of more than 30 %". With only a few mouse clicks it is possible to convert a tender into an auction. The corporate group is now able to communicate with all participants online and exchange documents (including CAD drafts). myFutura is multilingual and can be applied internationally. About 1000 suppliers submit quotes online. On average six bids are placed per tender.

Quantum leap at handling the bidding process

Before myFutura was used there was a lot of manual work involved in the bidding process for building services and materials which took a disproportionate amount of time. At Bayer this is now a thing of the past. Tenders are now directly transferred from Futura-AVA to myFutura. Bayer introduced Futura-AVA in the summer of 2001 independently from myFutura. Only a few mouse clicks or entries into "optional fields" are necessary to start an online bid. The system guides the purchaser through an easy to use menu. Once the submission is over the lowest priced bidders can be selected and displayed in a price comparison list.

myFutura is designed in a way that has allowed Bayer to organise their line of communication in an ongoing and ideal manner within the projects. This also includes the complete supplier/bidder and planning administration. In addition, Bayer is planning to integrate the solution into their existing SAP environment so project messages, purchase requisitions and billing can be carried out through

SAP. It goes without saying that myFutura supports all exchange formats, e.g. GAEB and ASCII, predominant in the building industry. It is also possible to import or export Excel sheets in CSV format.

myFutura is also easy to use for suppliers. The bidder simply has to log in via the website www.myFutura.com. All they need is a User ID and password. The bidder can download the information or edit the bid online and place an offer. The bidders can make a choice as to whether they would like to be informed via e-mail or SMS about forthcoming tenders. Luckily thanks to myFutura situations like having to contact the supplier several times due to a faulty disk are a thing of the past at Bayer.

Bayer AG

In 1863 Friedrich Bayer and Johann Friedrich Weskott founded a small dye company by the name of Friedr. Bayer & Co. in Wuppertal-Barmen. Today Bayer AG, which is based in Leverkusen, is a pharmaceutical-chemical company with 350 businesses in almost every country around the world. In 2001 the Bayer Group had a turnover of about 30,2 billion Euros. The number of employees added up to around 117.000 at the end of the year. World-wide the Bayer Group is divided into 15 business units, which are pooled into areas like Health, CropScience, Polymers and Chemistry.

The solution at a glance

Significant advantages

Demonstrable cost saving, reduced cost risk through well-connected planning, accelerated business processes, time saving at bids, transparency

Project duration

About one month for internal organisational measures

Number of users

About 80

Special features

No additional infrastructure is necessary for purchaser, planner and bidder as myFutura is operated in ASP modus via the internet. The application is provided via a data centre. The user only requires a standard PC with internet connection.

