

# Case Study

# BARID

## Overview

Bard Canada Inc. is a wholly owned subsidiary of C.R. Bard, Inc. of Murray Hill, N.J., a leading multinational developer, manufacturer and marketer of innovative, life-enhancing medical technologies in the fields of vascular, urology, oncology and surgical specialty products. C.R. Bard markets its products and services worldwide to hospitals, individual healthcare professionals, extended care facilities and alternate site facilities.

## Challenges

Bard Canada and its parent company, C.R. Bard, were early adopters and promoters of e-commerce as part of a larger corporate strategy to collaborate with customers in improving efficiencies, driving down costs and delivering exceptional patient care. C.R. Bard joined the GHX Exchange in 2000 and Bard Canada joined in 2004.

In addition to GHX, Bard Canada had been transacting electronically through a value-added network (VAN), but the existing solution at that time did not provide data cleansing and management services to check order accuracy and reduce labour intensive and costly transaction errors. Furthermore having multiple e-commerce solutions with separate data flows and reporting undermined the efficiencies gained through automation.

“Anytime there’s a manual intervention it causes pain for us internally and pain for our customers,” said Kathy Skrinda, Customer Service Manager, Bard Canada. “With a large percentage of orders going through the VAN, we were all experiencing these pain points. There were many times when we had to manually massage orders because of various discrepancies in price, unit of measure (UOM) and item numbers. The required labour detracted from our more strategic customer service initiatives.”

Diana Chan, Vice-President, Marketing & Innovation for Bard Canada, notes that the company set a goal to transform its customer service operations into a more dynamic customer care team that delivered value beyond taking calls and processing orders to better support both their internal customers, including Bard Canada’s sales representatives and their external customers (healthcare provider organizations). The heavily manual nature of their EDI transactions hindered this initiative.

“Whether customer service is manually manipulating an order or calling a customer to verify information, that’s time that could be better spent interfacing directly with the customers in a meaningful way,” said Chan. “And our customers feel the pain on their

## Organization:

Bard Canada  
Ontario, Canada

## GHX Products:

- GHX Exchange
- AllSource® repository
- Content Intelligence
- Registration Center
- TradingNet platform

## Highlights:

Bard Canada worked with GHX Canada to consolidate separate electronic data interchange (EDI) channels through the GHX Exchange, leverage content management solutions and engage in electronic invoices with its customers. As a result Bard Canada has significantly grown its volume of touchless transactions, increasing EDI orders by 91 percent, decreasing manual EDI error handling by 60 percent and freeing the customer service team to collaborate with customers to further improve operations and reduce costs.

“Although GHX might have a common approach to the suppliers they work with, they are all about getting down to that next level and need below the surface to offer greater personalized solutions,” said Chan. “It’s that focus and attentiveness that really makes a difference in a partner.”

— *Diana Chan, Vice-President, Marketing & Innovation, Bard Canada*

side as well when we are calling them for assistance in resolving discrepancies. They too have to take time out of their busy schedules that could be better used elsewhere.”

## Solution

In 2012, Bard Canada met with GHX Canada and together they evaluated the company’s e-commerce capabilities, discussed its challenges and goals, and explored solutions to improve order accuracy and efficiency. Working in collaboration, they developed a plan to consolidate Bard Canada’s electronic transactions through the GHX Exchange using the GHX TradingNet platform, employ the GHX Content Intelligence platform, increase electronic invoicing capability and utilize the Registration Center portal to increase Bard Canada’s volume of touchless transactions.

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## e-Commerce Consolidation

To consolidate its electronic order volume, Bard Canada employed the GHX TradingNet platform. With TradingNet, Bard Canada now receives orders from both GHX members and non-members through the GHX Exchange. This single connection has enabled Bard Canada to increase its EDI volume, and at the same time, decrease manual order intervention.

“We decided that the preferred route for Bard Canada was for everything to go through our existing GHX connection because of the capabilities that GHX provides in terms of data accuracy and process efficiencies and our comfort level with their solutions,” said Skrinda.

Consolidation through GHX has enabled Bard Canada to take full advantage of the GHX AllSource® repository, a supplier-verified data synchronization platform. By publishing its product catalogue to AllSource, Bard Canada’s customers are able to use updated and accurate product information within their business transactions.

“For us it just made sense,” said Chan. “There are inefficiencies when you are getting data from two

different pathways and both of those pathways have tools and reporting functionality. It was clear that we needed to streamline everything through one channel and GHX had the capabilities to do so.”

## Intelligent Data

To increase the accuracy of its electronic orders, Bard Canada employed the GHX Content Intelligence solution, which automatically identifies and corrects purchase order (PO) errors early in the transactional process before they reach Bard Canada’s enterprise resource planning (ERP) system to minimize costly invoice exceptions.

Previously, minor nuances in EDI transactions, such as a missing leading zero or an extra hyphen, would hold up orders until Bard Canada’s customer service representatives made the necessary corrections. Today, GHX and Bard Canada have worked together to put rules in place so that Content Intelligence automatically corrects these errors, enabling orders to flow through Bard Canada’s systems without manual intervention.

“The devil is in the detail,” said Chan. “Everything now gets converted into the language we need with no manual intervention, which gets products out of our building and into the hands of our customers that much quicker.”

## Electronic Invoicing

Bard Canada had relied on completely manual processes when invoicing customers outside of the GHX Exchange. Customer service staff would physically print invoices, fold and stuff them into envelopes, apply postage, and mail them. In 2012, the individual responsible for this task was redeployed to another department so Skrinda sought out a solution to, in her words, “make it disappear.”

Bard Canada implemented an electronic invoicing capability, which enables suppliers to send electronic invoices to their customers, reducing manual processes currently used by provider organizations. In doing so, Bard Canada has been able to “do more with less,” according to Chan.

“There’s no way we could have functioned with one less person on the customer service team without EDI invoicing in place, let alone achieve our goals to improve and increase service levels,” said Chan. “It has truly enabled us to be lean, mean and efficient, which is necessary in today’s business environment.”

## Visibility and Reporting

Each quarter, GHX presents Bard Canada with scorecards that contain metrics on its customer transactions through the GHX Exchange. With visibility into which customers are most active on the GHX Exchange, and those that are lagging behind, Bard Canada can take steps to maximize existing relationships and target those customers where there is an opportunity for e-commerce expansion.

“The business review meetings and scorecards allow us to see where we are in terms of e-commerce activity with our customers on the Exchange, determine what we’d like to accomplish and explore solutions to get us there,” said Skrinda.

To facilitate a more proactive approach to increasing its electronic transaction volume, Bard Canada has been using GHX Registration Center to identify customers that are registered to use electronic transactions, such as POs (850), PO acknowledgements (855) and invoices (810), but are using them for a small percentage of orders or not at all. The company then reaches out to these customers to determine why they are not using EDI, communicates the benefits of electronic versus manual transactions and offers assistance in connecting electronically.

“We’ve made tremendous strides in driving greater electronic transaction volume, and continue to see opportunity for further growth we can drive together with our customers,” said Skrinda. “It’s to everyone’s benefit – Bard Canada and our partners – to automate as much as we can and Registration Center is a great tool to assist in these efforts.”

## Results

By leveraging GHX solutions to streamline its business transactions, Bard Canada has achieved its goal of freeing up customer service resources for more value-added activities. The company has driven costs out of its supply chain by improving data accuracy, increasing its EDI volume and reducing manual labour in the procure-to-pay process.

“There’s no doubt that the medical device landscape has changed drastically in the past few years and it has forced all of us to streamline. At the same time, we are continually seeking new ways to better support both our internal and external customers,” said Chan.

“Our partnership with GHX has enabled us to be more strategic with our resources, remain competitive and help deliver the bottom line.”

## Driving Greater EDI Volume

By leveraging GHX solutions and making EDI volume a key performance indicator for its customer service department, Bard Canada has increased its EDI transaction volume by 91 percent over the past three years. GHX TradingNet alone has enabled Bard Canada to accurately process an additional 3,700 electronic POs in 2012 over 2011.

“Greater use of EDI rolls down to greater efficiency among the customer service team” said Chan.

## Cleaner, Faster Transactions

By consolidating its EDI transactions through the GHX Exchange and leveraging the GHX AllSource® repository, Content Intelligence and electronic invoicing capabilities, Bard Canada has decreased manual EDI error handling by over 60 percent. These solutions have driven down the number of pricing, UOM and item number discrepancies, increasing the volume of touchless orders and enabling Bard Canada to deliver products to customers faster.

“When EDI orders come through clean and do not require any corrections they flow right into our ERP system and are automatically printed out in our warehouse, which supports our goal to ship out all products on the same day the orders are received,” said Skrinda.

With the electronic invoicing capability, this level of automation and efficiency flows all the way through to customer payments. The ability to send invoices electronically, versus in paper form through the mail, enables customers to receive invoices the day following the shipment of their orders. As a result, Bard Canada receives payments faster, thereby reducing its days sales outstanding (DSO) by an average of 6.4 days for EDI 810 accounts.

“Anytime that we can reduce our DSOs by one day, let alone six days, has a huge impact on our organization,” said Chan.

## Delivering Greater Customer Value

Most important to Bard Canada is that its use of GHX solutions has enabled the company to be more strategic with its staff resources. Through greater automation

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*Customer Service*  
*Manager, Bard Canada*

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— *Diana Chan, Vice-President, Marketing & Innovation, Bard Canada*

and improved accuracy in the procure-to-pay process, Bard Canada is now evolving its customer service department into a dynamic customer care team that is focused on higher value activities and customer needs rather than manual data entry and order manipulation.

This team can now better serve Bard Canada’s internal customers (the sales representatives) and its external customers (the healthcare providers). For the company’s internal needs, greater time can be allocated to assisting sales representatives with consignment products, returns and samples. The customer service team has also increased its ability to conduct inside telemarketing activities.

For external customers, Bard Canada’s customer care team can now dedicate more time to key customer service initiatives, such as backorder substitutions and order resolution. A major objective of Bard Canada’s new concept in customer service is to further increase the volume of EDI transactions among its customer base. Through the greater efficiency afforded by process automation, Skrinda has been able to free up time for an individual on her team to use tools such as GHX Registration Center to proactively identify gaps in electronic transactions and then work with target customers to improve EDI usage for the benefit of all parties.

“Our e-commerce strategy has enabled us to deploy the customer service team in a completely different way than taking calls and fixing orders,” said Chan. “They play a critical role in delivering exceptional customer support that differentiates us in the medical device marketplace. GHX Canada is an excellent organization dedicated to customer service and we are very pleased to have them as a partner in this effort.”

## Benefits

Bard Canada’s participation in the GHX community has enabled the company to achieve:

- Process automation with a 91 percent increase in EDI transaction volume over the past three years
- Channel consolidation with all EDI orders now flowing through the GHX Exchange
- A significant decrease in transactional errors, with a 60 percent reduction in manual EDI error handling
- Faster payments with a 6.4 day reduction in DSOs for customers with an electronic invoicing capability
- A more efficient and streamlined procure-to-pay process, enabling Bard Canada to focus more of its efforts on value added customer service activities



1315 W. Century Drive  
Louisville, CO 80027  
USA  
1.800.YOUR.GHX

10 Carlson Court  
Suite 701  
Etobicoke, ON M9W 6L2  
1.647.351.8434