



*Outsourcing and working
with CMO/CTS
suppliers: making a
success of your vendor
relationships*



Luiz Barberini

**External Manufacturing LatAm
CTS Barcelona 2025**

A stack of colorful sticky notes (yellow, pink, white) on a textured brown background. The top note is bright green and has the text "MAKE THINGS HAPPEN!" written in bold, black, hand-drawn capital letters with an exclamation mark.

**MAKE
THINGS
HAPPEN!**



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Logistics

Manufacturing

Planning

Demand

Procurement

Cold Chain



Outsourcing and working with CTS & CMOs suppliers: Making a success of your vendor relationships

A proven approach in building relationships

- // **Few highlights on Brazilian & Global logistics roadblocks**
- // **How Bayer established a trustful relationship with CMO to guarantee supply**
- // **The key relationship factors embraced by Bayer**
- // **Tips and touches on how to improve your supplier's performance**



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Objective : Share our experience, targeting to make YOUR life easier



A Complex World

**~5.0 bn €
sales** with

~6.000 products



**8 Suppliers LatAm
USD30million**



Supply from **>200** external **CMO's**



Supply from **12** internal **PS sites**



~850
formulations

~13.000
Number of Materials



~1.500
Material Suppliers

1.6
BILLION



1.6
BILLION



1.6
BILLION



Developing supplier relationships to overcome Roadblocks

BRAZILIAN &
GLOBAL
ROADBLOCKS
&
INNOVATION

BAYER
RELATIONSHIP
MODEL

KEY
RELATIONSHIP
FACTORS

HOW TO BUILD
UP A TRUSTFUL
RELATIONSHIP



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A Short Story

The
Economist

Menu

Weekly edition

The world in brief

Search



Leaders | A profligate president

To halt Brazil's decline, Lula needs to cut runaway public spending

Investors have started to worry



PHOTOGRAPH: GETTY IMAGES

Jul 18th 2024

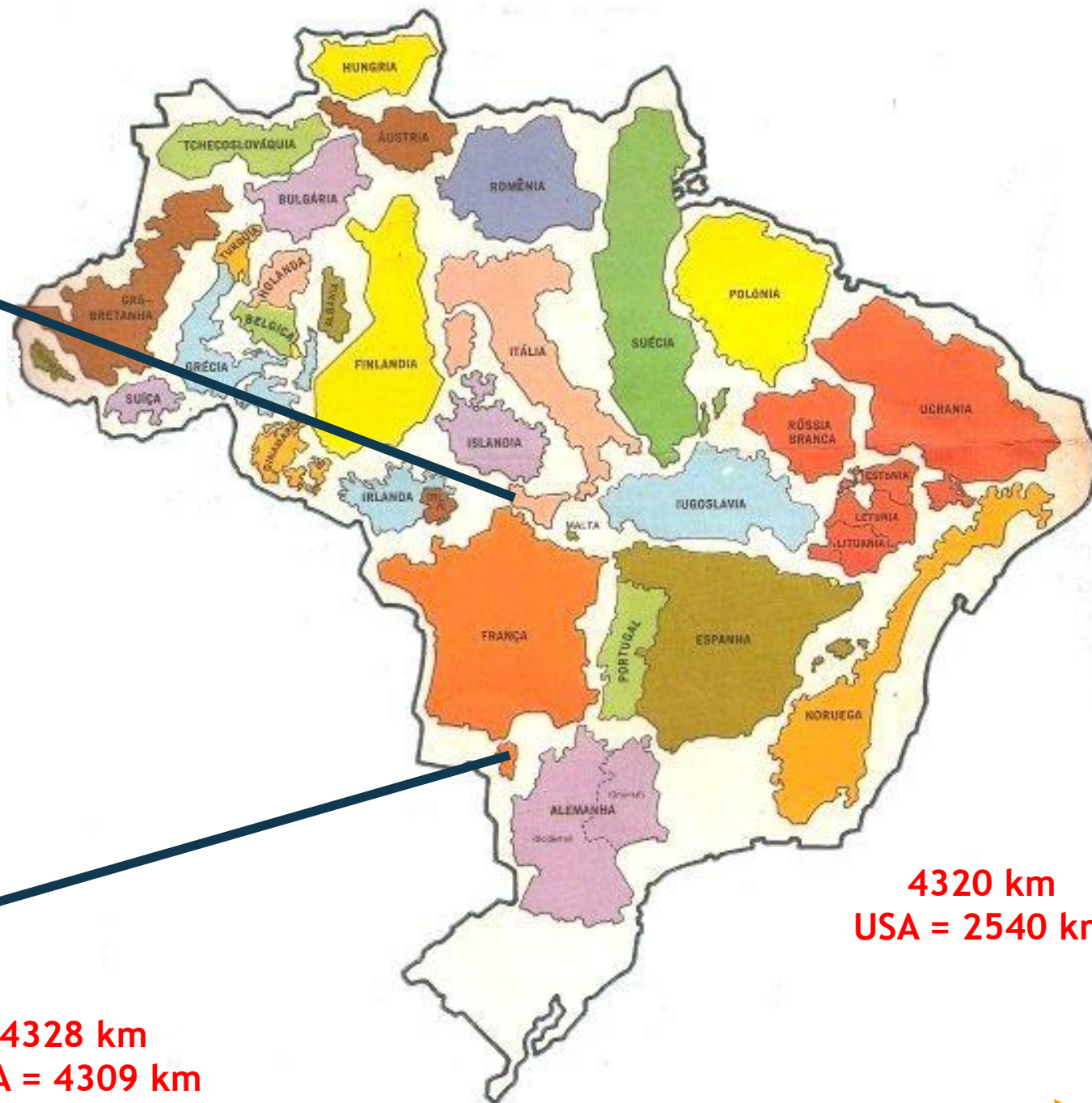
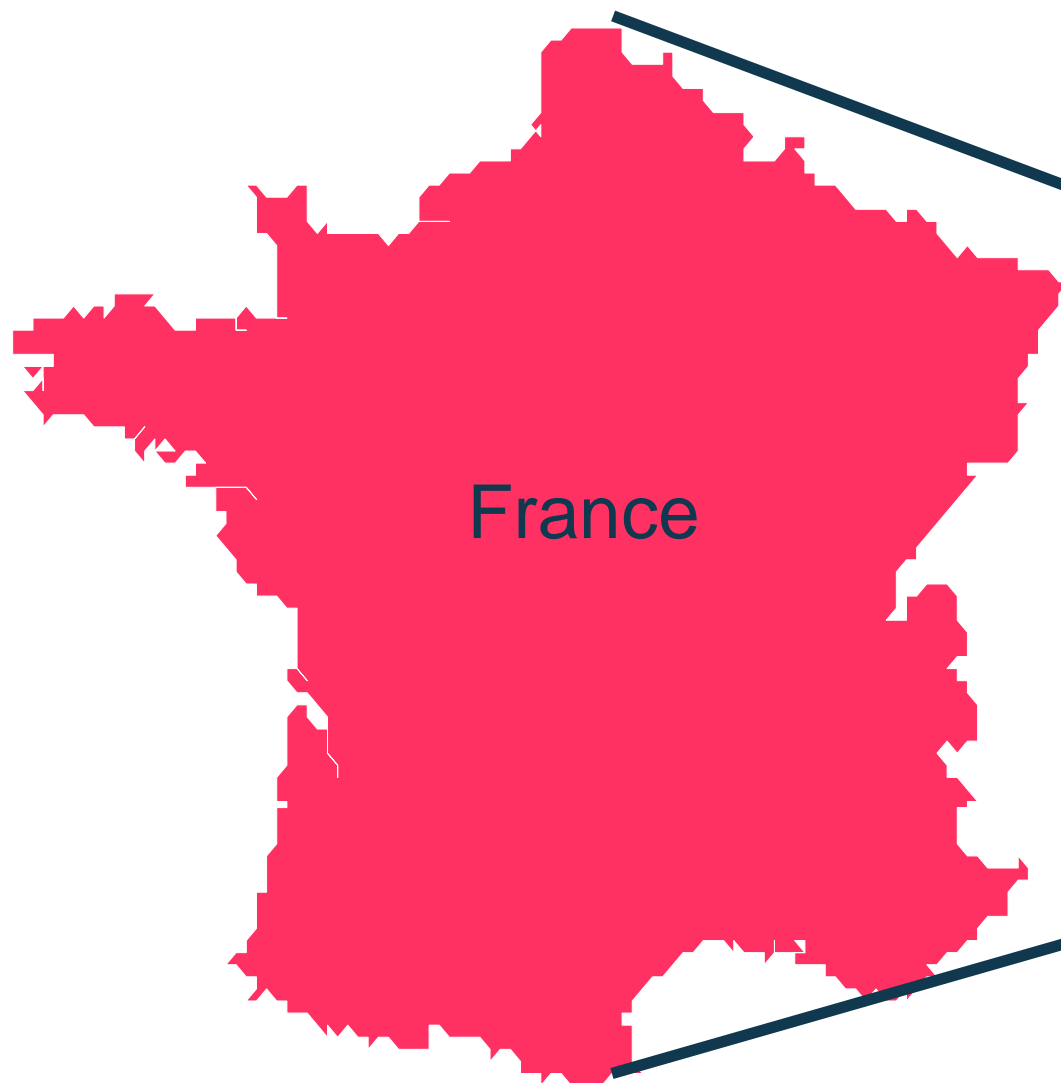
Share



Country Size is a Roadblock



Country Size is a Roadblock





Infrastructure

Most of the time we use nice roads...





Infrastructure

While in the countryside, one must overcome weird bridges...





Infrastructure

to get to these other highways (?)...





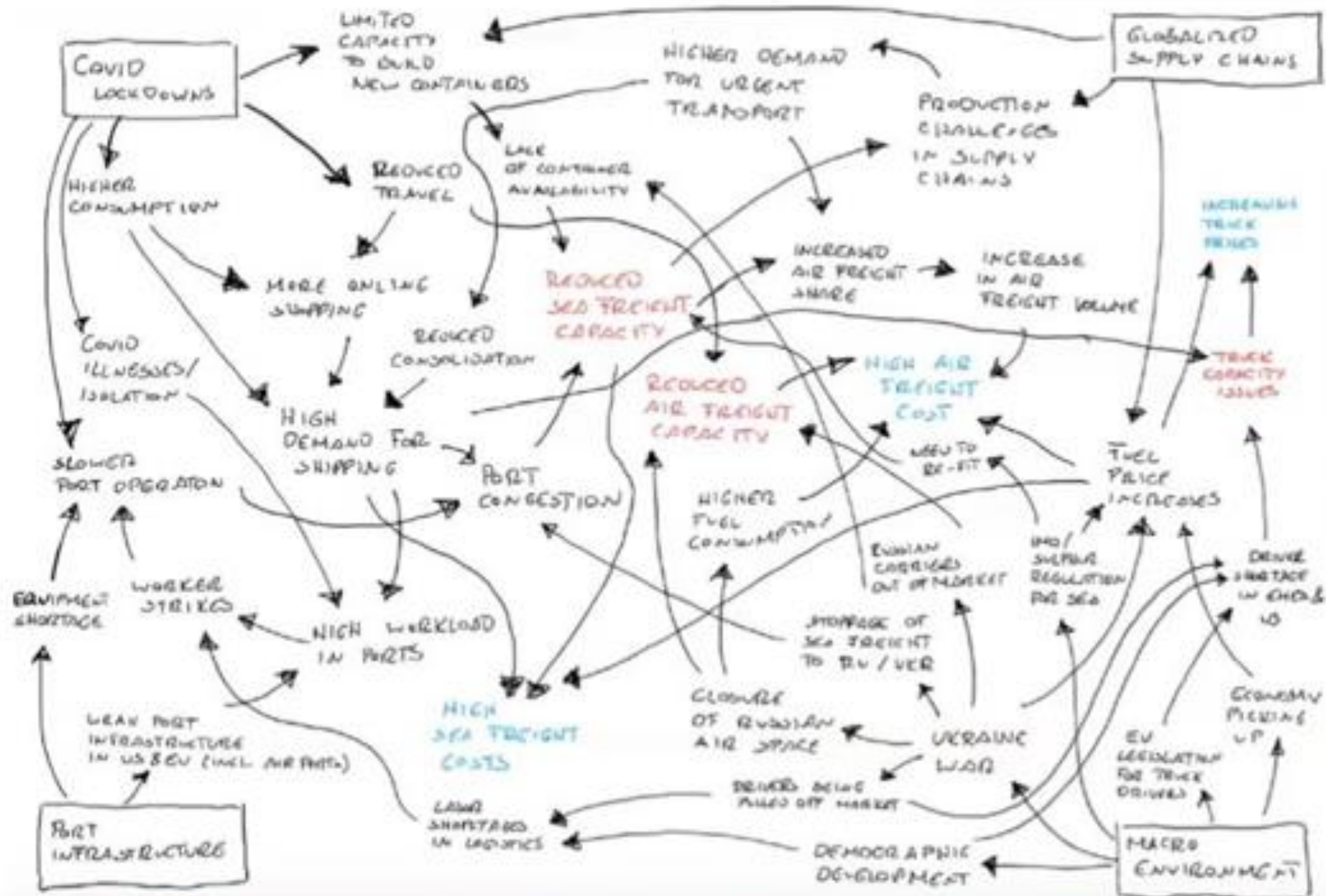
Infrastructure

...finding some surprises on the journey.



A Complex World

What happened with our Supply?



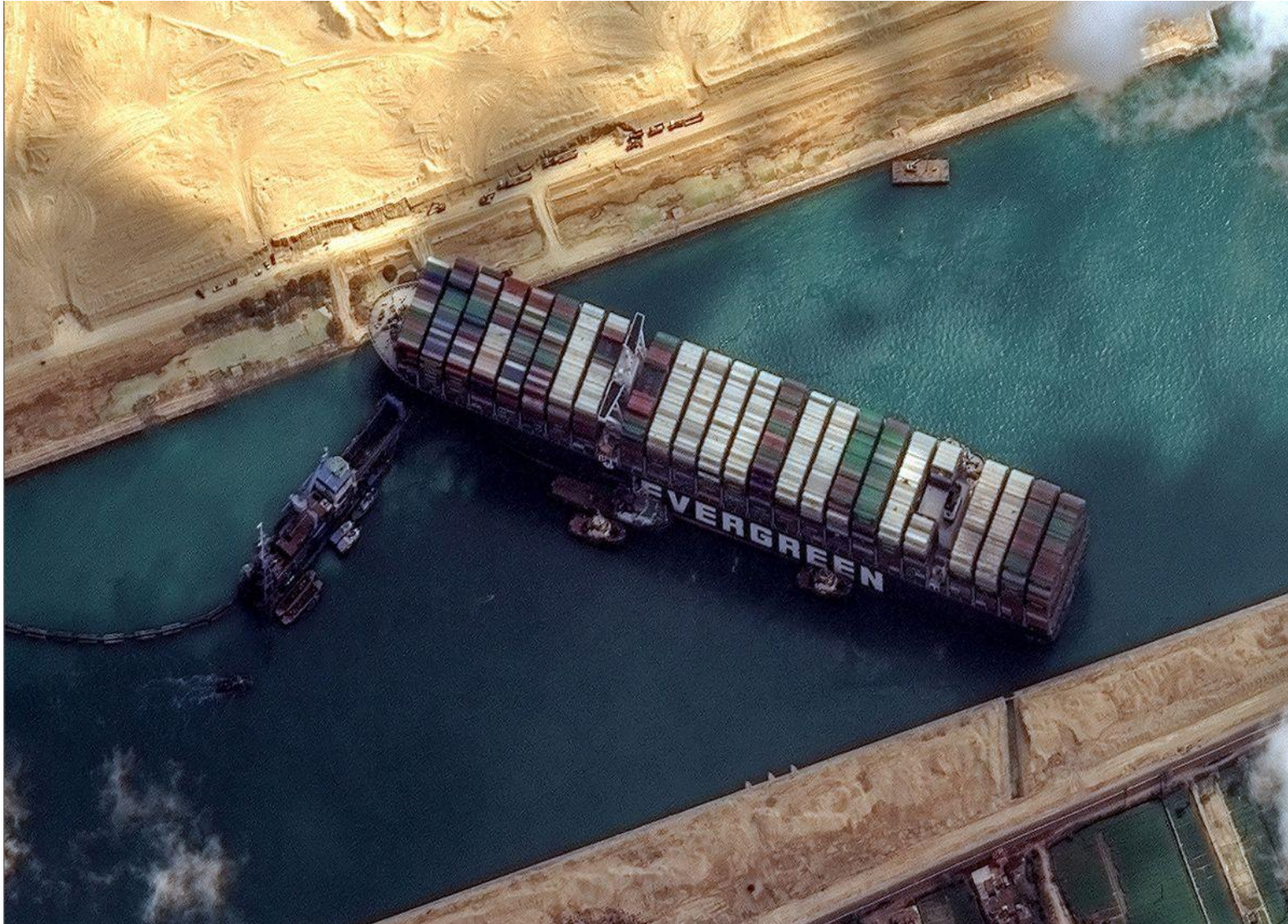


A Complex World





A Complex World



Who ever
used to
remember
The Suez
Channel?



Developing supplier relationships to overcome Roadblocks

BRAZILIAN &
GLOBAL
ROADBLOCKS
&
INNOVATION

BAYER
RELATIONSHIP
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RELATIONSHIP
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HOW TO BUILD
UP A TRUSTFUL
RELATIONSHIP



The Outsourcing Way

FierceBiotech

BIOTECH RESEARCH CRO MEDTECH

CRO

Bayer contemplating outsourcing more R&D as part of restructuring: Reuters

by Joseph Keenan | Oct 16, 2018 2:24pm



Bayer is contemplating outsourcing more of its R&D as part of an overall restructuring plan, Reuters says. (Bayer)



Bayer is contemplating outsourcing more of its R&D as part of an overall restructuring plan, Reuters **reported**, citing the German pharma giant's work council.

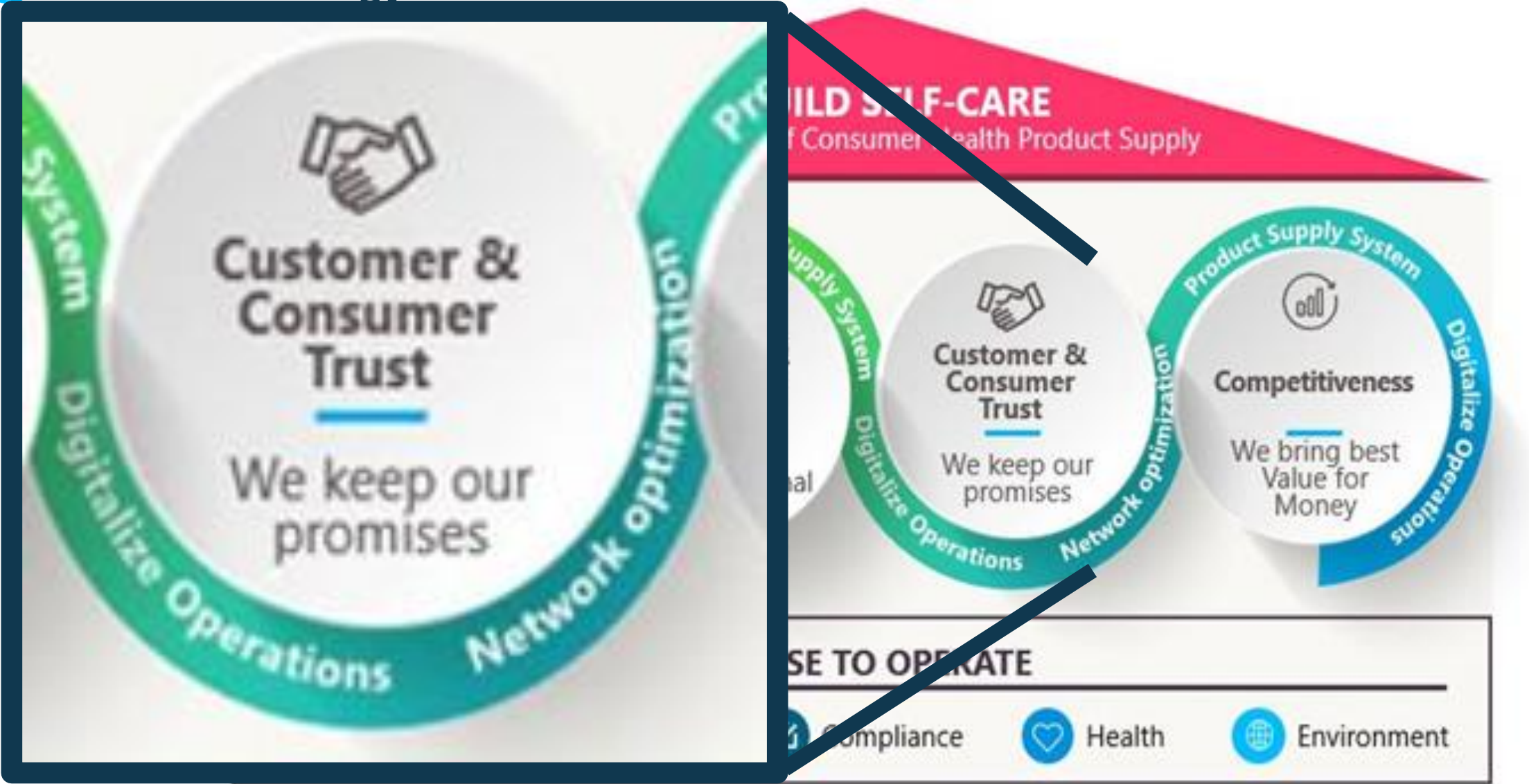


Our Strategy





Our Strategy



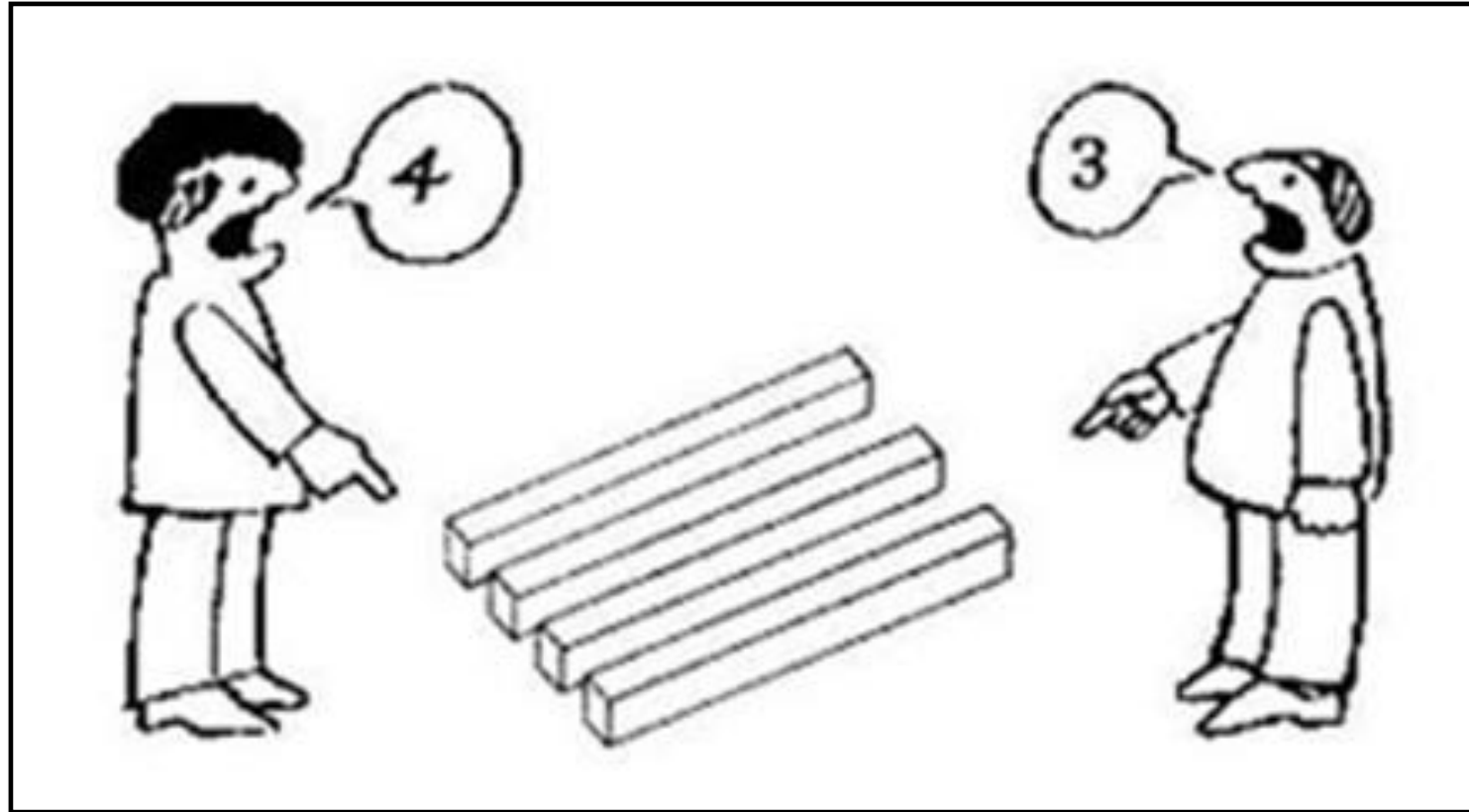


The Outsourcing Way

#1

**Partner must share
Customer's Focus**

Customer's Focus



Focus on the Customer

VS

Customer's Focus



Customer's Focus

Focus on the Customer

**Fulfil customer's
needs for Products
and Services**

VS

Customer's Focus

**Share customer's
vision as well or even
better than
themselves**



Customer's Focus

Focus on the Customer

VS

Customer's Focus

**Fulfil customer's
needs for Products
and Services**

**Share customer's
vision as well or even
better than
themselves**





Customer's Focus

Focus on the Customer

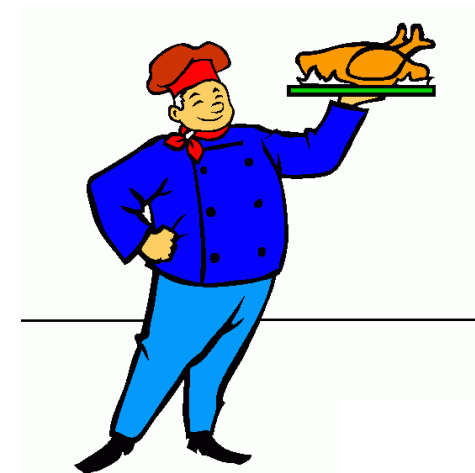
VS

Customer's Focus

**Fulfil customer's
needs for Products
and Services**



**Share customer's
vision as well or even
better than
themselves**





Customer's Focus

Focus on the Customer

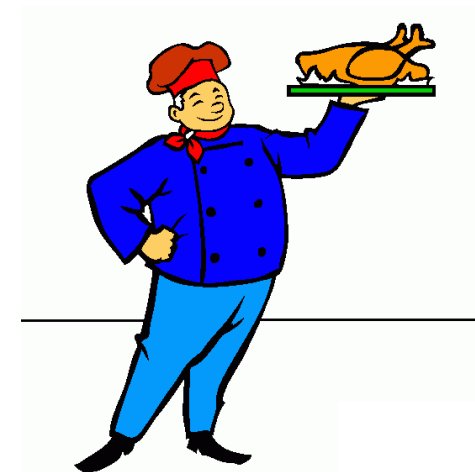
**Fulfil customer's
needs for Products
and Services**



VS

Customer's Focus

**Share customer's
vision as well or even
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themselves**



Innovation happens here!

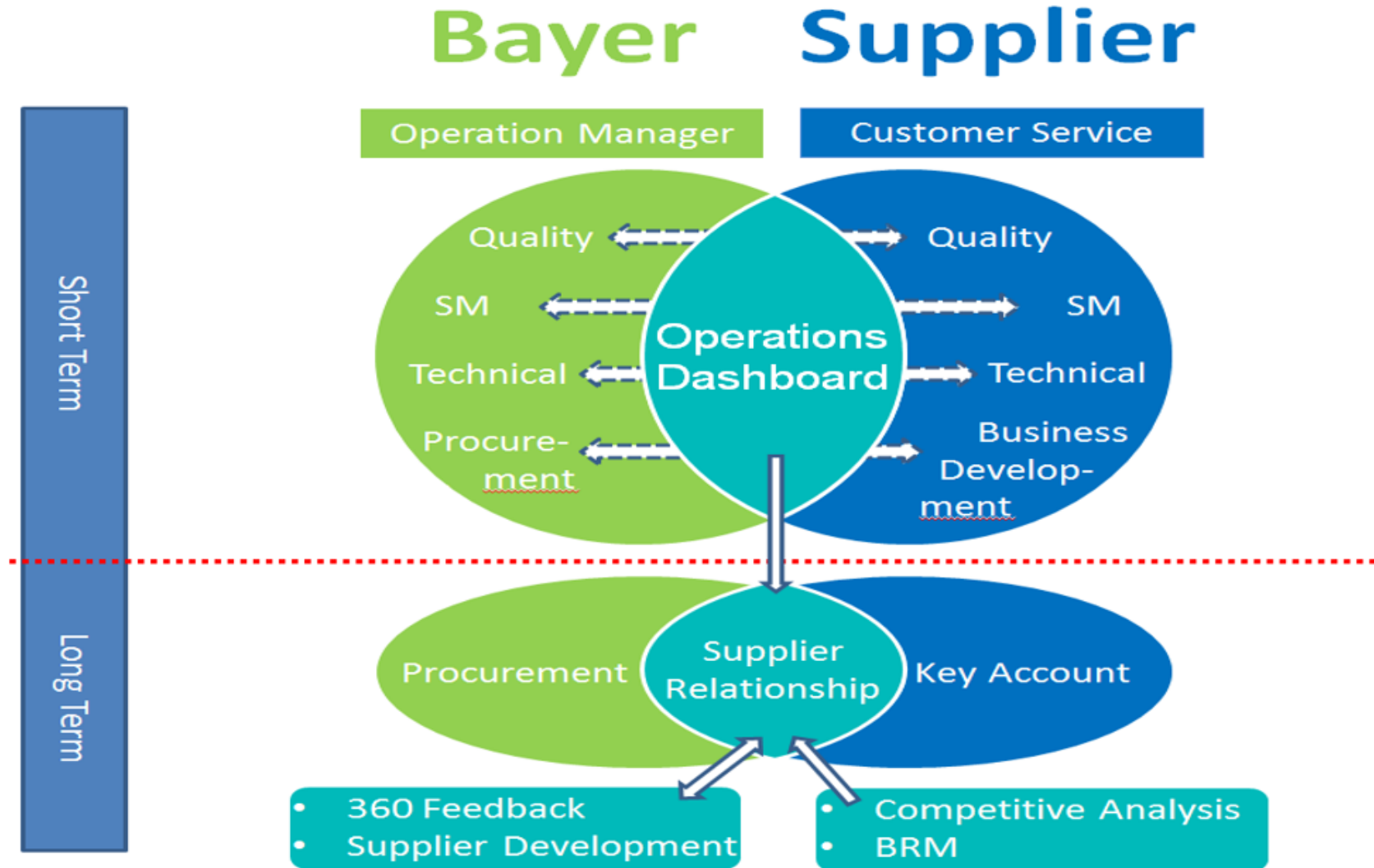


Innovation





Bayer External Manufacturing Model





Developing supplier relationships to overcome Roadblocks

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The Technology approach

Hi Tech X Hi Touch



“Digital Transformation is more about
People rather than technology”





Key Relationship Factors



Bacon & Eggs



Key Relationship Factors



Bacon & Eggs
The chicken is
involved but the pig
is committed



Key Relationship Factors



Bacon & Eggs
The chicken is
involved but the pig
is committed



Paddleball



Key Relationship Factors



Bacon & Eggs
The chicken is
involved but the pig
is committed



Paddleball
When you send good
balls, odds are you'll
get good ones back



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HOW TO BUILD
UP A TRUSTFUL
RELATIONSHIP

Manage Business and Relationship with

TRANSPARENCY

HONESTY

SINCERE COLLABORATION

helps in getting full Trust

**100% of customers are people.
100% of employees are people.
If you don't understand people,
...you don't understand business.**

Simon Sinek, 2009



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We are all individuals, but we are all the same

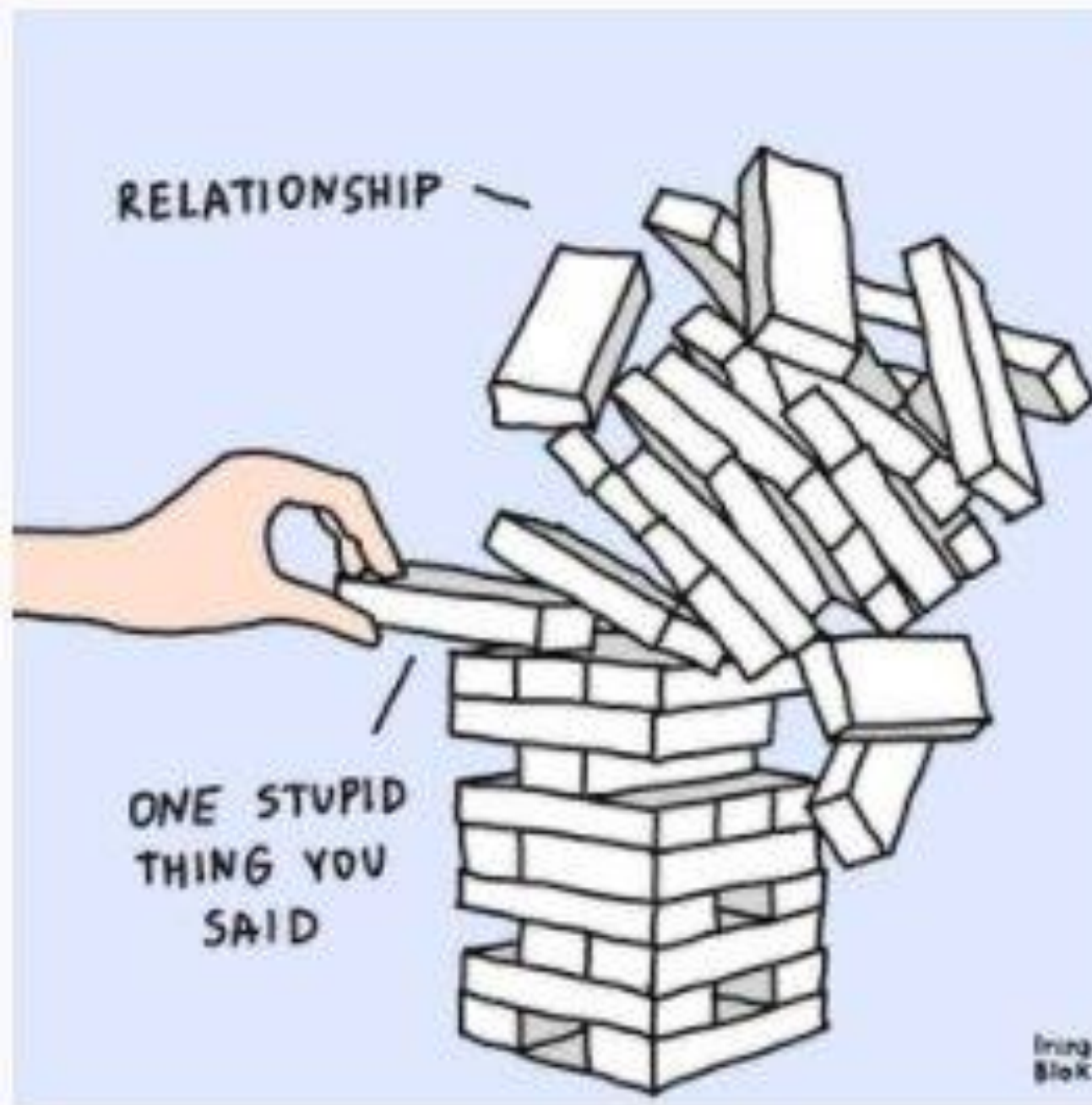
HOW?



“Breakfast at Tiffanys”

Deep Blue Something





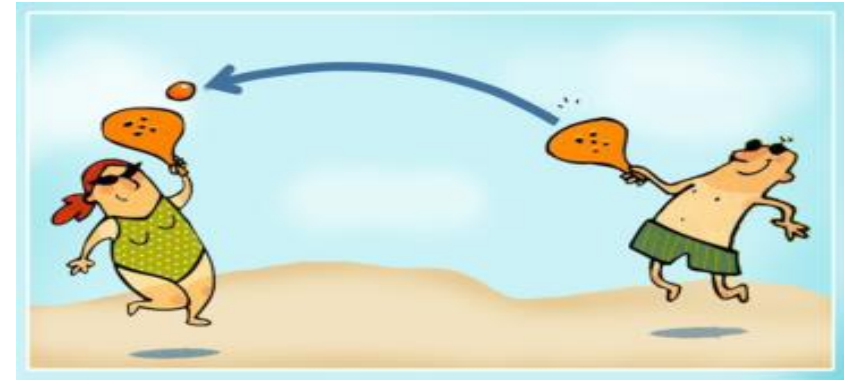


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FINAL COMENTS AND TIPS



Build up a trustful relationship,



supporting your suppliers



and considering the humanized technology



Closing....

There are two rules for the success:
1. Never tell everything you know.

Roger H. Lincoln

Detroit City councilman, Juvenile Justice Court judge, and author

Looking forward to meeting you in 2026 😊



Thank you!



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Thank you!



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“In preparing for battle I have always found that plans are useless, but planning is indispensable.” Dwight D. Eisenhower