

IBM Business Partner <u>The Systems House. Inc.</u> of Clifton, New Jersey, has experienced an industry shift with more clients opting to acquire its supply chain software as a service. Its Master Distribution System (MDS) software, tailored to the needs of healthcare supply distributors, can be managed either by a client on its own premises or as a service, hosted remotely on IBM AIX software and IBM System p servers. Of The Systems House's new customers in 2008, more than 75 percent opted to use their software with the cloud-based services delivery model.

"Healthcare supply distributors play a critical role in the industry and are not immune to the challenges of reducing the cost of care for patients," said David Fertig, vice president, technical services, The Systems House. "With IBM technology and support, we've been able to deliver MDS as an affordable service, helping distributors to better manage their costs, become more efficient and meet the level of service their customers demand."

HyGen Pharmaceuticals, a national wholesale distributor of generic prescription pharmaceutical products based in Bellevue, Washington, needed to implement a new IT infrastructure to better manage its business operations and address increased regulatory and reporting issues while building a foundation for solid business growth.

The company was using several different software systems and wanted to create an integrated view of all its business information. The company chose MDS delivered as a service because of the unlimited growth capability and the quick start-up and implementation it offered.

With increased business control and an instant view of all operational activity, HyGen now can catch invoices going out below minimum margins, decrease inventory levels on products that no longer sell, and provide customers with documentation when they attempt to return items that were not purchased from the company. Utilizing lot and serial tracking, HyGen also can create e-pedigree documentation for "track and trace" on drugs throughout the supply chain.

All of these functions allow the company to focus on growing its business through new opportunities instead of dealing with the daily operational and technology issues associated with running a small-to-medium business.

MedTrak Systems and The Systems House are part of IBM's Software as a Service (SaaS) Specialty program -- comprised of over 200 Independent Software Vendors (ISVs) using an IBM infrastructure to support their cloud-based software services offerings.

For more information on IBM's SaaS Business Partner program, visit: www.ibm.com/partnerworld/saas.

For more information on MedTrak Systems and The Systems House, please visit: www.medtraksystems.com and www.tshinc.com.

