



Top 5 Ways to Save Your Cost Through Third-Party Contract Manufacturing

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Introduction

Third-Party Contract Manufacturing has shown an incredible growth rate in the past few decades. They are highly demanding, especially in pharmaceuticals. The reason for such an elevated demand is that they have driven a massive reduction in the cost of manufacturing goods and provided companies complete flexibility with how they handle their product

manufacturing. The reasons are many, like operational efficiency, skilled and cheaper labor, etc. Let us explore the ways third-party contract manufacturing provides financial benefits but before that, let us explore what third party contract manufacturing is?

Third-Party Contract Manufacturing

To escape the manufacturing hassles and to focus on the core functionalities of the brand, companies outsource manufacturing processes, either some part of it or completely. Through outsourcing, they cut down their cost in different areas. If we see the pharmaceutical industry, drug manufacturing is a complex procedure. They go through different stages, which include drug designing, testing, manufacturing, packaging, shipping, and marketing. All these processes are competently taken up by [Pharma Third Party Manufacturing](#) and provide many benefits to companies.

Akums Drugs and Pharmaceuticals Ltd.

[Akums](#) is India's distinct major Contract Research and Manufacturing Association accountable for developing 12 % of all drugs consumed in the realm. The company offers a broad series of services, from formulation development to market launch, all in one place. Their services include:

- Contract Research & Manufacturing Services (CRAMS),
- Formulation & development of Novel Drugs Delivery Systems (N.D.D.S.),
- Loan License,
- New Formulations with D.C.G.I. Approvals,
- Institutional business
- Technology Transfer,
- Technical collaboration and Joint venture

With fourteen state-of-the-art facilities, Akums is equipped to produce all modern dosage forms and is considered among the top and leading contract manufacturer in India. In addition, they are admired for the benefit they provide to their associates.

Ways to Cut Down Costs through C.M.s

- Cost of labor is the key driver of outsourcing the manufacturing process. Contract manufacturers have their management of staff and training. Up gradation, all are their concern where companies do not have to invest in. Thus, by utilizing their staff for the whole process, they give better control over manufacturing labor cost.

- Specialized contract manufacturers are generally located in low labor cost locations. Their excess capacity in human resources can be used on one project and further be switched to another.
- Well-settled contract manufacturers buy various supplies regularly and on a large scale. They generally have sturdy supply chains and a set-up of trusted suppliers who offer good pricing, constructive payment terms, quality materials, and timely deliveries that they have worked upon over years and decades of experience.
- Scalability and flexibility are key achievement factors for a contract manufacturer. The case of scaling up the manufacturing requires investing in added manufacturing capacity-space, labor, capability, machines, and equipment. Akums, the contract manufacturers, have figured out ways and modified methodologies to scale up and down their operations rapidly. They have modular and flexible production lines that can be put together and dismantled quickly.
- Efficient contract manufacturers focus on operational excellence and reducing overhead costs to keep their pricing cutthroat to maintain healthy margins. That proficiency helps to reduce your costs by reducing the pass-along margin C.M.s need to put on products to be profitable.

Key Takeaways

- **To escape the manufacturing hassles and to focus on the core functionalities of the brand, companies outsource manufacturing processes.**
- **Akums with ten state-of-the-art facilities are equipped to produce all modern dosage forms and are considered amongst the top and leading Third Party Pharma Manufacturing Companies in India.**