



## CLIENT BACKGROUND

Isis Pharmaceuticals, Inc. (“ISIS”) is the leader in antisense drug development, providing a broad pipeline of drugs applicable to many different diseases. Its antisense technology provides a direct route from genes to drugs, targeting disease at the source. To date, Isis has generated more than \$1.6 billion from the successful execution of its partnership strategy, in which Isis licenses its drugs to partners prior to late-phase development and commercialization, in exchange for upfront license fees, milestone payments and royalties as its partners license and develop its drugs. In addition, ISIS leads the RNA-based therapeutic community as the owner or exclusive licensee of more than 1,600 patents worldwide.

## BUSINESS CHALLENGE

Because ISIS is a pre-profit company, at least until a drug is successfully brought to market, managing cash flow is critical. Additionally, investors’ dollars must largely support innovation through research and development, not administration and overhead. The initial challenge for ISIS was to replace a limited and aging DOS-based accounting system with software that could provide increased and integrated budget management, purchasing and accounting capabilities. A new, effective ERP/Accounting system needed to greatly decrease administrative labor hours, and greatly increase visibility and tracking of expenses.

Additionally, ISIS needed systems that could effectively manage today’s Enterprise Resource Planning (ERP) needs and support company growth well into the future, including manufacturing systems that were compliant with stringent FDA regulations.

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**“FMT’s level of service led me to wonder if ISIS was its only customer! We have always felt like a top priority when working with FMT’s team and have the utmost confidence in their technical and industry knowledge.”**

**Beth Hougen,**  
Vice President of Finance & Chief Accounting Officer

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## BUSINESS SOLUTION

In 1997, ISIS engaged FMT Consultants, LLC ("FMT") to guide them through the initial software selection process.

Ultimately, ISIS chose Microsoft Dynamics GP for its ERP product and FMT as its implementation, customization, and support partner. That partnership has lasted more than 12 years and continues to the present date.

The implementation began with core financial systems, followed by project costing and government reporting capabilities. For the first time, scientists could track specific expenditures and the accuracy of materials they ordered. Because of the high cost of laboratory materials, something as simple as a transposed character on a purchase order could jeopardize the timely and cost-effective completion of a project.

In 2000, due to expanding business needs, ISIS initiated an even broader implementation under the direction of Beth Hougen, Vice President of Finance and Chief Accounting Officer. Her objectives were three-fold:

1. Ensure that the systems were structured to take ISIS well into the future with minimal changes.
2. Fully optimize the software while integrating it with all ancillary software.
3. Enable ISIS to become "self-sufficient" in managing the system.

According to Ms. Hougen, the implementation went beautifully and according to plan, resulting in a fully integrated financial system that was entirely in the hands of ISIS to maintain.

In 2000, another essential business requirement for ISIS was to be able to manufacture commercial quantities of its lead drug. This meant that manufacturing systems needed to be brought into a state of validation compliant with FDA regulations. While at the time FMT had minimal experience with the actual validation process itself, they were still selected to partner with ISIS to produce the validation documentation, a laborious and detail-oriented project, primarily because FMT already knew the ISIS manufacturing process so well and ISIS trusted FMT with the ultimately successful validation effort.

By 2007, because ISIS was no longer manufacturing its drugs for commercial sale, its manufacturing processes had fallen out of an FDA validated state. So in late 2008, ISIS determined it would begin an entirely new validation effort. FMT took on the project management role, providing a high-level plan and producing all the documentation including installation qualification, process qualification and user requirements. By early 2009, the manufacturing system was again successfully brought into a validated state.

Over time, ISIS has successfully and economically upgraded from the first implementation of Great Plains (Version 4) to the latest version to date, Microsoft Dynamics GP 10.0.

Looking forward, ISIS together with FMT expects to develop a new, expanded chart of accounts and to improve its financial reporting capabilities to serve the company for years to come.