

## IMPACT

# Engagement of Diverse Suppliers by Global Pharmaceutical, Biotechnology and Medical Companies

Publication Date: [October 14, 2024](#)

Report Sponsor: Daniel Martin / Regeneron

## FOREWORD

The Helix Supplier Diversity Forum, a global industry cluster of supplier diversity professionals and leading pharmaceutical, biotechnology and medical companies, believes that advancing diversity within our corporate supply chains benefits our companies and the communities where we market our goods and services including patients.

Best practices sharing lies at the heart of efforts of the Helix Forum members.

Our membership includes 18 of the top 20 global pharmaceutical companies and four of the top 10 medical device companies. Ours is an important and influential voice, as this first-ever report outlining the economic impact of our efforts attests.

Our group is managed in partnership with the Diversity Alliance for Science (DA4S), which comprises more than 530 members. DA4S encompasses small and diverse businesses, life science and health care companies and academic institutions and serves as a development hub to nurture and engage the most capable diverse suppliers seeking business opportunities in our industries. These suppliers are companies whose principal owners are defined as small businesses, minorities, women, service veterans, people with disabilities, and LGBTQ+.

We know that diverse suppliers are agile, diligent, and forward-looking businesspeople who offer new ideas and business perspectives while supplying us with quality products, services, and innovation. In turn, economic development dollars flow to the communities in which we and our suppliers do business to create and sustain jobs, build community wealth, enhance tax revenues, and address health disparities among our patient customers.

As a leading forum of supplier diversity leaders in our industry, the Helix Forum has evolved over many years, notably through beginnings with the Institute for Supply Management's Supplier Diversity Pharma Forum, illustrating a long-time commitment to supporting historically underrepresented diverse suppliers and highlighting that pharmaceutical, life science and medical device companies occupy a prominent place in this effort alongside other non-governmental organizations. We seek to leverage our individual successes in supplier diversity through partnership while solving our collective challenges and collaborating on mission-critical initiatives with the industry.

As you will read, the economic impact generated from supplier diversity initiatives in our industries is impressive, and we expect that momentum to accelerate going forward. Our conclusions are framed from the 2023 Helix Supplier Diversity Benchmarking Report as prepared by consultant SB Services Inc., which offers unprecedented insight and an in-depth and global industry-wide analysis of our approach and work in supplier diversity.

We are excited to share this report and feature some of our best practices. The results highlight the leadership, equity, and advancement of a diverse supply chain, while positively impacting local communities and global economies.

# FOREWORD CONTINUED

## Benchmarking Participants

---



abbvie



AMGEN®



Boston  
Scientific



Genentech  
A Member of the Roche Group



GSK



Johnson&Johnson



Medtronic



NOVARTIS



REGENERON

sanofi



teva



---

HELIX Company links are located on the DA4S Website:  
[diversityallianceforscience.com/helix/helix-companies/](https://diversityallianceforscience.com/helix/helix-companies/)

## SIGNATORY

Dee Knopp  
Executive Director



# ECONOMIC IMPACT

Helix Forum companies understand that engaging historically underrepresented diverse suppliers into our corporate supply chains with pharma-specific practices that are validated through research and insights brings innumerable opportunities and benefits.

## 2023 Helix Supplier Diversity Benchmarking Report

### Key Takeaways

- Generated \$15.6 billion in supply-chain spend with Tier I diverse suppliers
- Supported \$29.9 billion in total economic impact
- Created/sustained 154,357 jobs

These figures are significant and demonstrate the viability of diverse suppliers participating in the supply chains of global pharmaceutical, biotechnology, and medical companies.

Additional takeaways from the benchmarking report, covering the 27 Helix Forum members participating in the survey, include:

- Average Tier I diversity spend per Helix Forum member: \$659 million (U.S. and global)
- 53% of global Tier I spend is attributable to supply chain engagement with minority-owned businesses
- Total Tier II spend attributed to Helix Forum members: \$4.35 billion

## Helix U.S. Economic Impact

94% of participants are interested in measuring the economic impact of their Supplier Diversity process.

Applying a standard multiplier\*, the economic impact of the **Helix Members' Consolidated Tier I Diverse spend** is . . .



➤ 53% of US Diverse Spend is with Minority Owned suppliers

\* SB Services' standard multiplier of 1.92 applied to Tier I Diverse spend and \$58,859 average wage per employee has been used above based on the Bureau of Economic Analysis (BEA) 2020 Regional and 2012 national data.

Top Helix Forum diverse suppliers contribute goods and services to 19 Tier I and Tier II procurement categories. (Tier I spend is defined as payments made directly to a corporation's prime suppliers.)

<b>TOTAL GLOBAL TIER I SPEND BY DIVERSE CATEGORY</b>	
Minority-Owned Business Enterprises	\$8.9 billion
Women-Owned Business Enterprises	\$6.6 billion
Service Veteran-Owned Business Enterprises	\$838 million
Disability-Owned Business Enterprises	\$300 million
LGBTQ-Owned Business Enterprises	\$182 million
Service-Disabled Veteran-Owned Business Enterprises	\$110 million

(Tier II spend is defined as payments made by a corporation's primes to their suppliers.)

<b>TOTAL TIER I SMALL BUSINESS SPEND</b>	
Global	\$16.2 billion
U.S.	\$15.6 billion
Women-Owned Businesses	\$2.9 billion
Small Disadvantaged Businesses	\$1.6 billion
Veteran-Owned Businesses	\$694 million
Service-Disabled Veteran-Owned Businesses	\$133 million
HUBZone Small Businesses	\$436 million

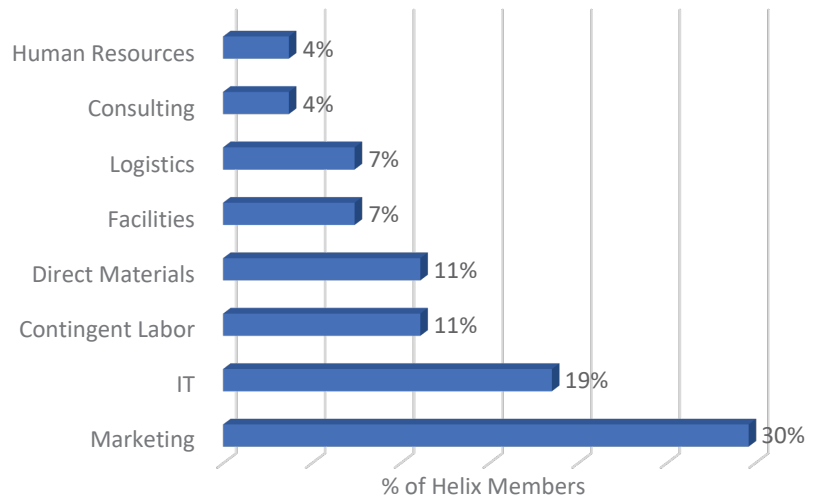
The Top 10 suppliers covered categories that include Capital Equipment, Conferences and Meetings, Consulting, Contingent Labor, External Manufacturing, Human Resources, Information Technology, Legal, Logistics, Marketing and Real Estate.

Members reported Marketing as the largest category with a 30% aggregate among members, followed by Information Technology (19%).

## Top 10 Diverse suppliers spanned 19 categories

- Capital Equipment
- Conferences and Meetings
- Consulting
- Contingent Labor
- Direct Materials
- External Manufacturing
- Facilities
- Fleet
- Human Resources
- IT
- IT (Dev Ops)
- Legal
- Logistics
- Marketing
- MRO
- Office Supplies
- R&D
- Real Estate
- Travel

### Largest Diverse Supplier by Category



## SUMMARY

Increasingly, the value of the supplier diversity programs aligns with economic benefit – rather than solely signifying an exercise of the counting of the amount of diverse spend dollars navigating through corporate supply chains. While documenting actual dollars attributed to supply chain diversity, spend always will be an essential metric – but how those dollars benefit communities and the global economy is the tell-all.

Helix Forum member companies advocate for diverse supply chains in many strategic ways, including providing thought leadership and pharma-specific practices; engaging procurement and business functions with communications, resources, tools and suppliers to build inclusive supply chains; partnering with diverse business organizations; and preparing small and diverse suppliers for industry business by sponsoring readiness programs and mentorship opportunities.

For instance, Helix Forum members endeavor to find qualified diverse suppliers to include in RFPs (requests for proposal) as well as Tier II programs for larger supply chain vendor/supplier partners. Forum members share best practices and strategies on how to help grow the pool of qualified diverse suppliers for sourcing opportunities, as well as participate in various events annually to bring companies and suppliers together.

About 75% of diverse companies engaged with Helix Forum members' supply chains are certified by third-party organizations, attesting that more than 50% of the diverse company's ownership falls with a diversity category. Third-party certifiers include non-governmental organizations such as the National Minority Supplier Development Council (NMSDC); Women's Business Enterprise National Council (WBENC); National Veteran's Business Development Council (NVBDC); National Veteran Owned Business Association (NaVOBA); National LGBT Chamber of Commerce (NGLCC), and Disability:IN.

Supplier diversity advocates highlight that a central best practice to operating successful supplier diversity program rests with the active participation of executive and senior management. Per the benchmarking survey, more than two-thirds of members responding have executive-level engagement built into in their supplier diversity programs. Eighty-five percent of Helix Forum companies share annual supplier diversity performance results with their chief executive officers and presidents, and 70% of these C-suite executives are signatories to a formal statement supporting supplier diversity at their companies.

In addition, 85% of Helix Forum member corporations include supplier diversity content in their ESG (Environmental, Social, and Governance) reporting. ESG has emerged in recent years as a key non-financial reporting process that corporations use to attest to investors that they follow a framework to measure and evaluate the effect of sustainability and ethical factors on the company.

Helix Forum member companies are equal opportunity contractors as they do not award contracts based on race, ethnicity, gender, or any other protected characteristic.

## CONCLUSION/ACKNOWLEDGMENTS

The commitment of leading pharmaceutical, biotechnology and medical companies to the imperative of business diversity is vital to how our companies function and thrive. We view this commitment as a catalyst for driving societal and economic equity. Supplier diversity benefits our industry's many stakeholders, whether they are our patients, customers, investors, or vendors.

We believe that embedding diversity within our procurement processes helps us to better serve our stakeholders. As pharmaceutical, life science and medical device companies, we are focused on advancing novel therapeutic solutions for our patients, while ensuring that disparities in care are erased. We believe that sharing the data in this report will have a positive impact on our industry and stakeholders and highlight the overall value of supplier diversity efforts.

Helix Forum companies are bold and pioneering, and that includes our approach to fostering business diversity as a component to ensure that our supply chains are more resilient, competitive, and innovative. In facilitating this report and our benchmarking survey, Helix Forum companies seek to assist the general health care industry in defining a standard for action and providing future guidance for supplier diversity programs in a broad range of industries.

---

### 2024 Helix Participants



---

### Acknowledgments

Sponsored By: Daniel Martin / Regeneron

Co-Chairs: Kristin Bentsen / Amgen  
Bonnie Finger / Bayer

Writer: M.V. Greene

Design: Threeology Design