

FlexRFP™ Case Study—Optimization

Using EC Sourcing Group's technology suite to maximize savings

Background

A food company wanted to decrease the number of suppliers and drive down costs in a category that had previously been very hard to conquer due to the item mix complexity and their operational footprint when compared to available supply in the market.

Key Stats:

- Spend—\$82M
- Incumbent Suppliers 18; suppliers in the RFP—27
- Line Items—1853
- Total bids—17,510
- Locations—43

Sourcing / Award Goals:

- Reduce total suppliers
- Reduce suppliers per location
- Generate savings
- Minimize switching

Award Scenarios:

- 15 award scenarios were generated
- Ranging from “Best Bid” to 75% remaining with the incumbent
- Also created 90%, 85%, 80% remaining with the incumbent—both in total and by plant

- The team compared the savings generated by scenario and quickly focused on the scenario with 85% remaining with the incumbent by plant
- Then the team started to tweak the scenario by plant ensuring that each plant would be happy with the supplier mix by plant

Results:

- The final selected award scenario had 14 suppliers included
- Savings was \$8.4M, just over 10%
- Just \$2M less than the “Cherry pick” or “Best Bid” scenario

- The best part about it: We developed all 15 scenarios in under 90 minutes

- Our client told us a project of this scope would have taken 2 to 3 weeks to determine the award

Your roadmap to Easier, Faster and Improved Sourcing

About EC Sourcing Group

While there are other eSourcing solutions from which to choose, why should you choose **FlexRFP™** from EC Sourcing? Very simply, because we understand your daily challenges.

- FlexRFP™ was started in 2000 by two Fortune 500 sourcing professionals who couldn't find a solution with features that solved their day-to-day sourcing challenges.
- Our platform gives our clients greater budgetary control over their largest expense categories which increases earnings and asset value. Our clients use FlexRFP™ for sourcing events from \$30,000 to \$30,000,000. It is that flexible and intuitive.
- Executives in mid-sized organizations to multi-billion enterprises are choosing FlexRFP™ because they want a platform that will insure their procurement teams can deliver consistent tangible successes in price, quality and time efficiencies.
- Companies and organizations in: transportation, banking, retail, insurance, healthcare, facility operations, food services, distribution, education and government are making the switch to FlexRFP™.

Guided by our vast sourcing experience, we've designed our product around your needs.

OUR SOLUTION:

- Is Easy to Learn and Use – Robust hands-on training during your sourcing events
- Reflects Your Day-To-Day Reality
- Is a Faster, Easier Start-up – resulting in faster ROI
- Increases Buyer Acceptance – leading to more spend under management
- Requires No Training for Suppliers – making it easier for suppliers makes it easier for you
- Seamlessly integrates with your chosen process

Trust Our Experience and Expertise

Because we're managed and staffed solely by expert **sourcing professionals**, you can count on us to deliver and support a solution that is right on target – and right on the money. Our solutions are **affordably priced** and feature a host of logical acquisition options that allow you to get the feature-rich solution you've been looking for.

Our view on eSolutions

Our decades of experience have taught us that companies have unique sourcing needs and processes. With that in mind, we've built a solution that features flexible implementation options that can accommodate the unique needs of our clients. Our solutions generate a real, lasting ROI and are:

1. Flexible and ready to accommodate your current process, rather than dictating it.
2. Easy to learn and use for all buyer users. Your self-sufficiency and confidence are critical to long-term use and ROI. If it is too complex or hard to use, most users will go back to using emails, spreadsheets and Word® documents.
3. Effortless to use – requiring no training for buyers or suppliers. Our solutions are designed to be enjoyable to use – encouraging collaboration between you and your suppliers.
4. Easy to navigate – featuring a clean, uncluttered interface that makes it easy for beginners or advanced users.

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