



Developing strategic partnerships and implementing a Procurement Management Operating System

Achieving a 2% food and beverage cost reduction while improving quality

The challenge

This major chain of double drive thru restaurants has more than 800 outlets across the US. The company's 'little place, big taste' approach had resulted in five consecutive years of same-store sales increases. Senior executives wanted to reduce their food and beverage costs and, at the same time, improve the quality of their product. They needed an improved managerial methodology and an upskilled procurement function to achieve this goal.

The solution

Maine Pointe's team of subject matter experts worked closely with senior executives to transform the procurement organization. The solution included:

- Strategically sourcing food and beverage. This involved 140 incumbent and prospective suppliers, creating a heightened level of competition for the business
- Introducing Total Value Optimization™ (TVO) processes to the client's team and reinforcing them through practical application and one-on-one coaching
- Developing and implementing a new Procurement Management Operating System (PMOS) to improve cycle times, performance management, early identification of variances to plan and results sustainability



The results

The systems and processes we implemented led to multimillion-dollar savings across the client's franchise system

- Achieved a 2% reduction in food cost
- Delivered an 8:1 ROI
- Created strategic partnerships that enhanced our client's reputation with its sellers
- Enhanced the professional environment with an increased emphasis on planning, execution, and category leadership
- Moved the procurement organization up the TVO Maturity Curve

Want to achieve rapid, sustainable food and beverage cost reductions?

Need help developing an implementing and effective and efficient PMOS?

Talk it through with one of our executives

Email info@mainepointe.com to arrange a call

Maine Pointe is a global operational implementation firm that delivers compelling economic returns and value through accelerated performance improvements in both EBITDA and cash flow for senior executives and private equity firms.

As specialists in procurement, logistics and operations, we have the track record of breaking through functional silos across the buy-make-move-fulfill supply chain to deliver the greatest value to customers and investors at the lowest cost to business. What we call **Total Value Optimization (TVO)™**.

Maine Pointe's hands-on implementation experts work with executives and their teams to rapidly move up the maturity curve to achieve high performance and transform the supply chain into a competitive weapon.

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