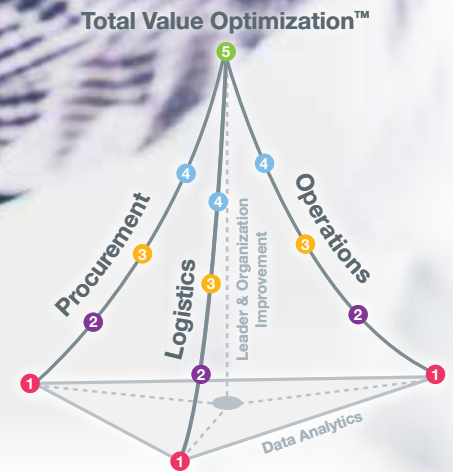


### Driving measurable value in a firm that isn't accustomed to consultants



### Overcoming anxieties with a tailored approach to mitigate against cost increases

#### The results

Working in step with the client's culture and philosophy, Maine Pointe helped achieve the following savings:

- Drove annualized benefits representing 11% of the addressable spend on packaging and MRO categories
- Overcame initial anxieties about working with a consultant and built a strong partnership with the client team
- Installed a supplier relationship management system
- Trained and mentored team members in the strategic sourcing process
- Transformed procurement from a tactical to a strategic function
- Implemented a comprehensive PMOS to ensure sustainability of engagement benefits
- Achieved a 4.3:1 ROI

#### This story is for executives who:

1. Have no experience of working with consultants and are wary of doing so
2. Want to be proactive in mitigating against a forecast increase in their cost base
3. Have a large, family-owned business with a strong, values-based company culture and a close-knit, local, supplier community

#### The challenge

This family-owned vegetable grower, producer and shipper is the world's largest in its category. Despite being a multibillion-dollar concern, the company has remained committed to its founding philosophy of providing good value while conducting business with integrity.

Leadership wanted to improve measurable performance and infuse procurement best practice to mitigate against future cost increases. Consequently, and for the first time in the company's 50-year history, they decided to bring in a consulting firm.

Maine Pointe was asked to focus on implementing and sustaining significant improvements in the packaging and maintenance repair and overhaul (MRO) categories, positioning our client to improve its overall competitive business performance and mature internal strategic procurement within the plant operations group.

### Adjusting to the client's culture

When Maine Pointe began our analysis, the client had no idea what to expect. Executives were anxious about alarming the workforce, especially as they had recently consolidated the business. They asked Maine Pointe to make every possible effort to mesh with their team, adjusting to the company's culture, to allay these fears.

Our TVO analysis revealed an organization with many good procurement practices which wanted to achieve an even higher level of performance in a short period of time. Procurement was mostly tactical and lacked high maturity strategic sourcing and negotiation skill sets.

Maine Pointe triangulated competitive, market and industry information to identify potential risks and opportunities which the client had not previously been aware of. We produced a spend cube and should cost models to clearly demonstrate the opportunities. These insights, combined with the hands-on experience and expertise of our SMEs and the flexibility of our approach, helped build trust between Maine Pointe and the client. This made them confident we could help drive value for their business and work comfortably with their team as we moved forward.

Working closely with the client's team, Maine Pointe:

- Deployed the 6-step strategic sourcing process and guided the cross-functional team responsible for driving implementation
- Utilized various forms of competitive supplier analysis, including multiple supplier forums, to convince incumbent suppliers to offer savings and introduced qualified new suppliers
- Helped leadership overcome concerns about 'speech making' by adapting supplier forums to a Q&A format
- Launched several strategic sourcing events consisting of multiple requests for proposals and negotiations
- Prepared the negotiating teams, and sat elbow-to-elbow with the client's teams during many strategic face-to-face negotiations with new and incumbent suppliers
- Installed a supplier relationship management system including a supplier scorecard
- Created a win-win scenario with incumbent suppliers as they now have more visibility, involvement and structure

As procurement transformed from tactical to strategic, its maturity increased from level 2 to 3.5 on the 5-level TVO Maturity Pyramid™. The Procurement Management Operating System (PMOS) we implemented provides management with a set of tools, procedures, policies, practices, roles, responsibilities, communications, activities and metrics which enable the organization to achieve aggressive short-term goals and objectives while sustaining and improving on performance over time.

#### Lessons learned for other executives

- Even if you think you have challenged the market you can still drive performance improvement
- You can drive measurable improvements without damaging relationships in a local, limited supplier community
- It is possible to find a consultant who will adjust and interface with the local community to be effective

Want to drive performance improvements and build stronger supplier relationships?

Considering working with a consultant for the first time?

Talk it through in a no-obligation phone call or meeting with one of our executives.

Email [info@mainepointe.com](mailto:info@mainepointe.com) to arrange a call

#### About Maine Pointe

Maine Pointe, a member of the SGS group, is a global supply chain and operations consulting firm trusted by many chief executives and private equity firms to drive compelling economic returns for their companies. We achieve this by delivering accelerated, sustainable improvements in EBITDA, cash and growth across their procurement, logistics, operations and data analytics. Our hands-on implementation experts work with executives and their teams to rapidly break through functional silos and transform the plan-buy-make-move-fulfill supply chain to deliver the greatest value to customers and stakeholders at the lowest cost and risk to business. We call this Total Value Optimization (TVO)™.

Maine Pointe's engagements are results-driven and deliver between 4:1-8:1 ROI. We are so confident in our work and our processes that we provide a unique 100% guarantee of engagement fees based on annualized savings. [www.mainepointe.com](http://www.mainepointe.com)