



PROCUREMENT SERVICES



CASE STUDY

**STRATEGIC SOURCING
REVIEW – WASTE SERVICES**

PROJECT SNAPSHOT

CLIENT INDUSTRY

Automotive



LOCATION

National



SOLUTION

Strategic sourcing



OUTCOME

26% annualised P&L savings



● PROJECT OVERVIEW

Spend Solutions was engaged to conduct a thorough review of liquid & solid waste services to deliver a sourcing strategy that optimised commercial terms while meeting the operational needs of each business.

An in depth analysis identified 10 current suppliers, with many suppliers supplying the same or similar products across different sites. While supplier consolidation became the overarching strategy, interviews with key stakeholders identified slightly differing needs between sites as well as between solid & liquid waste, while supplier capability differed between metro & regional sites in each state, all of which needed to be carefully considered in the sourcing strategy.

● BACKGROUND

The client was a diversified automotive dealership group with 24 sites vehicle & trucks dealerships across 3 states, including regional sites. They had historically operated under a decentralised structure, with dealerships responsible for their own sourcing. As a result, numerous contracts & supplier relationships were in place, with no formalised sourcing strategy or consolidated commercial terms.

● PROJECT OUTCOMES

A sourcing strategy was developed that leveraged the combined size of the group while also appreciating the differing requirements within the group. Balancing these needs ensured optimisation of outcomes while minimisation of risk. The project was able to deliver an **overall savings of 26%**, with preferred suppliers selected for each key service type & state.

Spend Solutions worked with each site to ensure a successful transition to the new supplier arrangements, including site visits, product audits, product trials & establishing supply chain details. Ongoing performance reporting & supplier management by Spend Solutions ensured that the supplier performance met client expectations & that the expected savings were maintained.

CONTACT DETAILS