

Satisfaction brings long-term collaboration

CLIENT: PDC Brush (Belgium)

SECTOR: Manufacturing

COST CATEGORIES: Labels, Packaging

THE EXPENSE REDUCTION ANALYSTS TEAM

Geert Verhenne, Dirk Smeyers, Bert Kuypers

THE PROJECT

Founded in 1946, PDC Brush has grown to become the market leader in the production and marketing of private label cleaning tools. The company offers a comprehensive range of products from entry level to premium products. In addition to classic brooms and brushes, there is also an extensive range of flat cleaning, window cleaning and other high-quality cleaning equipment. The company has an extensive network and sell products in over 30 countries around the world.

A couple of years ago, the company, with a new management, went through a restructuring process. In the further evolution of the initial process, Expense Reduction Analysts was asked to investigate some indirect cost categories.

One of these categories was packaging. The process of ordering packaging material was oriented towards very short-time need fulfilment. Suppliers were consulted on a weekly basis hoping to get the best prices and to avoid storage. This was a time-consuming activity both for the client and the suppliers.

ERA not only looked at the price-levels, but established a new ordering process : introducing a rolling forecast mechanism to be adjusted every month. Instead of having to quote every week, the suppliers chosen (one new, one incumbent) would know in advance what was required which in turn, enabled them to negotiate with their own suppliers, group the orders with their other client orders avoiding specific set-up costs and as such obtain better prices. Storage was done at the suppliers.

This improvement of the process enabled 15% savings and enhanced the relationships between client and supplier.

For the labels, the current supplier was kept, but ERA obtained an annual discount and achieved savings of 15%.



I am very satisfied with the achieved results, especially in the area of packaging; this is why I asked Expense Reduction Analysts to carry on with the follow-up activities after the initial 24 months.

OLIVIER STROBBE, CFO, PDC BRUSH

The collaboration went well, and the client was happy to recommend us to other businesses and to request an extension of the monitoring period.

GEERT VERHENNE, CLIENT MANAGER