

Electrifying savings for Endon Lighting Ltd

CLIENT:	Endon Lighting
SECTOR:	Manufacturing
COST CATEGORIES:	Office Supplies, Packaging & Utilities

Expense Reduction Analysts offered an unobtrusive approach to the review of Endon's operating expenditure with 95% of the work carried out off site. The depth of market knowledge in combination with a buying influence of £100 million in the cost categories visited and over 75 days of free resource assured Endon of best market value without sacrificing the quality of the service provided.

THE CLIENT

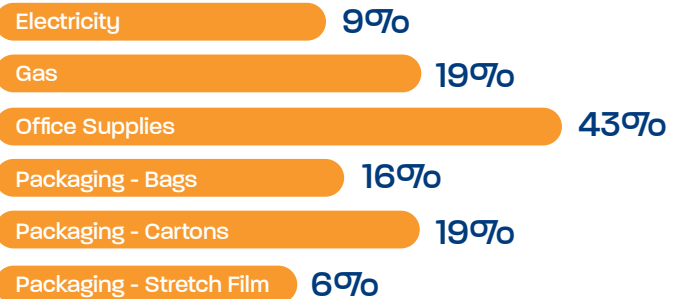
Endon Lighting Ltd are one of the oldest established and most reputable companies in the decorative lighting industry. A blend of innovation, design, quality and value for money has established Endon Lighting at the forefront of the retail trade and electrical wholesale industry. Continuous investment in stockholding and warehousing capacity has enabled Endon Lighting to quickly develop its wholesale and retail businesses.

THE CHALLENGE

Chris Dodd, Finance Director at Endon, engaged Neill Summerfield and his team at Expense Reduction Analysts to review expenditure in Office Supplies, Packaging and Utilities. "Expense Reduction Analysts undertook a forensic cost analysis of the expenditure in each of the project areas over the previous 12 months to build a profile of our usage. They then looked at how we were purchasing and matched our buying profile to the capabilities of the leading suppliers. Finally they examined our management of the supply chain and put in place a monthly reporting structure on savings realised and service levels achieved."

Greg Ward, Warehouse Manager, and Dan Clark, Purchase Ledger Supervisor, are delighted with the service received from their new suppliers.

SUMMARY OF SAVINGS



ENDON
Endon lighting and home

"When first asked to work with Neill Summerfield and the Expense Reduction Analysts concept by my finance director I was unsure about the whole thing. I must admit however, that the process and results were excellent. We are realising very good savings and the corrugated carton supplier recommended is in my opinion better than our previous one. We are also grateful to Neill and his team for their work in resolving a historic issue with the airbag system. I would say for certain that the exercise has been excellent value to pursue."

GREG WARD
WAREHOUSE MANAGER, ENDON

Valuable recycling accreditation for Ervin Amasteel

“Once that was accomplished, there was a whole raft of Environment Agency criteria which had to be fulfilled and complied with. However, the application process was successful, meaning that Ervin has been able to sell Packaging Recovery Notes (PRNs) and to use the resulting revenue to invest in, and further develop, its packaging recycling capabilities.

Complying with the accreditation, and reapplying for it on an annual basis is a significant overhead, and it is testament to our expertise in this area that Ervin has asked us to repeat this consultative help on an annual basis since 2010.”



LOGISTICS: CRANEABLE TRAILERS REALISED AN ADDITIONAL TWO TONNES PER LOAD

Kevin O’Neill of ERA expands on the Logistics project: “We had a number of conversations with Ervin over a long period of time - largely around how they should integrate their new plant in Germany into their overall business plan. As part of these discussions, we undertook an exercise to look at the Logistics provision from the UK, which encompassed a detailed analysis of traffic volumes and service requirements for their UK and European Haulage. In the event, we found that Ervin was managing its Logistics very well.

However, one area that did present an opportunity was their road freight to Italy. Ervin were not entirely satisfied with their current provider. The requirements were straightforward: they needed a reliable service at competitive prices with the capacity and flexibility to manage unpredictable volumes.

Some research uncovered options that Ervin Amasteel had not previously considered, and a thorough selection and review process enabled Ervin to choose two operators offering intermodal (road and rail) services. Trials revealed a clear winner. A unique service feature of the selected operator was craneable trailers - road trailers that could be lifted directly onto the train. This equipment configuration increased capacity by two tonnes per load resulting in significantly lower unit costs.”

“When I first met with Ervin Amasteel in 2009, they had spotted an opportunity to take scrap steel cans into their feedstock, and to sell the evidence of the reprocessing of this material (Packaging Recovery Notes or PRNs) back to the original packaging manufacturers and retailers in compliance with UK Packaging Regulations, thus generating a valuable revenue stream. In order to realise this opportunity, Ervin needed to become accredited by the Environment Agency as a re-processor of packaging waste.

PETE BRAMHALL
EXPENSE REDUCTION ANALYSTS