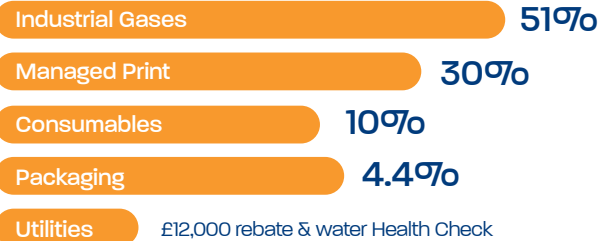


ERA provides expertise, resource and focus to Eurac Poole Limited

CLIENT:	Eurac Poole Limited
SECTOR:	Automotive
COST CATEGORIES:	Industrial Gases, Print, Consumables, Packaging, Utilities, Water
ADDED VALUE:	Tripled procurement team resource Identified potential future savings Independently verified internal purchasing efficiencies

SUMMARY OF SAVINGS



THE CLIENT

Eurac Poole Limited is a specialist grey iron foundry, producing specialist castings such as brake discs to clients in the automotive aftermarket. They are a subsidiary of the MAT Foundry Group.

THE CHALLENGE

Head of Procurement for the MAT Foundry Group, Shaun Lindfield, struggling with limited internal resource, found himself operating on a day-to-day, immediate need basis. A timely approach from Chris Wardle and Simon Webb of Expense Reduction Analysts (ERA) gave him access to the resource and expertise to look at multiple projects concurrently.

The foundry operates a rigorous programme of continuous improvement and lean manufacturing, yet Shaun found himself unable to apply the focus and resource required to manage a range of indirect cost areas. Having already had a bad experience with an ERA competitor, whose suggested solutions were not fit for purpose, Shaun was initially sceptical.

Chris and Simon bring to the table a wealth of knowledge and expertise in supplier relationship management. They have wide experience in managing the procurement process on behalf of clients at every level.

Having identified some initial cost areas to investigate, ERA brought in Richard Anson to review packaging spend and Nilesch Prag for industrial gases. Dr Sue Cooke was also engaged to provide some free of charge advice on laundry spend. This gesture proved important to the client; not only did the advice prove so prescient and work so well that Sue was subsequently contracted to run a project reviewing a whole range of consumables spending, but also it really helped Shaun to understand that ERA's offer was truly different to previous experiences.



"I came to understand very quickly that ERA, through Simon and Chris, could actually provide the expertise and, crucially, the resource to review areas that I simply would never have the time to.

Suddenly I was faced with the opportunity to have multiple cost-centre projects being undertaken simultaneously, managed through a central contact point."

SHAUN LINDFIELD,
HEAD OF PROCUREMENT,
MAT FOUNDRY GROUP (EURAC POOLE LTD)

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THE SOLUTION

In most cases, the major pain points were a lack of internal time and resource to review, and an acknowledgment that it made sense for an expert to assess the spend. Managed Print expert Andrew Kinnear reviewed an in progress quote and found a cost increase hidden in the contract. He retendered the project and introduced a known, trusted new supplier, making a saving of 30% and identifying a hidden contractual term that would actually have seen prices rise over the course of the contract.

Specialist Richard Anson used his hands-on approach to supplier management to bring costs back in line. He retained the existing supplier as a low financial, reputational and supply chain risk, saving 4.4% in an area already benefitting from an efficient and tightly run procurement process.

ERA's Steve Letley and Phil Howarth were also brought in to look at Utilities and Water costs respectively. In both cases, having undertaken a thorough review of invoicing and a tariff health check reaching back over a number of years, both found no inaccuracies or inefficiencies in their areas. "Not finding incorrect billings is just as valuable to us, in fact, it is reassuring to know that we haven't been purchasing inefficiently. It's a huge weight off my shoulders and two massive ticks off the list," enthuses Shaun. In fact, as we go to press Steve has identified almost £12,000 of rebate due, which has already been paid back into Eurac Poole's account.

The most success came in the purchase of Industrial Gases. Nilesh Prag carried out a thorough review of current practices and prevented the implementation of a new contract that would have increased costs. He implemented a more appropriate solution with a new supplier, resulting in a 51% reduction in costs on the same service terms. The project proved so successful that Eurac Poole are keen to conduct the same reviews at their international sites in Germany and the Czech Republic.

The relationship continues to go from strength to strength, with ERA's Steve Clamp next to be introduced to Eurac Poole, to review spend on engineering consumables.



SHAUN LINDFIELD, HEAD OF PROCUREMENT AT EURAC POOLE SUMMARISES:

"Working with Chris and Simon is one of the best commercial decisions I've made. I don't intend for it to stop any time soon! They've expanded our procurement function and given me the ability to proactively manage our cost centres and bring expertise in exactly when and where it's needed. There's no doubt that over and above the monetary savings we've increased productivity and will enjoy efficiency gains for the long-term."