

Mono Pumps: Scrapping scepticism and pumping out profit

CLIENT: Mono Pumps
SECTOR: Manufacturing
COST CATEGORIES: Stationery, Landlines, Courier, Scrap Metal

Expense Reduction Analysts (ERA) deliver annual benefits of £188,192 for Mono Pumps, with lots more savings to go.

THE CLIENT

Mono Pumps offer a wide range of progressing cavity pumps, grinders, screens and pump systems for a variety of industries, including water and wastewater, paper and pulp, chemical and pharmaceutical, food and beverage, mining and mineral processing, solar and agricultural and oilfield industry solutions. Based in Audenshaw, Manchester, Mono, a division of NOV, have been in operation since 1935.

THE CHALLENGE

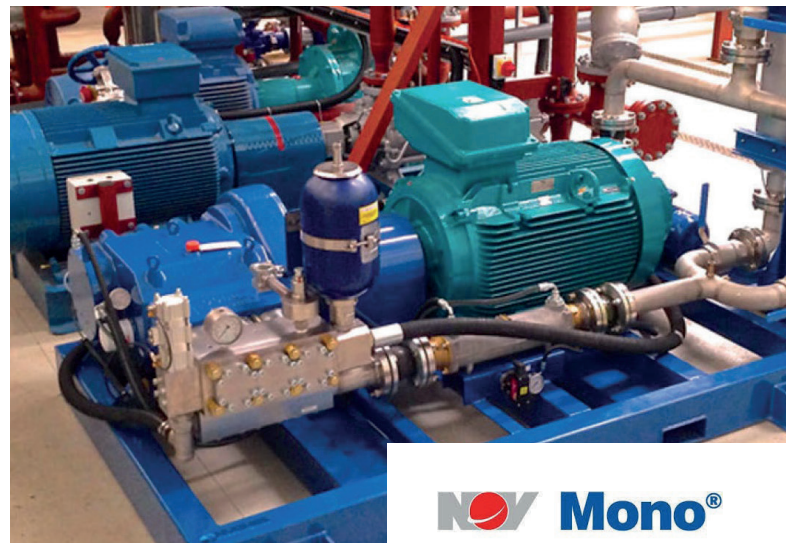
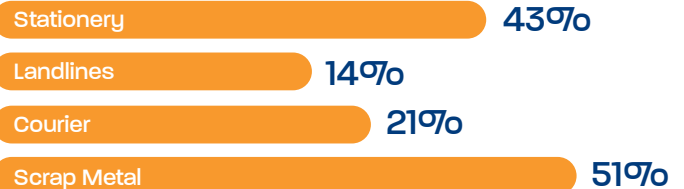
Mono Pumps were originally reluctant to engage with ERA. Steve Valentine, Group Financial Director, takes up the story: "I first met Adam Wheatley of Expense Reduction Analysts late in 2003. Up to that point, Adam and his colleagues had been trying to gain a meeting with me for some years, but like many others I was sceptical that a cost consultancy really could come in and deliver savings, given the effort we put in to our own purchasing.

"Even though Adam overcame my scepticism when we met, I still harboured doubts, particularly about the effort required from us, but his persistence eventually paid off and we launched our first projects - stationery and landlines - in October 2004."

THE SOLUTION

Mono Pumps were very impressed by the results achieved on those initial projects, in particular for stationery where a 43% saving was delivered by changing supplier. The change went very smoothly and they are still using the stationery supplier introduced by ERA. Furthermore, Steve Valentine soon realised that the internal energy required to support the cost reduction projects was not significant.

SUMMARY OF SAVINGS



NOV Mono®

One Company, Unlimited Solutions

"We have always believed that we are able to achieve the best results for ourselves and regarded Expense Reduction Analysts' claims with some scepticism. But the results speak for themselves and I wholeheartedly recommend Expense Reduction Analysts to any organisation that wishes to reduce its costs and urge them to put aside the scepticism that held us back."

STEVE VALENTINE
GROUP FINANCIAL DIRECTOR, NOV MONO

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In consequence, he asked Adam Wheatley to meet with two production colleagues to look into possible projects within their areas. The result was the courier project, which delivered significant savings via the incumbent supplier.

Such success resulted in the remit being widened still further into scrap - a key concern for Mono Pumps. Barrie Walker, Supply Manufacturing Team Leader at Mono Pumps explains, "Expense Reduction Analysts were recommended to me by my transport colleagues following the excellent work they had undertaken on courier. I am very proactive with regard to our waste and scrap needs and in fact had already delivered considerable benefits for Mono Pumps in these areas. Having done everything that I could, I decided to let the Expense Reduction Analysts team see whether they could yield additional benefits for Scrap.

"Diane Lane and Bob Carter impressed me from the start with their efforts to understand our requirements. Then I was blown away by what they achieved with a further 51% increase in revenue over and above all that I had already done. This was achieved with the incumbent supplier, so delivering the benefits involved little effort from me.

"They also tied the price for scrap to an industry index, with the result that we gain the immediate benefit of any increase in market value. The benefits quoted do not include this example of the value that they add, and, with markets rising, this is probably worth as much again.

"I HAVE ALREADY COMMITTED TO A FURTHER THREE YEAR TERM."

"I have recommended Expense Reduction Analysts to all of my peers and superiors in production and beyond and a variety of new projects should be launched soon.

"I have myself asked them to now look at our Waste costs. Furthermore, I am so pleased with the service they provide on scrap that even though we are only ten months in, I have already committed to a further three year term, so as to retain access to Diane and Bob's services."

Adam Wheatley concludes from ERA's point of view, "Compared to most clients, it has taken us a long time to reach significant savings for Mono Pumps. That journey has, however, allowed us to grow some strong working relationships and establish a high level of credibility given our track record to date. The scene is now set for us to do much more for Mono Pumps, with three further projects now being launched, and we look forward to the opportunities ahead."



"Expense Reduction Analysts have so far delivered annual benefits of £188,192 for us, with lots more to go. Like many companies, we have always believed that we are able to achieve the best results for ourselves and regarded Expense Reduction Analysts' claims with some scepticism. But the results speak for themselves and I wholeheartedly recommend them to any organisation that wishes to reduce its costs and urge them to put aside the scepticism that held us back."

STEVE VALENTINE, GROUP FINANCIAL DIRECTOR AT MONO PUMPS, SUMMARISES THE VALUE OF THE PROJECTS TO DATE: