

Profits on the line for ATOC

CLIENT:	Rail Delivery Group (ATOC)
SECTOR:	Rail
COST CATEGORIES:	Communications, Print, Stationery

THE CLIENT

The Association of Train Operating Companies (ATOC) is the umbrella body for the Train Operating Companies (TOCs) in the UK.

THE CHALLENGE

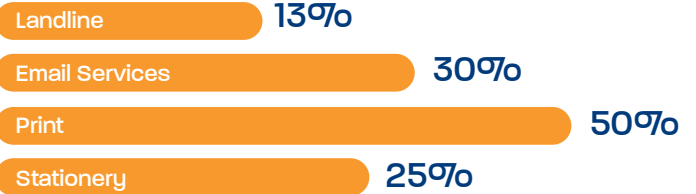
When Expense Reduction Analysts' (ERA's) consultant Kelly Mordecai met with Chris Wade, Director of Finance and Simon Taylor, Management Services & Facilities Manager of ATOC, the benefits of an Expense Reduction Analysts' profit improvement programme with its no risk fee structure, certainly seemed to be just the ticket!

Chris Wade comments, "As the umbrella body for the TOCs in the UK, and funded by these companies, ATOC clearly has a duty to ensure that it is obtaining best value when expending the TOCs' subscriptions. From the first discussions with Kelly, we could clearly see the justification and comfort factor to our members of the profit improvement programme, particularly given ERA's expertise in certain areas of expenditure." Kelly agreed with ATOC that the categories to be examined would be e-mail service, landline and mobile communications, stationery and print. Kelly then engaged fellow ERA's' consultant Nigel Rosehill, with his specialist knowledge of the communications sector, to assist him with the project.

ATOC's Simon Taylor was impressed by the way Kelly and Nigel worked as a real team, "As the projects progressed it became evident that there were several complexities in the services provided by the existing suppliers. These required detailed analysis and fact finding, combined with sensitive but firm negotiation. As well as their invaluable expertise in the sectors involved, their experience of dealing with existing suppliers was quite evident.

We were always kept informed of the key points and involved where particular strategic issues demanded. We were provided with the findings of the assessment to enable us to judge whether our existing suppliers could provide good value in the future. Indeed, our email service received significant enhancements as well as reduced overheads!"

SUMMARY OF SAVINGS



Rail Delivery Group



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CHRIS WADE,
DIRECTOR OF FINANCE, ATOC

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ERA's consultant Nigel Rosehill explains, "The communications assignments were extremely challenging because there were service-based issues particular to this industry. However, after extensive discussions and analysis, we were able to benchmark current comparative profit improvement levels in the marketplace and use this as a basis to negotiate with current suppliers on behalf of ATOC. This resulted in retention of both landline and e-mail service providers at significantly improved profits."

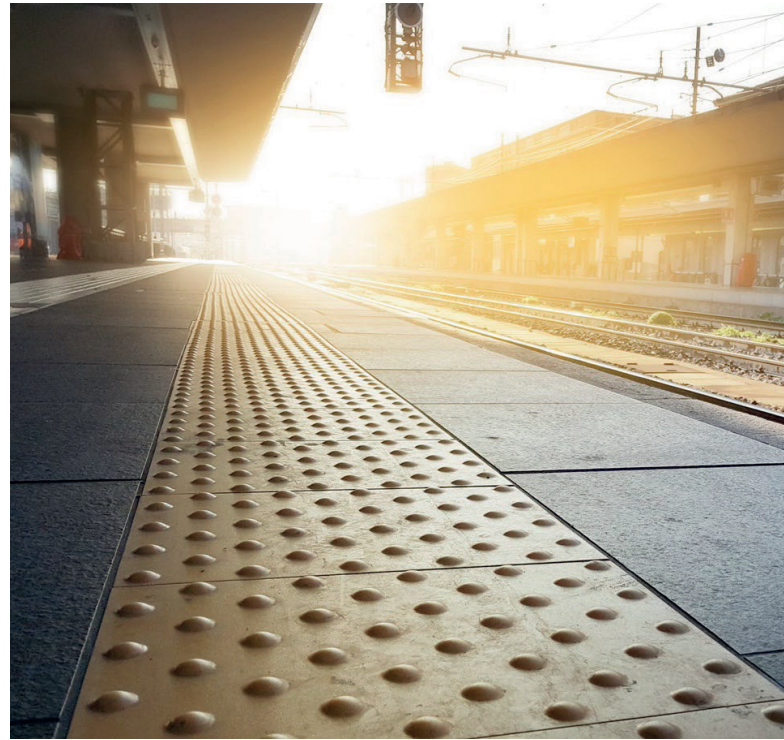
The next step was to analyse mobile phones. Although no significant profits could be found, the evaluation of this category enabled Kelly and Nigel to provide ATOC with the peace of mind that they were obtaining best value in this area.

THE SOLUTION

Chris Wade concludes, "All projects have now been implemented and ongoing profits are being realised, pretty much on target. A change of suppliers has since led to further reductions of 25% on stationery and over 50% on print, allied with the renegotiated rates on our communications profit improvements."

To sum up the ERA's service, Kelly Mordecai adds, "We were able to deliver a range of beneficial alternatives, which have enabled ATOC to select the most appropriate choice of supplier in each area of expenditure, utilising a combination of retention and change where justified."

Chris Wade Director of Finance for ATOC was very impressed with Expense Reduction Analysts' specialist Insurance team, ERAICM, "I would recommend ERAICM without hesitation. The approach of the ERAICM team has been very professional and they handled our renewal process in its entirety. They are very knowledgeable about the insurance market and how the whole industry operates and this insight gave us a valuable advantage. In fact, one of the main benefits was that they were able to better present our risk profile to the insurers by reviewing where our risks really lay and this had a massive impact in reducing the premium."



CHRIS WADE, DIRECTOR OF FINANCE AT ATOC, SUMMARISES THE VALUE OF HIS COMPANY'S PARTNERSHIP WITH EXPENSE REDUCTION ANALYSTS:

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