

Creating Savings Through Strategic Sourcing

THE CLIENT

As a Fortune 50 Company, the client is a global leader in the Consumer Packaged Goods (CPG) industry and produces a wide range of CPGs in beauty, grooming, and household care units. The client's brands are available in more than 180 countries.

BUSINESS CHALLENGE

Reusable Gloves: The client was utilizing single-use latex gloves which were becoming cost prohibitive and ineffective. The option to explore the usage of reusable gloves was intriguing but worrisome to the client. They were not comfortable switching from a relationship with a reliable and crucial glove distributor to a new, unknown distributor.

OEM Supplier: The client was purchasing machine cutting consumables (blades & coding blocks) directly from the Original Equipment Manufacturer (OEM). As a result, price benchmarking was not initiated and the OEM was behaving as a monopolistic supplier.

DFC Rolls: The client was purchasing Double Face Corrugated (DFC) rolls from a singular supplier. The DFC rolls were utilized during shipment to prevent the client's boxes from becoming damaged while being transported via truck. The DFC rolls lacked superior quality. No benchmarking for price or quality had been considered.

THE RESULTS



Reusable Gloves

Cost savings of more than \$16,000



OEM Supplier

Partial business was offered to a domestic supplier, reducing dependence on the OEM and driving cost savings of more than 15%



DFC Rolls

Achieved increased quality and cost savings of more than 12% and challenged the original supplier to offer better quality and savings

HOW CORBUS HELPED

Reusable Gloves

- » **Engaged** with all levels across multiple departments to achieve a comprehensive solution
- » **Recommended** that the client use an existing and pre-approved chemical supplier to provide/produce nitrile reusable gloves
- » **Assisted** with negotiation and contract completion to offer the business to another existing supplier

OEM Supplier

- » **Identified** potential new suppliers based on regional accessibility and cost effectiveness
- » **Conducted** plant visits to three new suppliers. Two of those suppliers were shortlisted based on their performance during the physical plant visits and their capability to successfully deliver the product
- » **Instructed** each supplier to develop a sample blade for the client to review/examine for approval and implementation
- » **Secured** an alternate supplier for the client after a successful three-month trial and sample review

DFC Rolls

- » **Identified** and made plant visits to three new suppliers
- » **Shortlisted** two of the suppliers based on observations made during the plant visits and based on the supplier's delivery capabilities
- » **Sampled** DFC roll submissions from both suppliers and initiated quality testing/review
- » **Approved** one supplier, offering partial business to them, creating competition with the existing supplier

