

## SOLUTION

# Sourcing and Procurement

Be Cost Effective. Mitigate Risk.

## Does your organization struggle to:

- Have continuity of raw material supply
- Push back on recent or historical supply base price increases
- Sustain cost out improvements year-over-year
- Match supplier performance to the requirements of your operations
- Avoid annual “one-off” major supply disruptions

## With the TBM approach to Sourcing and Procurement Excellence, you will:

- Achieve improvements in cost, flexibility, and reliability to unlock value in your income statement
- Improve operational efficiencies, and on-time delivery performance both inbound and outbound
- Permanently eliminate part shortages
- Double cost savings opportunities
- Synchronize the front end of your business to operations
- Realize a bottom-line improvement 2x faster than the top
- Eliminate risk and have proactive solutions to your supply

## Realize Cost Improvement while Mitigating Supply Risk.

**Total Cost of Ownership:** Our deep end-to-end experience in understanding income statements enables our team to map out all associated costs impacted by raw materials. Get a total cost picture that is connected to all functions and accelerates prioritization and buy-in from different functional owners.

**Targeted Cost, Delivery and Inventory Improvement:** Make dramatic performance improvements that impact operations and customer satisfaction. We map out value streams and identify wastes in Spend, Payment Terms, Component Value Analysis and Value Engineering, Vendor Consolidation, Supplier Delivery and Quality. Then we link waste costs and opportunities for improvement to financials and key performance indicators (KPI's).

**Supplier Performance and Risk Reduction:** Remove executional process gaps and any inhibitors of performance toward strategic goal achievement. We align company and operations objectives and link back to supply base requirements. Through our supply and supplier risk assessment our supply chain experts will uncover gaps in capacity, quality, asset management, purchasing/supply base, manufacturing management, warehouse management and product innovation and provide recommendations for improvement.

**Shortage Management and Elimination:** Permanently eliminate shortages that cause ripple effects in your company's performance. TBM's proven approach of mapping and pairing data allows us to connect operational inefficiencies, internal cost issues, and on-time delivery gaps. Then we articulate priorities, immediate impact and impending risk to drive the improvement plans.

Sourcing and Procurement goes beyond getting a good price and chasing unit cost. Drive total cost, flexibility, and reliability to unlock the full value of your strategic metrics. We establish bottom-up processes to match top-down strategic objectives that enable your business to execute its overall business strategy 1-2 years faster to get 10-15% cost out and 95+% supplier delivery improvement from all suppliers.

## Sourcing and Procurement Results

### IMAGING TECHNOLOGY COMPANY

#### Profitable Supplier Relocation and Efficiency Improvements

- Global process variation improvements
- Implement management system
- Relocation to low-cost region
- Factory consolidation

### TIER 1 AUTOMOTIVE SUPPLIER

#### Guidance for Cost Reduction

- Evaluated regions for relocation
- Developed future state greenfield plant layout
- Identified critical path relocation move plan

### NIKE

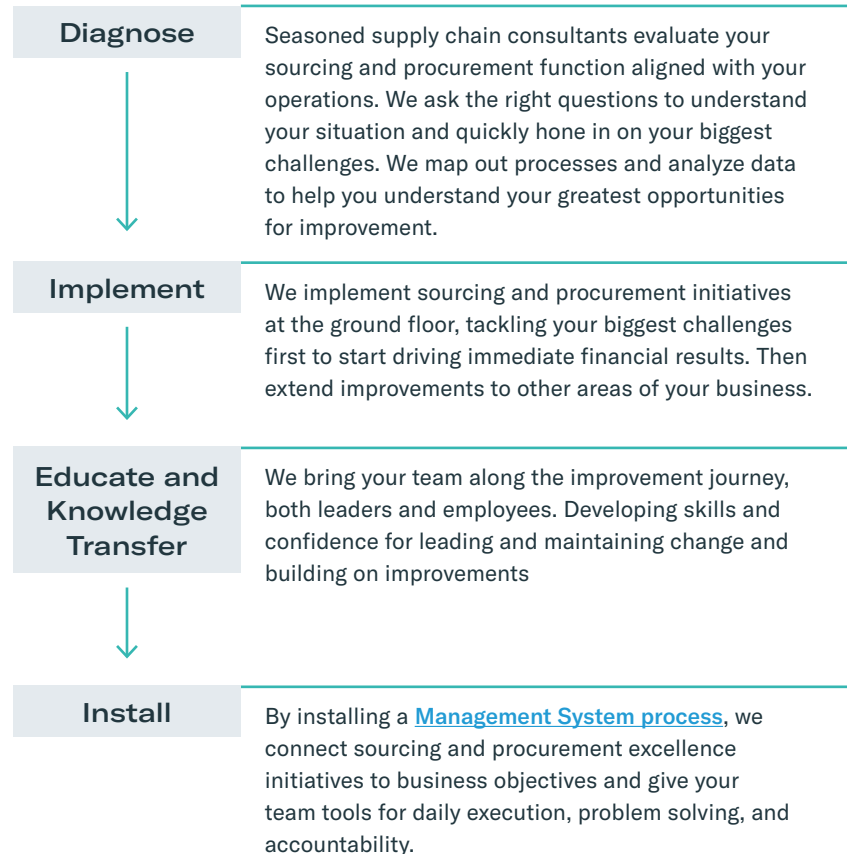
#### Supplier Performance Spurs Growth

- Improved on-time delivery by 12%
- 18% productivity improvement
- Reduced lead time by 42 days

## Make rapid improvements and reinforce your competitive advantage.

Our supply chain consultants are some of the few who still get their hands dirty, working shoulder-to-shoulder with your leaders and employees at the point of impact. Our hands-on approach is the key to rapid, meaningful results. We help you generate financial impact right away, while integrating training and enabling technologies to help you sustain change and growth long-term.

### The TBM Approach to Sourcing and Procurement



Be cost effective.  
Mitigate Risk with TBM. →

## Speed wins every time.

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We accelerate operational performance to make you more agile and help you accelerate business performance 3–5x faster than your peers.

