



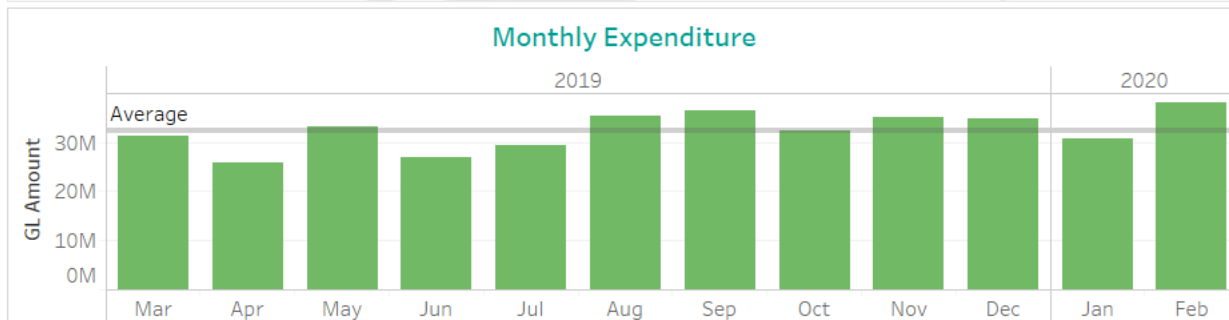
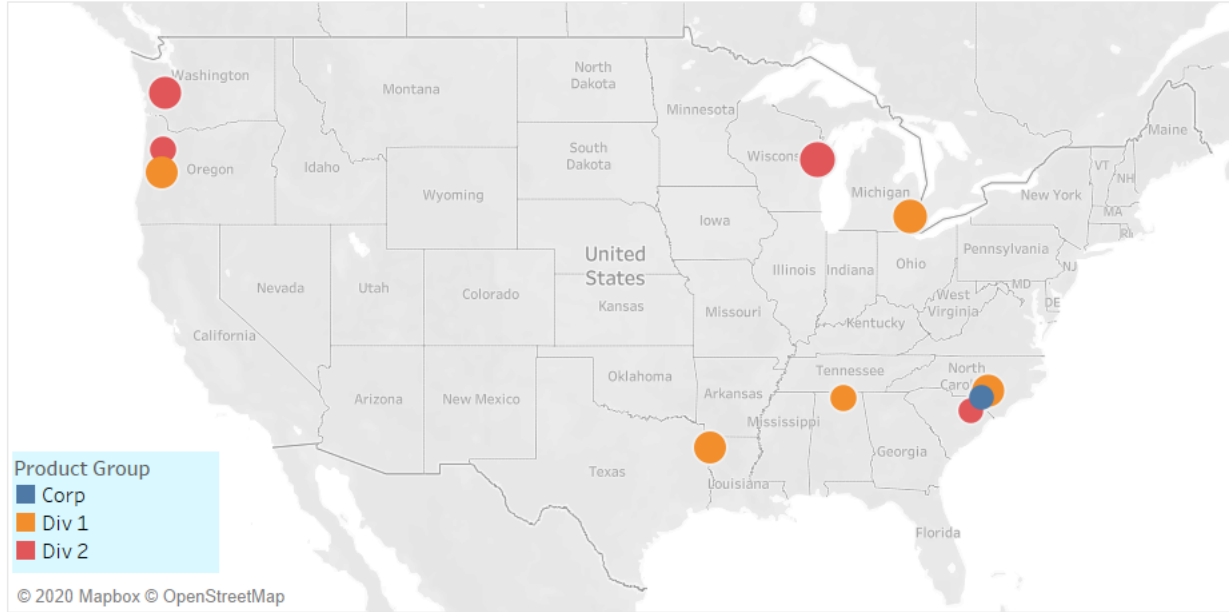
Opportunity / Spend Analysis

The overarching goal is to enhance visibility as a means for improving spend and supplier relationships within the organization.

In order to have a comprehensive visibility into your spend we will:

- Put your data through an aggressive aggregation and record cleaning process
- Consolidate and normalize supplier names
- Classify the data into 3 or 4 levels of granularity (depending on the data provided)
- With input from the client, identify the spend as either addressable or non-addressable

Enterprise Overview



Spend by Location

Product Group	Location #	GL Amount	% of GL Amount	# of Transactions
Grand Total		389,419,917	100.00%	134,277
Corp	Total	25,043,111	6.43%	8,969
	Loc 1	25,043,111	6.43%	8,969
Div 1	Total	211,419,468	54.29%	61,710
	Loc 2	42,328,424	10.87%	9,429
	Loc 3	44,098,253	11.32%	17,479
	Loc 4	28,738,421	7.38%	6,529
	Loc 5	47,435,699	12.18%	17,109
	Loc 6	48,818,672	12.54%	11,164
	Loc 7	52,531,168	13.49%	16,110
Div 2	Total	152,957,338	39.28%	63,598
	Loc 8	44,523,201	11.43%	15,553
	Loc 9	29,410,733	7.55%	12,125
	Loc 10	26,492,235	6.80%	19,810
		Addressable		Grand Total
		248,080		\$248,080



Expenditure by Category

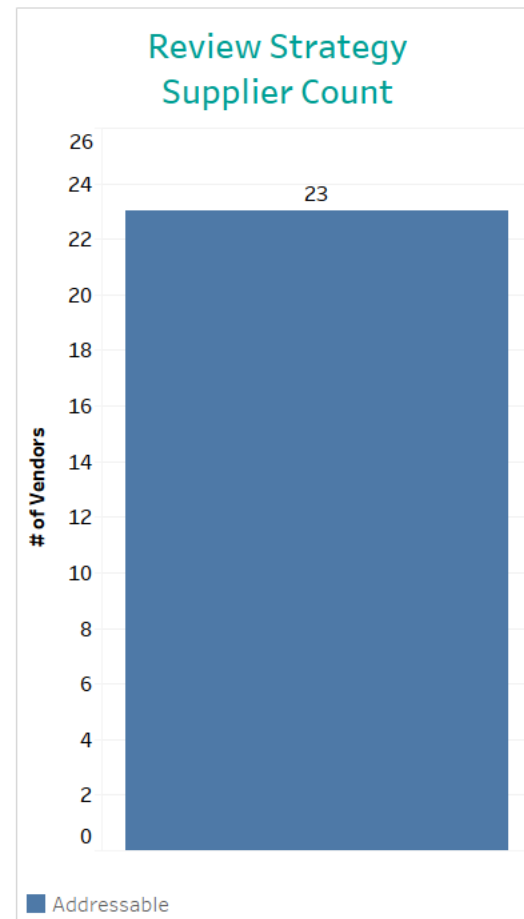
Select Transaction Type:
All

Select Category:
All

Unselect ALL and select
Product / Services to be viewed:
Multiple values

Review Strategy:
All

Product / Services	Supplier Number	Sub-Category1	Review Strategy	
			Addressable	Grand Total
Grand Total			248,080	248,080
Breakroom Supplies	Total		47,694	47,694
	C1116	Office, Janitorial, Breakroom, Water Supplies	5,588	5,588
	C1173	Office, Janitorial, Breakroom, Water Supplies	2,239	2,239
	H1020	Office, Janitorial, Breakroom, Water Supplies	2,262	2,262
	I1014	Office, Janitorial, Breakroom, Water Supplies	2	2
	M1063	Office, Janitorial, Breakroom, Water Supplies	4,344	4,344
	M1132	Office, Janitorial, Breakroom, Water Supplies	2,786	2,786
	S1104	Office, Janitorial, Breakroom, Water Supplies	10,353	10,353
	S1152	Office, Janitorial, Breakroom, Water Supplies	14,105	14,105
	V1006	Office, Janitorial, Breakroom, Water Supplies	1	1
	W1080	Office, Janitorial, Breakroom, Water Supplies	6,013	6,013
Cleaning Services	Total		200,385	200,385
	A1070	Cleaning Services	28,981	28,981
	C1109	Cleaning Services	107	107
	C1110	Cleaning Services	6,089	6,089
	C1111	Cleaning Services	28,339	28,339
	C1112	Cleaning Services	5,236	5,236
	E1049	Cleaning Services	15,130	15,130
	F1049	Cleaning Services	17,527	17,527
	F1050	Cleaning Services	5,750	5,750
	J1013	Cleaning Services	25,497	25,497
	J1024	Cleaning Services	200	200
	O1028	Cleaning Services	17,079	17,079
	U1005	Cleaning Services	21,720	21,720
	W1037	Cleaning Services	28,731	28,731

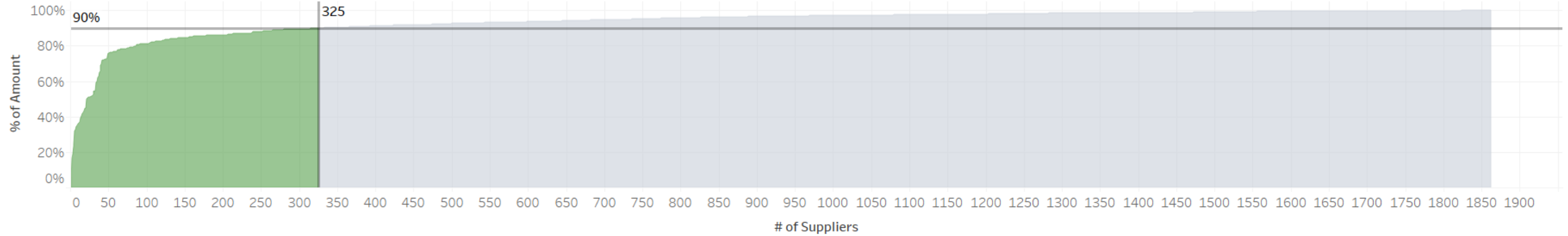


Pareto Analysis

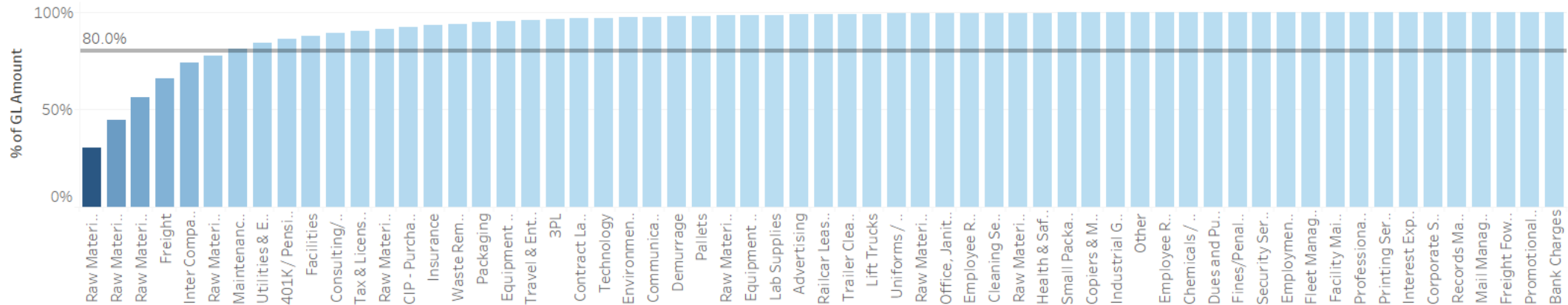
Review Strategy
All

325 suppliers account for **90%** of the total expenditure

How Many Companies?
325



Sub-Category Analysis



Select Category:

- Banking & Financial Services
- Communications & Technology
- Corporate Services
- Facility Management
- Human Resources Services
- Logistics
- Operational Supplies
- Production Materials

GL Amount
839  117,954,994

Top "N"

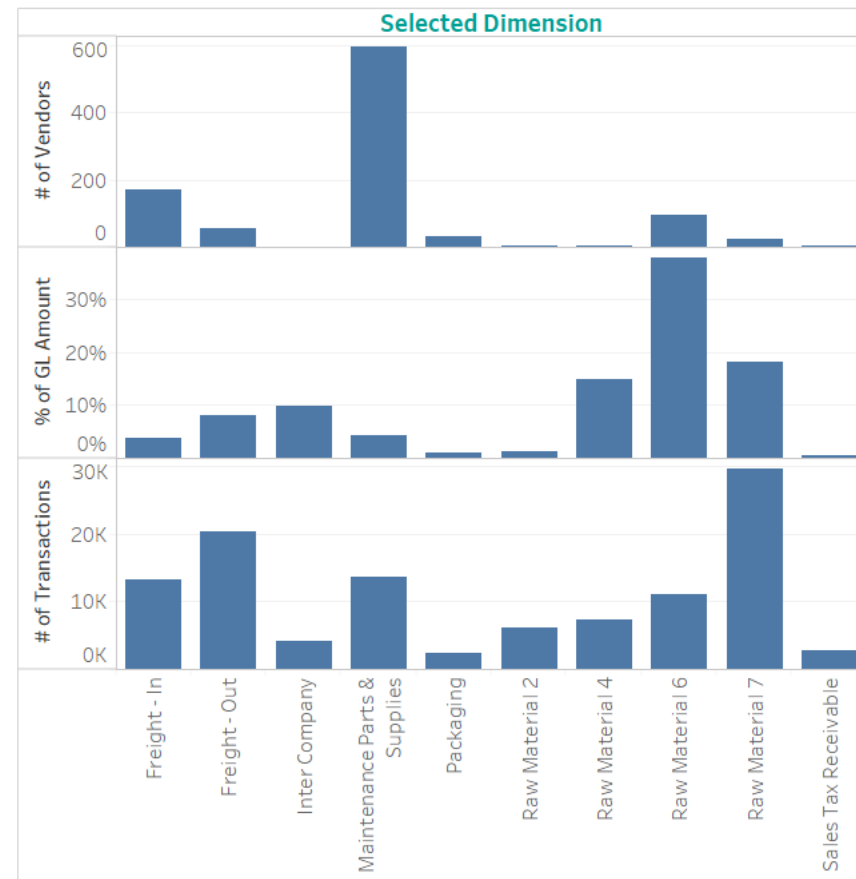
Top 'N'
Top 10

Select a Dimension
Product / Services

Review Strategy
All

Top N | Product / Services

Rank	Selected Dimension	GL Amount	% of GL Amount	# of Suppliers	# of Transactions
Grand Total		309,967,918	100.00%	865	111,145
1	Raw Material 6	117,954,994	38.05%	94	11,074
2	Raw Material 7	56,059,156	18.09%	22	29,776
3	Raw Material 4	45,873,389	14.80%	2	7,414
4	Inter Company	30,871,587	9.96%	1	4,244
5	Freight - Out	25,066,329	8.09%	56	20,477
6	Maintenance Parts & Supplies	13,716,227	4.43%	597	13,620
7	Freight - In	11,671,024	3.77%	171	13,322
8	Raw Material 2	4,017,538	1.30%	2	6,049
9	Packaging	2,975,584	0.96%	31	2,458
10	Sales Tax Receivable	1,762,089	0.57%	4	2,711

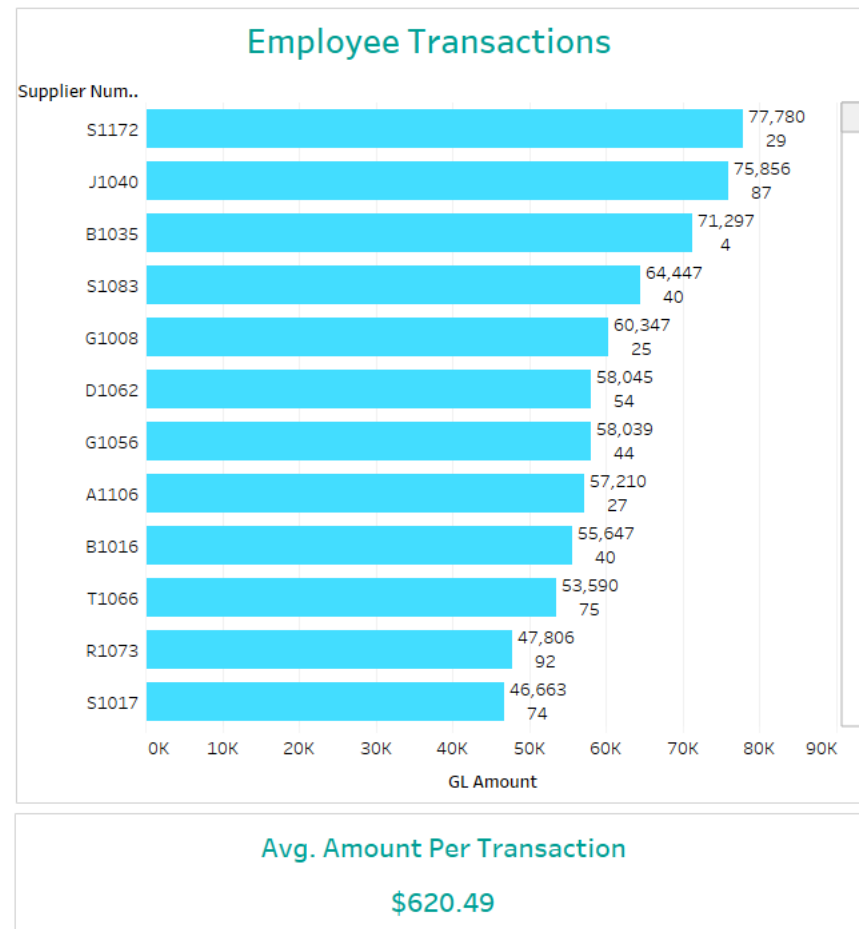




Employee Reimbursement

Location # All	Category All	Product / Services All	Review Strategy All
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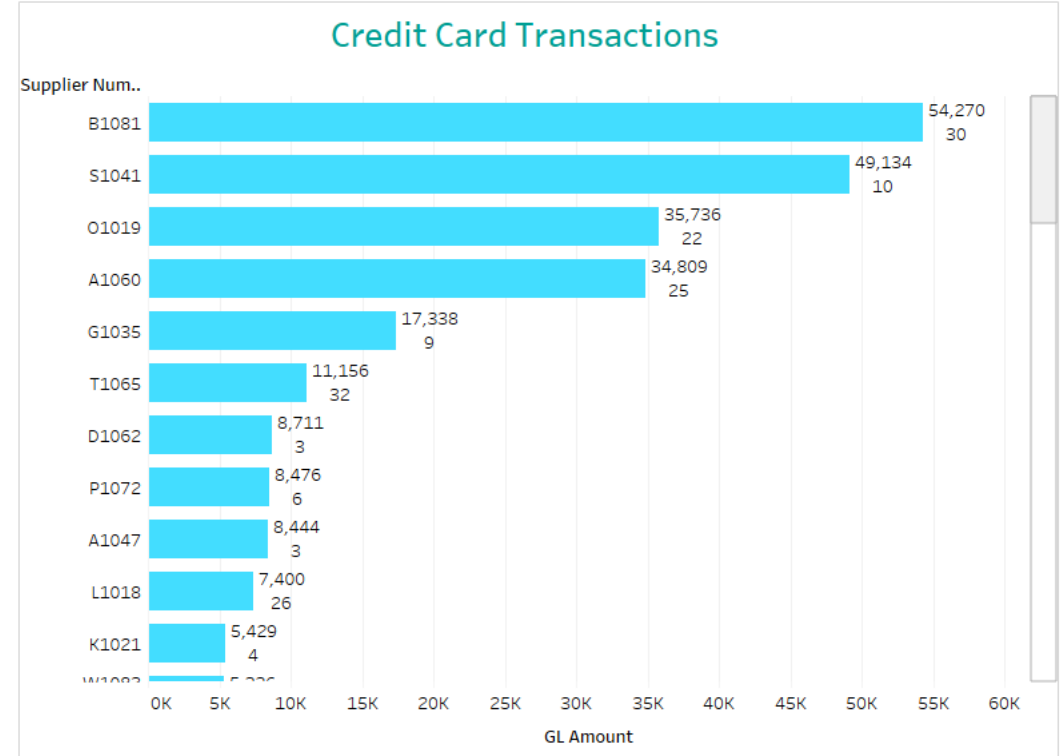
Supplier Number	Product / Services	GL Amount	% of GL Amount	# of Transactions
Grand Total		2,454,023	100.00%	3,955
R1073	<i>Total</i>	47,806	1.95%	92
	Meals and Entertainment	14,582	0.59%	38
	Office Supplies	656	0.03%	8
	Travel Expense	31,926	1.30%	39
	Wireless	641	0.03%	7
J1040	<i>Total</i>	75,856	3.09%	87
	Dues and Publications	1,924	0.08%	3
	Employee Reimbursement - Oth..	2,260	0.09%	1
	Meals and Entertainment	16,818	0.69%	34
	Office Supplies	294	0.01%	5
	Travel Expense	54,438	2.22%	42
	Wireless	122	0.00%	2
T1066	<i>Total</i>	53,590	2.18%	75
	Dues and Publications	2,085	0.08%	2
	Meals and Entertainment	10,846	0.44%	34
	Office Supplies	95	0.00%	1
	Travel Expense	40,514	1.65%	37
	Wireless	50	0.00%	1
S1035	<i>Total</i>	35,834	1.46%	75
	Dues and Publications	619	0.03%	2
	Meals and Entertainment	3,191	0.13%	32
	Office Supplies	291	0.01%	6
	Travel Expense	31,733	1.29%	35
S1017	<i>Total</i>	46,663	1.90%	74
	Dues and Publications	700	0.03%	2
	Health & Safety	257	0.01%	3
	Meals and Entertainment	5,051	0.21%	32
	Office Supplies	260	0.01%	5
	Travel Expense	40,346	1.64%	31
	Wireless	49	0.00%	1



Credit Card Transactions

Location # All	Category All	Product / Services All	Review Strategy All
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Supplier Number	Product / Services	GL Amount	% of GL Amount	# of Transactions
Grand Total		286,430	100.00%	234
B1081	CIP - Purchases	54,270	18.95%	30
S1041	CIP - Purchases	49,134	17.15%	10
O1019	CIP - Purchases	35,736	12.48%	22
A1060	Maintenance	34,809	12.15%	25
G1035	CIP - Purchases	17,277	6.03%	8
	Maintenance	61	0.02%	1
T1065	CIP - Purchases	11,156	3.89%	32
D1062	CIP - Purchases	8,711	3.04%	3
P1072	CIP - Purchases	8,476	2.96%	6
A1047	CIP - Purchases	8,444	2.95%	3
L1018	Maintenance	7,400	2.58%	26
K1021	CIP - Purchases	5,429	1.90%	4
W1083	CIP - Purchases	5,336	1.86%	2
F1057	CIP - Purchases	4,912	1.71%	3
C1172	CIP - Purchases	4,692	1.64%	4
B1013	CIP - Purchases	4,128	1.44%	2
B1016	CIP - Purchases	4,091	1.43%	2
W1059	CIP - Purchases	2,364	0.83%	1
	Testing	80	0.03%	2
S1102	CIP - Purchases	2,112	0.74%	2
N1006	CIP - Purchases	1,491	0.52%	4
G1034	Maintenance	1,485	0.52%	1
M1055	CIP - Purchases	1,341	0.47%	1
K1038	Maintenance	1,220	0.43%	3
M1038	CIP - Purchases	1,211	0.42%	1
L1025	CIP - Purchases	1,147	0.40%	1
M1109	CIP - Purchases	1,038	0.36%	1
A1127	CIP - Purchases	1,033	0.36%	1
D1043	Maintenance	743	0.26%	1



Avg. Amount Per Transaction

\$1,224.06

Portfolio Analysis

Select Quadrant
All

Select Product / Services
All

Review Strategy
All

Potential Opportunity	High	<p>Hi Opp / Low Diff \$63,642,926 1,024</p> <p>Low risk, high expenditure Many suppliers No internal dependency on a particular supplier</p>	<p>Hi Opp / Hi Diff \$253,189,881 444</p> <p>High risk, high expenditure Limited suppliers</p>
		<p>Low Opp / Low Diff \$7,394,114 453</p> <p>Low risk, low expenditure High variety of products Competitive market</p>	<p>Low Opp / Hi Diff \$65,192,996 271</p> <p>High risk, may be high expenditure Clients are normally comfortable in managing those relationships</p>
	Low	Low	High
	Ease of Effort		

401K / Pension	Banking & Financial Services	C1071	\$8,118,921
		I1018	\$105,206
		S1042	\$100,436
		T1038	\$2,043
		U1014	\$393
		L1051	\$243
Accounting Services	Corporate Services	P1093	\$848,237
		E1042	\$826,752
Advertising	Corporate Services	L1052	\$566,178
		W1081	\$4,500
		Y1006	\$462
Bank Charges	Banking & Financial Services	B1059	\$824
		T1054	\$15
Breakroom Supplies	Operational Supplies	S1152	\$14,105
		S1104	\$10,353
		W1080	\$6,013
		C1116	\$5,588
		M1063	\$4,344
		M1132	\$2,786
		H1020	\$2,262
		C1173	\$2,239
		I1014	\$2
		V1006	\$1
Chemicals	Operational Supplies	C1077	\$30,720
		C1069	\$23,003
		D1058	\$8,575
		D1053	\$8,007
CIP - Purchases	Facility Management	M1014	\$979,839
		A1064	\$578,251
		I1035	\$573,019

Potential Cash Flow Improvement

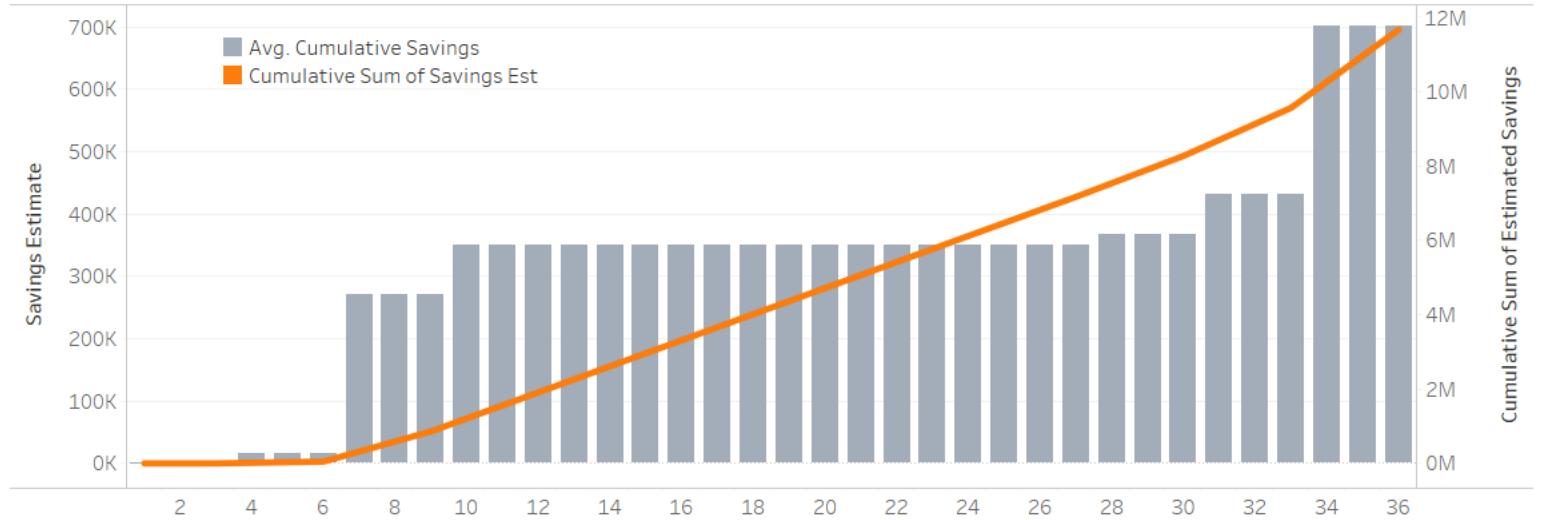
Implementation Phase
All

Product / Services
All

Potential Projects

Product / Services			
Grand Total	2,505,574	58,575,768	2,537,088
Freight - Out	25,066,329		
Maintenance Parts & Supp..	13,716,227		
Freight - In	11,671,024		
Waste Removal	3,173,104		
Packaging	2,975,584		
Contract Labor / Staffing	1,445,580		
Pallets	850,783		
Software	722,415		
Advertising	571,140		
Network	534,255		
Hardware	479,904		
Uniforms / Mats	388,726		
Data Center	352,497		
Wireless	258,037		
Office Supplies	256,816		
Rent/Leases - Other	174,619		
New Equipment	168,830		
Recruiting Agency	162,851		
Voice	133,585		
Contract Maintenance	104,567		
UPS	88,350		
Fedex	74,146		
Security Services	61,157		
Webex	50,959		
Breakroom Supplies	47,694		
Water	22,227		

Savings by Month, Net of ERA Fees



Savings opportunity from projects in the HI Opp / Low Dif quadrant, as a group, ranges from 5% to 22% with an average of 13.2%

	Avg. Cumulative Savings	Avg. -20% Cumulative Savings	Avg. +20% Cumulative Savings
Savings Estimate - Year 1	1,912,056	1,529,645	2,294,467
Savings Estimate - Year 2	4,205,592	3,364,474	5,046,710
Savings Estimate - Year 3	5,546,097	4,436,878	6,655,316
Grand Total	11,663,745	9,330,996	13,996,494

Could you be leaving money on the table?

Expense Reduction Analysts is dedicated to helping you find the cost-savings solutions that are right for your organization.

Here are examples of expense areas we review:

Banking & Financial Services

- Bank Services
- Insurance
- Merchant Card Fees
- Taxes

Corporate Services

- Advertising
- Agencies
- Copiers & Managed Print
- Food Services
- Mail Management
- Office Supplies
- Printing
- Professional Services
- Records Management

Facility Management

- Cleaning Supplies & Services
- Construction
- Equipment Lease & Management
- Facility Maintenance
- Landscape Management
- Pest Control
- Utilities & Energy
- Waste

Telecommunications & Technology

- Information Technology
- Telecommunications

Logistics

- 3PL
- Fleet Management (Trucking)
- Freight (TL, LTL, International)
- Small Package Freight
- Warehousing

Medical Services

- Medical Services
- Medical Supplies
- Pharmacy

Operational Supplies

- Chemicals
- Factory Consumables
- Fleet Management (Parts & Supplies)
- Laboratory Supplies
- Industrial Gases
- MRO Supplies
- Packaging

Personnel Services

- Employment Services
- Fleet Management (Vehicle Leasing)
- Payroll/HR Admin
- Security
- Travel
- Uniforms & Linens

If You Are Looking for guidance...

ERA is a leading advisor in cost management. We can help our clients overcome the problem of tactics, conflict, and trust that arise from the traditional, tactical role of “buying something a little cheaper.”

By focusing on the business of procurement rather than the mechanics of procurement, ERA delivers value for our clients in ways they would never have thought about and emerge as a valuable contributor to the strategic agenda of the business.