

CASE STUDIES

CHALLENGES AND SOLUTIONS

Advisory & Brokerage:

Product sourcing

Sectors:

Facilities Management [Security & Fire products]

Challenge:

Reducing product cost in a highly competitive market

Outcome:

Access to same product at significantly reduced cost

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Part of our client's business is to provide installation and maintenance of fire and intruder systems.

Although servicing and support is a major part of their business, like a number of maintenance groups the purchasing of product still accounts for a significant proportion of overall sales and therefore directly impacts the bottom line.

In a highly competitive market, we identified with our client that one route to enhance profit was to look at innovative buying for 'non-complex' product items that represented low risk in terms of alternative sourcing routes.

After an initial 'at risk' assessment and reaching agreement on how to proceed, our team of experts were provided with a full breakdown of the categories of spend, product details and buying profile of our client.

From this we undertook further analysis and market testing of product sourcing, not only in the UK but also in key overseas regions where we knew the quality of manufacturing existed to maintain compliance with UK and international standards.

As a result, we identified net savings in the region of 20–30% across a number of product lines after all costs of transportation and administration were accounted for.

This has enabled our client to immediately make significant improvements to their bottom-line results and to become more competitive in securing future growth.

