



Contraqer

Removing Friction from Procurement

By Amit Paul Choudhury



Dwight Gibbs,
Founder and CEO

Dwight Gibbs had been a CIO or CTO for about two decades working at organizations like The Motley Fool, Capital One, Legg Mason, INPUT, and Invision. In these positions, Dwight experienced the pain and chaos of procurement firsthand. “Throughout my career procurement has always been a challenge,” he says. Dwight explains that the procurement process was manual—many procurement tasks required much more time and effort than they should have. It was opaque—getting relevant procurement information when needed was extremely difficult. And it was disjointed—often spread across multiple legacy systems from different vendors, requiring multiple handoffs and plenty of integration trouble shooting. In October of 2012, Gibbs embarked on a journey to fix procurement and founded Contraqer.

“We started with the tactical—make it easy to send RFx, receive responses, verify and compare them, negotiate pricing, issue orders, and manage fulfillment. Basically—we automated the nuts and bolts of procurement,” remarks Gibbs. Contraqer then added data visualizations so its clients could detect issues or the lack thereof with just a glance at the screen. The team also incorporated actionable analytics and machine learning into the application giving procurement teams insight in the windshield—not the rear-view mirror. And since no system can be an island, Contraqer added numerous integrations along the way to systems like: Salesforce, QuickBooks, Dynamics, NetSuite, SAP, Bigfoot, FedEx, UPS, and IT distributors. “Four years later, all these features coalesced in our two products—Contraqer Direct and Contraqer Channel,” extols Gibbs. “Our aspirational goal is to completely remove friction from the procurement process for buyers and sellers, increasing efficiency and decreasing costs for both. We are not there yet but we are well on the way.”

Procurement Solutions for Technology Buyers, Resellers, and MRO Organizations

Contraqer manages the entire procurement process through their flagship products, Contraqer Direct (used by companies that consume what they purchase) and Contraqer Channel (used by resellers). These products facilitate smarter buying, deeper insight into vendor pricing and performance, and improved financial results. “Contraqer automates the entire process from initial requests through fulfillment,” elaborates Gibbs. Rather than forcing users to look for procurement data, in Contraqer the data finds the user.

One example of this is showing the Average, Last, High, and Low price for every item on a vendor quote along with green, yellow, red coding based on the client’s rules. Users can also easily compare and contrast pricing from different vendors and benchmark pricing to companies like Amazon. In addition, Contraqer offers workflows with multiple levels of approval based on a variety of document characteristics such as contract, quote amount, margin amount, margin percentage,

and more, which makes its solution extremely flexible.

Contraqer offers transparency, end-to-end accuracy, and a data-driven process. “Our solutions centralize all procurement data, compare vendors and products across multiple metrics, and enable organizations to make better, data-driven procurement decisions,” states Gibbs. In addition to automating the entire procurement process, Contraqer also improves the financial performance and efficiency of Maintenance, Repair, and Operations (MRO) organizations. MRO organizations use Computerized Maintenance Management Systems (CMMS) like MP2, Maximo, and Bigfoot which generate reports of parts that need to be ordered. “But these systems do not manage the procurement process,” says Gibbs. With its easy-to-implement closed loop MRO Procurement integration, Contraqer enables its clients to address the challenge of MRO procurement. Contraqer checks the CMMS at regular intervals to identify products that are below their re-order point. An RFQ is then created for the items and an alert is sent to the procurement team, which can then shop the items for the best price and delivery terms. Once an order is placed, Contraqer automatically updates the Quantity on Order information in the CMMS. And when an order is received,

Contraqer automatically decrements the Quantity on Order and increments the Quantity on Hand information. This effectively makes the MRO purchasing process a closed loop. “By automating the process and helping the procurement team find the best deals, we save our clients’ both time and money while increasing the accuracy of the data in the CMMS,” adds Gibbs.

Product Differentiation through Innovation

Some of the most compelling trends in the procurement space include movement to the cloud and integration of technologies such as Artificial Intelligence (AI), Machine Learning, and Big Data tools like Hadoop and Red Shift. Part of Contraqer’s value proposition lies in its ability to quickly evaluate the most promising technologies, collaborate with its clients to prioritize implementation, and quickly incorporate those technologies into the product. “We tend to focus more on our clients and prospects and less on our competition. If we deliver the value that our clients are looking for, the competition issue takes care of itself,” explains Dwight.

On the innovation front, the organization has invested a significant amount of time and money enhancing the Process Automation, Analytics,



Contraqer removes friction from procurement by automating the process from initial request through fulfillment, highlighting relevant analytical information along the way

and Machine Learning capabilities of Contraqer. The team is also optimizing its Optical Character Recognition (OCR) capability, improving the scanning accuracy and expanding the file formats supported.

From Product to Platform

Contraqer continues to make significant strides in the procurement landscape with plans to release new offerings tailored to the needs of the public sector and private label markets. Additional investments in Machine Learning will allow Contraqer Channel clients to automatically sift through thousands of RFQs to find the right ones to quote. The recommendations will include suggestions for winning pricing. Another crucial step on the roadmap is enabling Channel clients to easily communicate and exchange information with their Direct Clients or other Channel clients. “During 2017 we will transform Contraqer from a product to a procurement platform capable of routing any information from any client to any other client or organization,” concludes Dwight. CR

