

Implementing a best-in-class procurement function

Maine Pointe helped a leading manufacturing company successfully transform its procurement team through knowledge transfer and leadership

The challenge

Our client is a leading manufacturer of specialty, flat-rolled aluminum products, primarily serving the HVAC, building and construction, as well as light gauge converter foil and flexible packaging end-use markets in the United States. The company has grown from a startup capacity of 40M pounds to over 372M pounds today and employs 772 associates at its four facilities. Despite its significant growth, the company did not have a cohesive, cross-organizational set of procurement and sourcing policies and procedures. The existing procurement organization was transaction oriented with questionable data integrity and frequent non-compliance with policies.

The solution

Senior executives engaged Maine Pointe to help develop and implement a best-in-class procurement function. Our team discovered that the in-house procurement team did not have the necessary skills to implement best practices and action plans. In addition, a general absence of ownership and accountability had led to a lack of trust in the procurement organization. As a result, operations would work around rather than with them. Our procurement and Leader and Organization Improvement (LOI) experts worked together with senior executives to:

- Analyze \$397M worth of direct and indirect spend to drive strategic procurement savings
- Present and implement strategic and tactical processes to the procurement team using an “on the job” training environment
- Reinforce the procurement team through practical applications and one-on-one coaching
- Recommend an organizational structure that provided cohesion and integrity



The results

- Reorganized procurement team and realigned with best practices to source goods
- Enhanced the professional environment with an increased emphasis on planning, execution, and category leadership
- Delivered annualized savings over \$10M in situation, exceeding the client's expectations
- Moved the procurement organization up the TVO Maturity Curve™

Want to reduce costs in your manufacturing business?

Want to improve performance across your supply chain and operations?

Talk it through with one of our executives

Email info@mainepointe.com to arrange a call

About Maine Pointe

Maine Pointe is a global implementation-focused consulting firm trusted by many chief executives and private equity firms to drive compelling economic returns for their companies. We achieve this by delivering accelerated, sustainable, improvements in both EBITDA and cash across their supply chain and operations. Our hands-on implementation experts work with executives and their teams to rapidly break through functional silos and transform the buy-make-move-fulfill supply chain to deliver the greatest value to customers and investors at the lowest cost to business. We call this **Total Value Optimization (TVO)™**.

Maine Pointe's engagements are results-driven and deliver between 3.5:1-12:1 ROI. We are so confident in our work and our processes that we provide a unique 100% guarantee of engagement fees based on annualized savings. www.mainepointe.com