

# Price Chopper

## Increasing Sourcing Savings by Bringing More Spend Under Management

Price Chopper is a \$3.4bn supermarket chain headquartered in New York with over 130 locations throughout the US and 24,000 employees. It was established in 1932 and is owned by the Golub Corporation.

### VALUE DELIVERED

Over  
**\$50 Million**  
in Sourcing  
**Savings**

Dramatically  
**decreased**  
**turnaround time**  
on price collection  
processes

Additional or  
new sources  
of supply now  
**sourced**  
**with ease**

### CHANGE PRESSURES

PROACTIS was to support the following strategic initiatives:

- **Reorganisation & Restructuring**  
(e.g. merge, split, acquire, centralise, outsource)
- **Enterprise System Change**  
(e.g. core ERP/common systems)
- **Business Process Transformation**  
(e.g. reduce costs, increase speed, increase throughput, increase agility, reduce risk, compliance)



A deep understanding of our business is what separates PROACTIS from other eSourcing providers. They take the time to offer great insight on strategies that yield optimum results based on our business and our goals. There is no doubt that this superior customer service has helped drive Price Chopper's savings even further.



Ken Gregory  
Reverse Auction Analyst, Price Chopper

### PROFILE

Operates in  
**North America**

Customer Since  
**2006**

No. of Locations  
**130+**

No. of Employees  
**24,000**

Revenues  
**\$3.4 Billion**

Vertical Sector  
**Retail**



# Why did they need to change?

## ROADBLOCKS

After years of each department purchasing their own products and services, Price Chopper needed an enterprise-wide eSourcing process in order to create a more efficient and unified spending process.

- Procurement best practices were not shared between departments
- It was difficult and time consuming to explore new Trade Partner options
- Price Chopper had reached a product quality and price 'glass ceiling' with minimal opportunities for large improvements

## RISKS

In the retail sector, costs are rising while intense competition and consumer expectations are putting downwards pressure on prices. By not standardising their sourcing process and address their capacity issues, Price Chopper would not be able to maintain their competitiveness.

# How did PROACTIS help?

- Freeing up Procurement's time by handling some of the most resource-intensive steps of the sourcing process
- Proactively analysing and finding the best suppliers based on quality, service and price
- Increasing the number of Trade Partners engaged in strategic sourcing initiatives
- Driving process efficiencies in the collection of pricing from vendors
- Increasing spend visibility to uncover even more opportunities to save throughout the organisation

# What were the results?

## MONETARY SAVINGS

PROACTIS' Sourcing Service and suite of tools have uncovered substantial savings across the entire supply chain, averaging **59% savings across a variety of categories.**

Sourcing Savings  
**Exceeding  
\$50 million**

## IMPROVED OPERATIONS & EFFICIENCIES

With PROACTIS, Price Chopper not only **increased the number of vendors engaged** in their eSourcing events, but created a more efficient price gathering process.

**More  
Efficient**  
Sourcing Process

## GOVERNANCE & RISK MITIGATION

Established a repeatable and sustainable approach to spend throughout the organisation with better spend visibility and understanding of the supply base, category specifications and market conditions.

Standardised  
Sourcing Process  
**& Improved  
Spend Visibility**

## VERTICAL EXPERTISE

PROACTIS has a suite of technologies and services that fit the needs of retail organisations precisely, delivering savings and reducing risk across all goods for resale (GFR) and goods not for resale (GNFR) activities.

## CONTACT US

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