

The CoVest Spend Categorization Process provides a road map to category opportunities.

So often we hear, "If only I had the data, or knew what I bought or knew who I bought it from." Securing accurate line item data is hard. Not knowing where to look makes it even harder!

Pulling a spend by vendor report from your system is easy. With these simple numbers, CoVest will return to you a list of rationalized supplier names, your spend by category and by supplier. With this information, you can prioritize the category opportunities and know which suppliers to request data from.

Following the road map to consolidated category spend, purchased through CoVest leveraged agreements, leads to more spend under management generating more savings.

STEPS IN THE PROCESS

- ☼ CoVest signs company NDA
- ☼ Company shares a 12-month, spend by vendor / GL report
- ☼ CoVest conducts vendor name rationalization
 - ☼ IBM = IBM, I.B.M, International Business Machine, International Business Machines, etc.
- ☼ Vendor names run through CoVest supplier database for category assigning
- ☼ CoVest researches remaining un-assigned vendor names and buckets appropriately
- ☼ Both CoVest and non-CoVest category totals provided

KEY BENEFITS

- ☼ Know your true spend by category
- ☼ Know your top vendors by category
- ☼ Know which vendors to request data from
- ☼ Know your spend by vendor / by category / by location
- ☼ Receive estimated savings range, based on your spend profile, on CoVest categories
- ☼ Vendor reduction opportunity
- ☼ No cost or commitments associated with categorization

Examples Of Summary Tables Generated During Categorization

Sample Table Of CoVest Category Opportunities

COVEST CATEGORY	2016 SPEND	SUPPLIERS	COVEST SOLUTION	SAVINGS
Bearing & PT	\$ 1,810,675	14	Motion Industries	8% - 12%
Car Rental	\$ 1,487,466	3	Hertz	9% - 16%
Computer Peripherals	\$ 368,410	9	Staples Technology Services	4% - 10%
Data Services	\$ 748,125	14	Level 3	12% - 20%
Electrical Supplies	\$ 1,547,771	21	<i>* In Contracting</i>	
Industrial Supplies	\$ 7,307,845	54	Grainger /MSC	13% - 19%
JanSan	\$ 2,217,402	9	Staples Facility Solutions	18% - 24%
Lab Supplies	\$ 791,304	8	Fisher Scientific	6% - 11%
Lubricants	\$ 389,667	4	Petro-Canada	18% - 30%
Office Equipment	\$ 642,541	3	Konica Minolta Business Solutions	18% - 30%
Office Supplies	\$ 1,205,007	4	Staples Advantage	12% - 19%
Pharmacy Benefits	\$ 8,735,210	2	CVS Health / OptumRx	8% - 14%
Print / Digital Marketing	\$ 4,875,152	12	Konica Minolta Marketing Services	8% - 14%
PVF	\$ 276,422	11	<i>* In Contracting</i>	
Small Parcel	\$ 6,878,240	2	<i>*In Contracting</i>	
Temp Labor	\$ 4,785,360	31	Kelly Services	7% - 13%
Other	\$ 67,850,412	234	See tab two for category breakdown	
Grand Total	\$ 111,927,209	435		

Sample Table Of Spend By Industrial Supply Company

SUPPLIERS	2016 SPEND
Grainger	\$ 1,427,617
Able Industrial Products	\$ 657,412
Mc Master Carr	\$ 640,151
MSC	\$ 489,632
Fastenal	\$ 354,125
C&H Distributors	\$ 203,251
Njs Systems	\$ 147,270
Home Depot	\$ 145,801
Lowes	\$ 140,890
Controlled Motions Solutions	\$ 122,583
Sammy's Industrial	\$ 89,512
Keyence Corp of America	\$ 74,521
Instron	\$ 54,824
Stenley Supplies	\$ 52,140

Sample Table of Industrial Supply Spend By Location

SITE LOCATION	TOTAL SPEND
Cleveland	\$ 900,655
Avon	\$ 745,125
Fort Collins	\$ 387,965
Atlanta	\$ 315,687
Northlake	\$ 287,541
Gary	\$ 265,412
Carson City	\$ 258,741
Brampton	\$ 221,250
St. Charles	\$ 187,965
Canton	\$ 178,540
Dayton	\$ 169,875
Menasha	\$ 147,852
Frankford	\$ 90,874
Toledo	\$ 85,483
Little Valley	\$ 75,451
Nashville	\$ 45,877
Naperville	\$ 45,870
Phiadelphia	\$ 20,851