Vendor Relationships

Focused and Reciprocal

Our evolution of change

Where we were

    Local buyer responsible for all vendors in a given location(s)
    Limited Vendor intimacy across portfolio – no time to build strong relationships
        Product knowledge
        Focus

Where we are today

    Buyers are responsible for a smaller controlled list of vendors & items
        Benefits: Managing a product group for a large demographic area or nationally
                More knowledgeable about vendors, products and services
                More time for a buyer to identify trends and manage inventory

Vendor relationships

Respect - Show respect for your vendors efforts to support your business
  Understand and appreciate their challenges but help them understand the value
  you bring to them as well

Teamwork - Let them know they are part of your team, with the same goal - to service "OUR"
  customer base.

Communication - Keep the lines of communication open.

Composites One Core Values -

Vendor intimacy

Understanding who to contact and when

Understanding the vendor's chain of command and how to maneuver through it

Understanding the product offering and business rules

Here's how we make it work

Marketing Team – Develops the vendor strategic direction
- Market Managers are responsible for vendor relationships from a strategic position including distributor agreements, price increases and cost negotiations
- Provides support to procurement to help with problem resolution

Procurement – Execution of the details that support and enable the strategy
- Executes and manages at the detailed tactical level to the strategic plan
- Supply Chain Managers are in the "trenches" with the buyers
- Buyers travel to build relationships and product knowledge
- Supply Chain Team is incentivized with formal KRA's based on metrics
  - Operating Income, Return on Assets, Fill Rates, Aged Inventory, GMROI, reduction in COGS, freight spend and inventory turns
- Hold our vendors accountable:
  - purchasing transaction accuracy, on time in full delivery, material and packaging quality