

# INDIRECT PROCUREMENT

Cost | Control | Compliance

Use Cavallino to Leverage Your Indirect Spend and Deliver Real Savings

## Indirect Spend Savings Opportunity

Cavallino's team of Procurement and Supply Chain experts believe now is the time to leverage your indirect spend. Here are some of the benefits:

- Fast time-to-value
- Flexible cost structure with guaranteed savings
- Minimal capital investment necessary
- Maximizes savings on non-core products & services that are under-leveraged
- Allows internal resources to focus more on the core value drivers of the business
- Categories are sourced more frequently throughout the year across a greater pool of potential suppliers
- Maximize ease of use and compliance

## Realizing Savings

We help identify your under-managed categories and maximize your return on investment. Our procurement specialists will help you assert greater control by extending your procurement department to cover under-leveraged categories.

## CONTACT

Tracy Kellerman

415.328.1005

[tkellerman@cavallinollc.com](mailto:tkellerman@cavallinollc.com)

## Start Realizing Savings in Indirect Spend

*Optimizing your procurement practices*

### The Current Situation

Indirect category expertise is not a core competency within many organizations and is often overlooked which can leave significant savings on the table. Traditional cost-cutting initiatives may have been fully deployed, however addressing indirect spend can further strengthen cash flow & profitability. Thus, leveraging your indirect spend can generate additional savings. Indirect spend typically includes:

- MRO
- Logistics
- Packaging
- Marketing
- IT/Telecom
- Services

### The Savings Opportunity

By addressing your indirect spend, your company can increase spend under management and deliver realizable savings in a short period of time. Addressing indirect spend can deliver 8%-12% savings. Key drivers for realizing savings include: deep category expertise, negotiating prowess, effective sourcing methodologies, integrated source-to-pay processes and advanced spend analytics to accelerate opportunity identification.

### Key Indirect Spend Processes

Achieving the best possible price for your indirect products & services demands a highly specialized and integrated spend management process.

The process includes:

- Spend and Supply market analysis
- RFX Proposal and strategy development
- Supplier evaluation
- Supplier negotiations
- TCO analysis

### Proof

Recently, we saved **\$50M** over three years for a Fortune 500 client by addressing indirect spend. Here's how the spend broke out:

If you're interested in learning more, give us a call or visit us at

[www.cavallinollc.com](http://www.cavallinollc.com)

