

Sourcing and Procurement Transformation: Multinational Medical Manufacturer Gains Unprecedented Business Value

Customer Profile:

U.S.-based, multinational global medical technology company develops and manufactures medical supplies and devices, laboratory equipment and diagnostic products

1. Founded 120+ years ago, now publicly held
2. 50,000 employees in over 50 countries
3. 2016 Annual Revenue: Exceeded \$10 billion USD globally
4. 770 procurement professionals
5. More than 10,000 suppliers
6. Over 5,200 online purchasing events annually

Key Challenges:

1. Company overpays for goods and services due to inefficient purchasing
2. Range of outdated, non-standard, manual purchasing systems in each country
3. Lack of effective, long-term global strategies, best practices and standard operating procedures
4. Inability to analyze spend and supplier performance due to lack of data, visibility and reporting
5. Little insight or control over contracts and suppliers at micro and macro levels

Over twenty years ago, it was difficult, if not impossible, for this multinational medical equipment manufacturer to analyze accurate and timely procurement data. The process to access the data was tedious. The procurement team did their best to manage spend data using the tools at hand, such as an in-house eSourcing platform and Microsoft Excel. In addition, they had to rely on their own experiences with suppliers and anecdotal information to assess supplier performance.

Despite the procurement team's best efforts, this medical manufacturer could not develop the necessary procurement processes or best practices to succeed. They lacked the basic systematic data management and reporting capabilities required to improve their purchasing efficiency. They also struggled to identify their suppliers and look at their overall supplier history, results and success.

"Back then, we did not have a procurement system or process in place, so we started from scratch and reinvented the wheel by building our own in-house eSourcing platform, despite the lack of our procurement and software development expertise," said this manufacturer's Vice President of Procurement. *"We determined that in order to really achieve our business goals, we really needed to find a reliable procurement software solution provider."*

While searching for a procurement solution, they sought a partnership and a solution that would strengthen their global reputation in strategic procurement and supply management, propel their business growth and maximize their competitive advantage. In the end, this medical manufacturer chose BravoSolution. Fast forward almost two decades later and their procurement narrative is completely transformed, and has enabled their organization to generate more value, influence innovation and reduce risk.

BravoAdvantage™ Unlocks the Power of Procurement

As a result of partnering and developing a strong relationship with BravoSolution, this manufacturer historically saves up to 18% each year in annual spend. These cost savings are achievable due to the continuous innovation and superior capabilities of BravoSolution's strategic global sourcing solution.

In 2016, this manufacturer realized a 12% savings on its annual spend, compared to less than 5% prior to leveraging BravoSolution's global integrated procurement platform. The procurement best practices and standard operating procedures provided by BravoSolution are an integral part of this company's overall savings and success.

"Our procurement team is finally able to realize their true value, most of which lies in their ability to formulate strategies and repeatable processes based on real-time and historical data," said this manufacturer's Vice President of Procurement.

Solution: BravoAdvantage™

- Sourcing
- Vendor Management
- Program Management
- Contract Management
- Supplier Value Management
- Spend Analysis
- Standard & Custom Reports

Benefits:

- Single, integrated global procurement platform leveraged across all regions/countries
- Vendor sourcing expertise built into universal eSourcing platform
- Platform embeds and shares strategies, best practices and SOPs: constantly evolves based on customer and user feedback
- Enhanced reporting capabilities and precise data maximize the ability to analyze spend and supplier performance
- Visibility and insights into contracts and suppliers, providing procurement control and transparency at micro and macro levels
- Average 12% savings on company's global 2016 annual spend

Throughout their procurement transformation, the manufacturer implemented the BravoAdvantage strategic procurement software, which enabled them to quickly generate value, influence innovation and reduce risk. Their integrated BravoAdvantage solution includes: spend analysis, strategic sourcing, contract management, supplier value management, invoice management, savings management, procurement analytics and standard and customized reports.

Analytics Provides First-Class Insights into Vendor Performance

The BravoAdvantage procurement platform includes comprehensive tools for creating, collaborating, publishing, negotiating and analyzing RFQs, RFPs and RFXs, regardless of size or complexity. This manufacturer's program management team facilitates the roll-out of reusable programs and processes to ensure that strategic sourcing procedures are applied across the supplier management life-cycle. The BravoAdvantage vendor management tool helps this manufacturer's purchasers measure vendor performance in an automated fashion, and it provides them with periodic scorecard capabilities, alerts, and repeatable vendor management plans.

BravoAdvantage empowers this manufacturer's users to create and customize reports with the assistance of BravoSolution consultants. Each month, a dedicated consultant generates specific business analysis reports that the internal teams can use to further analyze their results. Since turning to BravoSolution, this manufacturer has relied on BravoSolution's automated assessment and analytics tools that use only identical, comparable criteria and data to ensure objective results that reflect what really happened. At a time when public and private companies are scrutinized more than ever and information is rapidly shared worldwide, the ranking processes' integrity and transparency must be irrefutable.

Growing a 15-year Partnership with BravoAdvantage 17

In 2016, this manufacturer migrated to the latest release of BravoAdvantage. By leveraging this next-generation strategic procurement platform, BravoAdvantage provides a market-leading user interface with hundreds of features and capabilities. The well-organized and orchestrated migration met internal deadlines, and the BravoSolution migration team provided reliable guidance throughout the transition to BravoAdvantage 17.

"The new BravoAdvantage 17 platform is tangible proof that BravoSolution's customers are their primary source of inspiration and that they really do listen to companies like ours," said this manufacturer's Vice President of Procurement.

BravoSolution listens and learns closely from their customers; they recognize the value of connecting customers' procurement groups to share best practices and discuss procurement trends. At local and global BravoSolution conferences, customers like this manufacturer share their experiences with BravoSolution's platforms and offerings, and are able to learn more from other customers.

"BravoSolution does its very best to recognize our needs and concerns and empower us to be successful. The fact that BravoSolution's top executives make the time to personally meet with us shows how much we really matter."