

BACKGROUND

Quotient is a leading provider of early stage and specialist drug development services to life science clients worldwide. It provides tailored solutions for pharmaceutical, biotechnology and agrochemical clients, using state-of-the-art technologies underpinned by unparalleled medical, chemical and biological expertise. Quotient's extensive range of capabilities spans Chemistry and Metabolism, Bioanalytical Sciences, and Clinical as it helps to aid product development.

Quotient has a significant procurement requirement across both direct and indirect categories. In 2010 when newly appointed CEO Roger Burdett instigated a review of all lines of expenditure and needed a procurement specialist he turned to Neil Birkbeck Ltd for assistance.

WORKING WITH A TRUSTED PARTNER

Roger had previous first-hand experience of working with Neil Birkbeck. The procurement specialist had helped to identify opportunities and delivered procurement savings when the two had worked together at Classic Hospitals.

In November 2010 Neil undertook a full business review of Quotient's current purchases and processes to identify savings opportunities. He immediately highlighted two areas where cost savings could be achieved – lab consumables and courier services. In both areas spend was high and warranted further investigation. Quotient agreed that procurement projects in both areas should be initiated and handled via an online tendering process. At the same time, by analysing and reviewing other expenditure items, Neil also identified some smaller items where cost savings could be made in other areas e.g. office supplies and energy. These saving opportunities didn't warrant a full online tendering process, but the procurement specialist agreed with Quotient to source a second supplier quotation. When that pricing was deemed better, then Quotient could challenge its incumbent supplier and secure a more competitive price or move to the new supplier.

Roger Burdett, CEO Quotient takes up the story: "I was impressed with the manner in which Neil worked with me to identify the opportunities and then went after them with a vengeance."

KEY DELIVERABLES

The overall project involved Neil and an associate working several days a week on a three month assignment with the team handing over to a full time internal purchasing manager, who they helped recruit at the end of month three.

Neil followed a formal online tendering process, putting together a list of initial suppliers, agreeing terms and developing the online tender questionnaires. He worked closely with the internal teams who managed consumables and couriers to get tender specific



QUOTIENT RESEARCH: TAKING THE PAIN OUT OF PURCHASING CONSUMABLES



requirements identified. Once the questions were developed an online tender was initiated followed by a supplier review day. A supplier e-auction followed. After the e-auction, Neil presented the results to Quotient, who then made the decision on which supplier to work with.

THE RESULTS SPEAK FOR THEMSELVES

The lab consumables project got the best price and service on bulk standard items but the courier service was slightly more complex. Not only did Quotient require services that were able to deliver to and from, all over Europe but also sending samples backwards and forwards some of which had to be frozen. Roger Burdett continues: "The tender on the specialist courier services was driven through in a matter of weeks and not only showed savings of nearly 30% but ended with better SLAs and a stronger contractual relationship with the successful supplier."

As a result of the work undertaken by Neil Birkbeck, Quotient has saved in excess of half a million pounds. Roger Burdett concludes:

"I enjoyed working with Neil. He provided me with regular updates and I was always kept abreast of progress. It was refreshing to have someone with such a great "can do" attitude and we were delighted with the results, I wouldn't hesitate to recommend Neil Birkbeck to anyone looking to generate cost savings on their current indirect goods and services."

CLEANING UP AT PETS AT HOME STORES

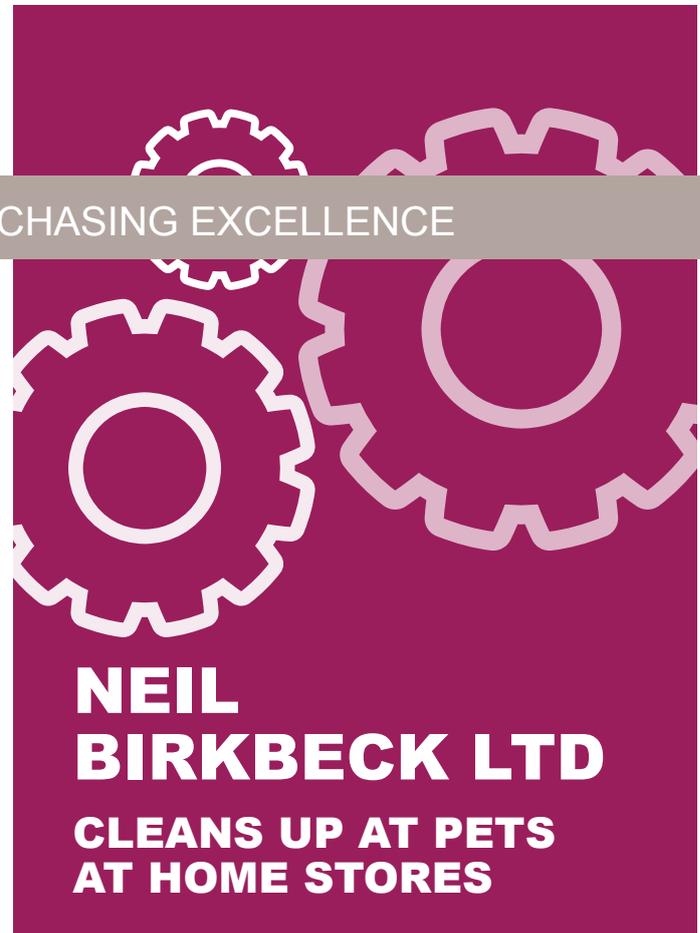
Pets at Home is pleased to announce the success of a working partnership with procurement specialist Neil Birkbeck Ltd, following an eight week project to appoint a brand new cleaning supplier in all of its 310 stores.

As a specialist retailer with an impressive new store opening plan, Pets at Home required a nationwide cleaning supplier which was committed to a high standard of service and care. All stores provide pet supplies, pet foods, toys, and accessories while a wide range also host aquariums, grooming salons and fully-equipped Companion Care veterinary surgeries.

David Hurst, Head of Facilities Management for Pets at Home, said: "The business has grown very quickly from its origins in the North West to providing nationwide stores in most key UK towns. This was putting increasing pressure on our incumbent supplier. Although the cost of the cleaning service was a consideration in the search for a new supplier, the critical imperative was quality."

Following initial discussions with both Pets at Home Head Office and in-store colleagues, Neil Birkbeck identified the specific needs of the stores and compiled a list of potential suppliers ranging from large established firms to smaller organisations.

Fifteen suppliers were selected for the online tender and e-auction, following a review by Neil. This eventually resulted in a face-to-face review of six shortlisted contractors whereby Pets at Home were responsible for the final decision.



**pets
at home**

David Hurst said: "It is a year since Pets at Home completed the tender for the cleaning services contract for its stores using Neil Birkbeck and the eRFx online tendering process and e-auction. 12 months on, the improvements in store cleaning standards is a result of the very professional work undertaken during the tender. Although the actual e-auction was only a small part of the overall process, it was an integral part of the review, without which the competitive bid would not have been possible. In the final analysis we not only improved the service levels but also improved the pricing element as well. I would have no hesitation in using Neil Birkbeck again."

Resulting in a cost saving of seven per cent, the decision to appoint new cleaning suppliers has benefited all 310 Pets at Home stores, allowing them to continue to provide a high standard of care and cleanliness.



BACKGROUND

Fat Face is the leading designer of active lifestyle clothing and accessories for women, men and children. It is a multi-channel brand with a network of over 200 wholly-owned stores, an ecommerce channel and a wholesale operation. In May 2007 Fat Face was acquired by private equity specialists Bridgepoint.

OPERATING EFFICIENTLY

Fat Face included indirect goods and services as part of a general business efficiency review. Retail buyers can focus on goods for resale whilst back office goods and services may not always be seen as such a high priority opportunity. Fat Face decided to look more closely at expenditure of one of its largest indirect costs i.e. printing. Procurement specialist Neil Birkbeck was appointed to review Fat Face's print management costs for its catalogue printing business.

Fat Face had a substantial annual spend with its incumbent print supplier who produced most of the company's brochures, catalogues, in-store leaflets and promotions which were changed every season throughout the year. Fat Face was not able to quantify exactly how competitive the service was but intuitively felt that it was happy with the supplier.

Emily Tate, Chief Financial Officer, Fat Face comments: "I think initially Neil met with a bit of resistance because internally the team was happy with our print supplier. I stressed to them that it was important that we had some kind of benchmark to validate our gut feeling and also to ensure that we were getting a competitive price and service. Changing suppliers can be a headache and there are also costs associated with this which you need to factor in. However, I wanted to ensure that we were operating at maximum efficiency and that we truly understood the costs to our business of various different contractual relationships."

PART OF THE TEAM

Neil worked with the internal team to understand anticipated volumes for print requirements and together they built a simple excel spreadsheet that provided the background specification for the tender. With this information, he was able to generate an online questionnaire and a pricing matrix. At the same time, the procurement specialist introduced a number of additional suppliers to the mix. These suppliers were evaluated on set criteria such as their financial performance, size of business, price, cost, quality and whether they could provide details of satisfied clients via references. Following this Neil ran an on-line tender and e-auction.



A FAVOURABLE OUTCOME

During the process the incumbent supplier reduced its price substantially but there were other suppliers that had been qualified as satisfying all the tender requirements, who provided even lower prices. Neil Birkbeck presented the results of the e-auction back to the internal team and then facilitated a brainstorming session to determine next steps.

Although the incumbent was more expensive than the other suppliers, Fat Face decided that it wanted to remain with them. However, by going through this process Fat Face was able to negotiate more favourable terms and was secure in the knowledge that it was receiving good value for money.

Emily Tate concludes: "Neil managed the project within the tight timescales we had agreed and worked extremely well with our internal team to deliver a good result. We ended up staying with the same supplier who had historically provided us with a good service, but we negotiated a reduced price. I wouldn't hesitate to recommend Neil Birkbeck for other similar projects."

