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Defrosting Chiller Cabinet Complexity



One of the more underhand tactics of a defensive salesman is to keep the person they are selling to in the dark about detail. Even where the intention is not necessarily dishonest, many suppliers resort to this through a fear of transparency and oversimplification of the transaction process.

One case in point is where suppliers insist that complex CapEx products cannot be catalogued; forcing their customers to enter into admin-laden and time-consuming purchasing decisions. The truth of the matter is that you can easily control any number of product variables from a central catalogue. These can include region specific, legislative and quality control standards in local markets.

A multitude of food cabinets

During a supply-chain project that we were helping one of our global clients to implement, we identified that one of its major costs was chilled food cabinets. Not only were these a significant spend, a perennial purchasing headache, and an administrative nightmare, they were also absolutely critical to the business. As with any temperature controlled goods, to deliver the product to the consumer in its optimum state, the correct cabinets had to be in the right place at the right time. If this wasn't the case, the whole supply-chain could fall apart at the last hurdle!

This was the company's food cabinet procurement dilemma:

- Each market (globally) has different configuration requirements for the cabinets such as power, plugs, local legislation and sizes.
- There was no "self-service" buying process for local business users – creating an over-reliance on suppliers and central procurement.
- Multiple global cabinet suppliers were being sent an annual RFP to agree pricing for the coming year.
- The suppliers used complex spreadsheets that are continually sent back and forth for changes.
- Because of the huge number of different configurations and prices, the spreadsheets ended up with numerous iterations, which resulted in errors and confusion due to poor version control on both sides.
- This confusion meant that Central Procurement never had a clear picture of what equipment was in which market at any given time.
- When budget requests came in from local markets, Central Procurement had no way of assessing whether these requests were justified or not.

In line with the client's environmental obligations, they were also required to file annual reports on emissions for each local market. However, the idea

of adding another complex variable to the procurement process was not an option with their current systems.

The Geneus solution

After discussing the issues in detail during the supply-chain project, we put forward a proposal which incorporated the Asset Management tools within our Geneus platform. Having managed similar procurement issues for other clients, we were able to demonstrate how the functionality not only provides greater clarity, but promotes cooperation. Geneus actually encourages suppliers to catalogue their products, regardless of the level of complexity.

The Geneus result

Since implementing Geneus, instead of hiding details and additional cost in the dark recesses of complexity, suppliers are now more than happy to operate transparently. This brings a multitude of cost and time savings to both our client and the suppliers:

- Each local market can now customise precisely what they need and send an enquiry directly to the relevant, approved supplier.
- All orders are easily trackable, and adhere to Central Procurement's quality control and budget guidelines.
- Maintenance and repair operations are far more efficient, as they can easily identify the parts and configurations for repairs in each local market.
- The increased visibility makes reporting and budget management far more accurate.
- Incorporating environmental data held on the equipment means the business can accurately measure and report on the reduction in their carbon footprint.

Central Procurement now spends far less time overseeing the trivial details of transactional purchasing. This allows them to concentrate more on strategic procurement initiatives, adding far greater value to the business.

If you'd like to learn how we could help your purchasing and supplier relations become more transparent, get in touch to learn what [Geneus](#) could do for your business.