

# Case Study

## Contracting Management – Production equipment



### Context and objectives

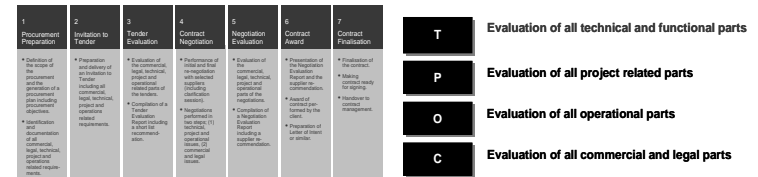
Several factors influenced the client, a glue lam beam manufacturer, to use external resources to support the execution of the investment, i.e.:

- Lack of procurement competence
- Limited budget
- High internal and external requirements
- Yearly spend of selected categories: 45 MSEK, No of suppliers: 2

Change the suppliers responsibilities in the implementation phase from shared to having a turn-key responsibility

### Conducted for the CEO of a supplier of wood based building products

Well structured and proven processes and tools tailored to reflect the actual situation will set the foundation for a successful procurement.



### PIR's Approach

The project was executed based on PIR's methodology for Contracting Management

Initially the supplier's suggested agreements were used but due to high risk exposure PIR developed new agreement templates

### Client benefits

- **Realised savings: 12.5 MSEK**
- **Reduction of suppliers: 50 %**
- **EBITDA / ARPU increase: 16 % cost reduction**
- **Time to market improvement: more than 1 quarter**