



“GLOBAL AND LOCAL PARTNER ASSESSMENT” CASE STUDY

"Truly excellent work."
– Director of Supply Chain

ABOUT THE CLIENT

Industry	Specialty Mineral Processing
Revenues	\$1.5 billion
Employees	3,000
Location	USA
BSI Service or Solution	Local Partner Assessment and Development

Key Challenges

- Field service requirements required regional and local capabilities, while cost and quality needed to be world-class
- Each operating company had its own supplier base and unique and independent supply chains, making it difficult to select common, core suppliers
- Materials specifications and inventory management processes were independent, making it difficult to communicate on the same basis between multiple operating companies and suppliers.

Project Scope

- Four operating companies in the US
- Chemicals, Parts, and Bulk Minerals
- Capital and expense items
- Diverse geographically disparate operations

Operational Benefits Realized

- New sources of minerals, chemicals, and earths
- More stable and reliable shipping and delivery times
- Path toward world-class supply chain
- Improved morale

Why BSI was Selected

- Objective third party to facilitate a complex process
- Reputation and expertise in getting benefits from strategic sourcing
- Experience with post-selection supplier integration
- Prior expertise in consolidating inventory from field operations

Project Approach

- Supplier rating and qualification
- Value engineering
- Standardization of specifications
- Multi-round bidding and negotiation process
- Pre-transition inventory rationalization
- Architecture of system integration

Financial Benefits Realized

- Reduced cost by 8% while industry costs were rising by 11%, eliminating the original problem of budget overruns
- Held staff costs constant while significantly improving effectiveness