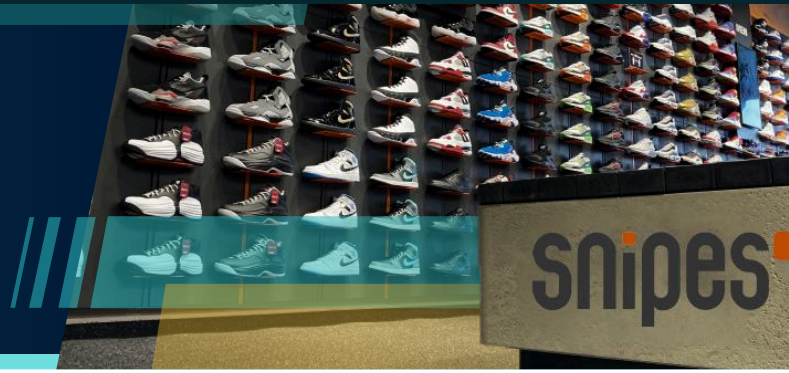


# Sneakers Retailer Supports U.S. Growth Strategy with \$319,000 Savings on Waste Management and Utilities

## Energy Procurement



## Client

As a leading sneaker and urban apparel retailer in the U.S. and Europe, SNIPES offers products from top brands like Nike, Jordan, Adidas, 21 Savage, and DJ Khaled, as well as its own SNIPES line. The German-based, multichannel retailer entered the U.S. market in 2019 and currently operates more than 300 stores across the Midwest and East Coast.

## Solution

The company engaged SIB's team of utility experts from Cost Control Associates to procure, optimize, and manage best-in-class waste management and energy procurement programs for 249 SNIPES USA locations. Our team began by digging into the company's waste management challenges, including a lack of rate transparency and service delays resulting in trash pile-ups that could incur significant fines (particularly in New York locations where penalties can range from hundreds to thousands of dollars). Our team completed a comprehensive vendor analysis that included rate comparisons, credit/refund audits, competitive bidding processes, and contract negotiations to secure more favorable pricing and terms.

On the energy side, our procurement experts conducted market-based rate reviews using SIB's nationwide database of benchmark pricing to uncover optimal rates, negotiate contracts, and identify refunds or credits. We also expedited the utility account open and close process to help SNIPES avoid costly delays and disruptions in utility services at their newly-opened locations.

## Challenge

SNIPES is on a fast growth path in the American marketplace. Over the past five years, the company has fueled its U.S. expansion through the acquisition of sneaker chains KicksUSA, Mr. Alan's, Jimmy Jazz, and Expressions. However, the geographic diversity of their newly acquired stores introduced a great deal of complexity when it came to coordinating vendors in each state for waste management and energy. As a result, managing the rates, contracts, and vendor compliance for hundreds of stores was taking a bite out of their profitability and time.

Company leaders recognized the need for third-party expertise to rein in costs, improve execution, and achieve successful post-acquisition integrations.

## Results

Effective expense management during acquisitions is crucial for successful integrations and financial outcomes. Partnering with SIB's utility and waste experts generated over \$300,000 in savings that they can reinvest to support their U.S. growth plans. And by eliminating the headaches of dealing with multiple vendors across multiple locations, they have more time to focus on this next step in their company's growth journey.

## Testimonial



"We are very happy with the above-and-beyond services we receive from the utilities team.. They are relentless in their efforts to help us reduce costs and resolve any vendor issues we might have. The efficiencies and cost savings we've achieved improve the bottom line and keep our operations at peak performance."

Ruth Caroselli  
SNIPES USA

## Savings Highlights:

- ✓ **\$187,000** savings in energy procurement for 19 contracts in deregulated energy states including NY, NJ, IL, PA, MD, and MA.
- ✓ **\$132,000** savings to date with ongoing average monthly savings of \$11k in waste management expenses and credits achieved through reimplementation.
- ✓ Created visibility into vendor rates and service structures.
- ✓ Improved contract terms and conditions.
- ✓ Established ongoing vendor support and management for all things waste (vendor sourcing, bidding, compliance issues).
- ✓ Reduced indirect costs of administering comprehensive utility and waste management programs in-house.