

National Environmental Solutions Company Saves Over \$800,000 Annually and Reduces Expenses in Select Spend Areas by 17%

Cost Reduction



Client

A 170-year-old environmental solutions company with 223 locations and 12,000 employees that helps companies around the world take on their most complex environmental challenges.

Challenge

With roots in manufacturing, the company has traveled a long and exciting journey over the past 170 years, most recently acquiring several environmental solutions companies to sharpen its focus on new methods of recycling and beneficial reuse. As a company committed to reducing waste, they have always been proactive about controlling costs and operational efficiencies, taking a hands-on approach with vendors to negotiate favorable contracts.

Company leaders decided that, with the increased growth and complexity of its business, it was time to engage the experts in strategic expense management to fully optimize its business services spend. The company turned to SIB to identify opportunities to introduce best-in-class standards across expense categories.

Solution

The company signed on for a comprehensive Fixed Cost Recovery (FCR) review across a range of vendor expenses. This assessment combines the industry expertise of SIB's specialists with the extensive knowledge held by individual business units in each service category. This expertise and SIB's unparalleled market insight allowed the team to present initial findings in a matter of weeks, highlighting opportunities for better rates, terms, and conditions across multiple expense areas and contracts with current and new vendors.

At the same time, SIB's energy division, Cost Control Associates, participated and won the client's RFP for utility management services including energy procurement, invoice processing, and data reporting.

SIB projected a substantial six-figure reduction in annual expenditures including wireless phones, shipping, merchant processing, and bank fees. Because it was important to the client to maintain its incumbent vendors, particularly its processor, the SIB team worked collaboratively with the client and its partners to optimize savings, terms, and conditions without changing valued existing relationships. With SIB's hands-on support throughout the implementation of new contracts and identified savings, the organization realized the final savings in a timely manner.

Results

The partnership with SIB yielded remarkable results for the client, leading to just over \$800,000 in total savings:

- ✓ **Wireless annual savings: \$419,252**
36% savings achieved through rate reductions, plan optimization, and line cancellations.
- ✓ **Shipping annual savings: \$126,252**
9% savings achieved through rate plan optimization.
- ✓ **Merchant services (Credit Card Processing) annual savings: \$125,292**
10% savings achieved through rate reductions with incumbent vendor.
- ✓ **Bank fee annual savings: \$5,796**
4% savings achieved through rate reductions.
- ✓ **Deregulated utility savings: \$137,000**

The successful implementation of tailored solutions has cemented the client's position as a cost-conscious industry leader, empowering their team to focus on their core mission with renewed financial strength. SIB continues to partner closely with the organization on strategic cost management, reviewing accounts and contracts to identify new opportunities to maximize cost-saving opportunities across diverse expense areas.

Savings Highlights

- \$676,592 in annual savings in wireless, shipping, bank fees, and utilities.
- \$137,000 in deregulated utility savings.
- Improved contract term and conditions.
- Maintained key vendor relationships.
- Ongoing expense optimization.