

Cancer Research UK saves over £2.5 million pa via On Line Auctions including equipment for its new Cambridge Research Institute

Swindon, UK – 17 July 2006: Cancer Research UK announces savings of over £2.5 million per annum achieved through a series of online auctions managed by Aria Insite and Vendigital to purchase office supplies, IT hardware and laboratory consumables. The savings on millions of pounds worth of spend are part of the charity's Procurement Improvement initiative across the whole organisation.

The charity has worked with procurement consultants Aria Insite since December 2004 on its continuous journey to improve the way it manages its procurement budget, which in 2005/6 was £130 million. Aria's remit was to help Cancer Research UK to reduce costs quickly and to assist the charity in creating a leading edge and sustainable procurement environment.

Following a detailed spend analysis across all of its UK laboratories, Cancer Research UK and Aria identified the range of items that would be most suited to an online auction. Aria then brought in Vendigital, a specialist procurement company with particular expertise in online auctions, to manage the full auction process from end to end.

The first online auction to source office supplies delivered 30 per cent savings to the charity. The auction to source IT hardware including desktops and laptops saved Cancer Research UK a further 20 per cent. Another 33 per cent was saved via the auction for laboratory consumables and equipment such as chemicals, plastics and personal protection equipment. Through this auction, the charity also managed to reduce its number of suppliers from over 200 to less than six.

Belinda Turner, Procurement Director at Cancer Research UK says, "Initially, there was some scepticism that online auctions could deliver such huge savings. Now with three projects under our belts, we are convinced that this approach is extremely valuable. As a 'not for profit' organisation, we must ensure our costs are managed as tightly as possible so that the maximum funds are spent on our research into fighting cancer. We are delighted with these results. ➤"

"We are now developing a more holistic approach across all our procurement – this is not about centralising procurement, rather about sharing best practice with our individual buyers and helping them to buy more cost effectively. The support and advice from companies like Aria and Vendigital is very valuable to us."

The team is currently working on a fourth auction to source molecular biology supplies such as live cell cultures. The auction will take place in late August 2006 and expectations are high for further substantial savings.

According to Peter Garnett, Managing Director at Aria Insite, "The auctions are only successful because Vendigital follows rigorous processes before, during and after the actual events. This process involves supplier headhunting, managing supplier participation, running the auction event, final assessments of suppliers with the best prices through to ensuring the successful implementation with the chosen suppliers. It's this full service that makes the auctions so successful and beneficial to Cancer Research UK."

For further press information and photography, please contact:

Fiona Cousins T: 01252 850182 E: fiona@osmo.co.uk

NOTES TO EDITORS

About Cancer Research UK

- Together with its partners and supporters, Cancer Research UK's vision is to beat cancer.
- Cancer Research UK carries out world-class research to improve understanding of the disease and find out how to prevent, diagnose and treat different kinds of cancer.
- Cancer Research UK ensures that its findings are used to improve the lives of all cancer patients.
- Cancer Research UK helps people to understand cancer, the progress that is being made and the choices each person can make.
- Cancer Research UK works in partnership with others to achieve the greatest impact in the global fight against cancer.

For further information about Cancer Research UK's work or to find out how to support the charity, please call: 020 7009 8820 or visit

www.cancerresearchuk.org

About Vendigital

Vendigital is a procurement organisation that delivers rapid business improvement. Its team of purchasing professionals works with leading industrial and business customers to deliver average cost savings of 26%. To sustain and improve on these gains, customers tap into Vendigital's experience to use the very latest technology and best practice purchasing techniques.

Vendigital enables customers to maximise their position in global supply markets. Cost reduction programmes individually tailored to a customer's needs utilise many of the techniques developed by Vendigital such as: savings optimisation analysis, global supplier headhunting, e-RFx platforms, online tendering, e-auctions, value auctions and results implementation.

Programme benefits are sustained through outsourcing the management of product categories to our specialist team as well as utilising Vendigital's e-RFx and online negotiation technology in house. Established in 2000, Vendigital has offices in the UK, US and Germany.

www.vendigital.com

About Aria Insite Ltd

Aria Insite Ltd is a Specialised Procurement Consultancy. The company is focused on three key business competencies, which they believe are fundamental to the commercial success and stakeholder satisfaction of its clients: procurement and supply management; the assessment and development of people and teams; and the creation of business strategy and the management of change.

Aria seeks to build individual solutions for each client's needs rather than adopting a prescriptive methodology and a 'packaged consulting style'. Working closely with leading Professors, they provide the latest thinking as well as leading practice. Its consultancy activities have taken place in Europe, the Middle East, India, Far East and North America.