

Watson-Marlow turns to Vendigital for Savings Optimiser Analysis

Swindon, UK - 6 March 2006: Watson-Marlow Bredel invited Vendigital to undertake a Savings Optimiser Programme across all areas of its purchasing. As the world's leading manufacturer of peristaltic pumps for the last 50 years, Watson-Marlow Bredel is always searching for high quality suppliers that can enhance its own innovation and help it maintain its market position.

"Whilst this was uncharted water for my team, I felt sure the journey would take us beyond cost savings and provide us with greater opportunities to work with more innovative and higher quality suppliers," explains Peter Morgan, quality and materials manager at Watson-Marlow Bredel.

Peter explains his reasons for approaching an external purchasing organisation: "My initial priority was to improve the way we prepared our budget for the coming year. I felt sure that there was a better way of establishing financial targets rather than just relying on best guesses based on insufficient market data.

"I invited Vendigital to analyse our entire spend portfolio and to identify the categories where we could achieve the greatest improvements. I was keen to see what Vendigital's savings optimiser analysis could offer our business," he adds.

The first step on Vendigital's Savings Optimiser Programme was to hold two analysis workshops attended by members of Watson-Marlow Bredel's procurement and engineering teams and Vendigital. During the workshops multiple spend categories were profiled using 23 different criteria to allow Vendigital to assess the likely costs savings and implementation timescales for each. By following a defined analytical process, the group was then able to select the optimum projects that should be included within the 2006 improvement programme.

"It was an extremely interesting and valuable exercise," Peter continues. "We ended up with a list of potential projects from which we could confidently select the projects that would deliver the greatest returns. We selected five allowing for the limits on our resources to implement any changes in supply. The savings we anticipate from these events have helped to ensure my budgets are now based on more robust information and analysis." ➤

Vendigital is now underway with the first project, considering the printed circuit boards (PCBs) used in a high percentage of Watson-Marlow Bredel's peristaltic pumps. An extensive search for suitable suppliers across Europe and the Far East found over 600 potential companies. Over 80 suppliers met the agreed criteria and took part in the tender with 9 companies taken through to the final round which was an online auction. The tendering exercise has created some significant potential savings for Watson-Marlow Bredel. They are now visiting the suppliers to determine which offer will be accepted and implemented.

"We've been able to determine an accurate global market price for our specific PCBs. This is a significant improvement on obtaining prices from a limited group of possible suppliers - a method that never gives you confidence that you have the very best option. We are now at the data gathering stage for project number two, and I'm looking forward to seeing what this market holds for us," concludes Peter.

About Vendigital: www.vendigital.com

Vendigital is an e-sourcing company, sourcing on behalf of its client's suitable suppliers from around the world. It communicates the client's contract requirements to the potential suppliers in an efficient and traceable method and establishes market price for the client's contract by means of its online auction. With a presence in UK, Germany, USA and Japan, Vendigital is well placed to serve the needs of its clients regardless of size and location.

Watson-Marlow Bredel

Watson-Marlow Bredel has, through selective acquisition, innovative product development, and geographical expansion, grown rapidly to lead the world market for peristaltic pumps. This is an expanding segment of the positive displacement pump market, and the peristaltic principle enables sensitive, abrasive or corrosive fluids to be pumped safely, accurately and without contamination anywhere from biotechnology to ceramics and food processing to waste treatment. Watson-Marlow Bredel is part of The Spirax-Sarco Group.

The Spirax-Sarco Group

The Spirax-Sarco Group has been quoted on the London Stock Exchange for over forty years. Each year the company has reported a strong financial performance and continues to expand its businesses around the world by providing knowledge, service and products to satisfy its customers' needs with 85% of sales being outside the UK.

The Spirax Sarco Group's fluid control business comprises two elements, Spirax Sarco and Watson-Marlow Bredel, both of which are the world leaders in their respective niche markets

For over ninety years, the Spirax Sarco business has been committed to providing steam users with knowledge, service and products to improve and maintain steam heating and process plants of all types. Spirax Sarco is the world leader in the control and efficient use of steam and other industrial fluids.