



Decreasing Operating Cost with Strategic Procurement

THE CLIENT

The client is an industry leader in the development and commercialization of drilling technology with more than 2,000 employees in 23 different countries around the world. As a global leader in the design and manufacturing of oil and gas equipment, the client engages in the energy industry by providing technology-based solutions.

BUSINESS CHALLENGE

The client was experiencing high operational costs and had difficulty managing their rapid growth.

In addition, the client experienced cost pressure and excessive fees associated with their daily operational materials and equipment. Beyond their desire to reduce logistics and freight costs, the client had a backlog of Purchase Order (PO) issues. Therefore, Corbus was asked to efficiently manage their procurement of essential items, including small fabrication parts, oil seals, pipe fitting valves, motors, and more.

THE RESULTS



Reduced the number of requirements for Purchase Orders



Managed 160M in spend



Achieved operational cost savings of 40%



Reduced product cost by 6%-10%



Sales order to invoice process time decreased by 20%

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HOW CORBUS HELPED

- » **Oversaw** more than 30K active parts
- » **Supervised** 220 suppliers
- » **Centralized** the aftermarket spares management desk and supported both order to cash and source to pay initiatives within the organization
- » **Implemented** best practices into the supply chain
- » **Supported** the sales order entry point and allocated parts for the in stock system
- » **Deployed** Corbus' existing supplier base to assist the client (including vendors in low cost countries)
- » **Accomplished** zero defect transaction management (e.g., PO, Requisition-to-Check process)

