



# Procurement-One Network

Corporate Cost-Reduction Services, Staffing, & Training

SPEND LESS & flourish



## Procurement-One Network

### Corporate Cost-Reduction - Tip #1

#### Savings Area: PRICE REDUCTION

Greetings!

**Introducing the Procurement-One Network.** [Procurement-One](#) is a network of over 150 corporate cost-reduction professionals, located in seven regions. Our passion is to help corporations reduce costs and increase profitability.

*"When you expertly manage a spend category you reduce costs 20%"*

**Starting January 2020,** Procurement-One will be issuing a 5-part eBulletin series with proven tips that have helped many companies significantly reduce their costs in areas of Price, Cost, Content, Consumption, and through Collaboration. Actual scenarios and savings results are included.

#### **TIP#1: PRICE-REDUCTION.**

Price reductions occur when the price of goods and/or services are reduced, while all other parameters remain the same (quality, content, etc.).

## Price-Reduction Tips & Tactics:

- 1) Perform corporate spend analysis.
- 2) Categorize spend, prioritize, then seek to standardize and aggregate.
- 3) Perform Price Analysis: through competitive quotes, price history and trend projections, industry-peer associations data, and market price research reports.
- 4) Substantiate [Price](#) and [Costs](#) through Published Indexes.
- 5) Leverage and reduce pricing through Economy-of-Scale.
- 6) Consider use parametric price modelling ([multi-variate regression](#)) to estimate price and establish target.
- 7) Use a strategic negotiation process to secure best pricing (request our 10-point check-list).



**Actual Scenario:** A manufacturing company needed to renew their contract for production-grade Nitrogen Gas; annual spend was currently \$560K/year.

**Achieved Results:** Annual Savings of \$320K/year (57%) price reduction was achieved using the tools listed in this e-Bulletin.

**Free Download:** [Self-Savings Estimator Worksheet.](#)

**Request More Info:** Email Roger DeAmicis at [rdeamicis@procurement-one.com](mailto:rdeamicis@procurement-one.com) or call 208-809-5487

***Serving the West-Coast, Mid-West, and East-Coast Regions***



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## Top Corporate Cost-Reduction Areas & Tactics



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