



RETAIL
CLIENT



TRILLIUM

SUCCESS STORY:

Major Midwest Retail

Engagement: Vendor Management

Trillium Helps Major Midwest Retailer Manage Vendors

Trillium's client is a Midwest-based general merchandise and grocery retailer with over 200 locations and \$12 billion in annual sales. It is one of the country's largest privately held retailers and is actively expanding.

Challenge: *Move a vendor performance initiative to increase sales and drive growth*

The client was striving to find ways to increase sales and drive margin growth. Relative to some of its key competitors, the client was fighting this battle from an under-capitalized position with an undifferentiated market face and dominant (yet shrinking) share in only one of its major markets.

The client realized that vendor performance was a key area in which it could drive significant business improvements and had spent 3 years conducting a series of pilots and short-term initiatives to ascertain which industry best practice or set of practices would best meet their needs. They were caught in a cycle of analysis and were struggling to move forward.

Our Client

A major Midwest-based General Merchandise and Grocery Retailer

The Challenge

Move a key vendor performance initiative forward past concept and analysis to increase sales and drive growth

How Trillium Solved It

Trillium developed a strategy to structure the client's vendor performance vision and accompanying collaborative processes to jump-start deployment

Results

Produced vendor performance strategy to drive business improvement

Built automated vendor measurement tools

Helped client immediately realize \$2.2M+ in benefits with the possibility of annual savings of \$100M+

Major Midwest Retail

Engagement: Vendor Management



Trillium was engaged by the client to help move them beyond the analysis phase and rapidly implement their vendor performance vision and initiative.

Trillium Solution: A strategy for the client's vendor performance vision and corresponding collaborative processes

Trillium's initial efforts provided the client's merchandisers with a critical 'A-ha!' moment. They realized that collaborative practices and information sharing could be beneficial to business performance and would not weaken their position when negotiating with vendors. Trillium also helped the client team illustrate to their management that an up-front focus on planning in conjunction with exception-based performance management could significantly reduce day-to-day category management and administration requirements.

The Trillium team helped move the client forward past pure analysis and into action. In order to prove their concepts and gain executive support, Trillium helped them to structure their Vendor Performance vision, as well as design and pilot new collaborative processes. Subsequently, discoveries from our pilot processes were incorporated into these processes and began their rapid deployment throughout the merchandising group.

Several point solutions were built to minimize additional burdens on the merchants and to enable automated, exception-based measurement and management of vendor performance. Point solutions were used to help champion the team's cause and ingrain new analytical thought processes into the buying organization prior to the roll-out of planned industrialized solutions.

Results: Executive Sponsorship and Immediate Financial Benefits

The Trillium team helped the client gain executive sponsorship and move the project from concept to reality. Trillium's pilot activities illustrated the financial benefit of automated, exception based performance management for the client. These pilot activities identified over \$2MM in excess inventory in three SKUs alone. Estimated future program benefits exceed more than \$100MM in annual reductions.

About Trillium

Trillium Solutions Group, Inc. is a professional services firm headquartered in Chicago that provides technology consulting and strategic sourcing services for industries such as trade associations, financial services, telecommunications, and healthcare. For more information, please visit www.trilliumsg.com.