Supply Chain Revamp for Food & Beverage Brand

Case Study

Forsyth requested to assist a Private Equity owned manufacturer of food products to resolve cash flow issues and reduce costs. Upon review of their purchasing history as well as internal discussions to further understand operational context, Forsyth was able to secure $1.2M identified product cost savings as well as 26% cost reduction with incumbent freight provider.. Through these initiatives and straight forward adjustments to payment terms, the Client enjoyed a $2M cash improvement with minimal disruption to the vendor base.

*"Forsyth Advisors was our key partner in developing our comprehensive supply chain strategy, leading the search and evaluation process, and project managing the tactical levels of the scale up to make us successful . . . and delivered against our cost, quality, and volume expectations in record time." –**M.M CEO***

Outcome

15%
EBITDA Improvement

26% Category Savings
Freight & Transportation

$2 Million
Cash Improvement

22% Category Savings
Direct Material Costs

Our Approach

Expansive Search: Vetted potential suppliers across the globe utilizing the specifications and constraints provided by the client

Rigorous Benchmarking: Obtained and qualified pricing from strategic suppliers by creating precise item specs, verified with samples

Negotiations: Worked with incumbents who had long standing relationship and advantages to bring them in line with the current market

New Insights: Explored and implemented strategies previously thought impossible by the client to address customer specified material

Challenges Resolved

Limited Data: Client utilized a series of Excel spreadsheets and finance tools which made accessing and analyzing data difficult.

Product Documentation: Client lacked updated product documentation, which was an obstacle to soliciting accurate costing from alternative vendors

Homegrown Intuition: Client had long term relationships with suppliers and relied heavily on their expertise. Benchmarking exercise proved vital in resetting those relationships