

Achieving Real-time Cost Savings with the Help of E-auctions

Challenges	Solutions	Results	Company
<ul style="list-style-type: none"> • Had relationships with incumbent suppliers for the past 20 to 30 years • Demonstrated favoritism towards incumbent suppliers to the extent that other suppliers would not bid • Fewer options to cater to their needs due to lack of supplier participation • Spend of roughly \$200M with larger capital projects or "special new capital" in excess of the \$200M 	<ul style="list-style-type: none"> • Ariba StartSourcing™ was the first and only choice to overcome their challenges • Ariba's depth of experience, support, rapid deployment, and cost-effectiveness made selecting the solutions an easy choice • Provides the ability to create an RFP or auction in less than five minutes • Enables collaboration with suppliers and the opportunity to achieve best-value quotes • Quick start-up requires only a web browser • Use Ariba Discovery™, as needed, to identify new suppliers 	<ul style="list-style-type: none"> • Achieved savings of 20 percent on temp labor, 21 percent on promotional, and 17 percent on janitorial for a total of \$500,000 in savings (one-third to one-half of savings were due to reverse auctions) • Conducted 40 percent additional projects in 2010 over 2009 with same number of staff • Overcame initial resistance to participation from incumbent suppliers by enlisting executive-level support • The ability to send a message about changes has instilled competition in the process. • The attractiveness of the new and efficient process has increased participation from suppliers. • Other suppliers are now more open to opportunities due to the new management structure in place. 	<p>Company The MetroHealth System</p> <p>Profile The MetroHealth System is one of the largest, most comprehensive health care providers in Northeast Ohio, serving the medical needs of the Greater Cleveland community since 1837. Affiliated with Case Western Reserve University School of Medicine since 1914, MetroHealth is a center for medical research and education.</p> <p>Ariba Commerce Cloud Features</p> <ul style="list-style-type: none"> • Ariba StartSourcing • Ariba Discovery
<p>"I would recommend Ariba to not just our industry, but to all as I believe there are common commodities every industry will have and Ariba StartSourcing would help them. Using this tool increases the opportunities considerably as it creates a high level of opportunity and transparency." <i>Director</i></p>			

