

# Identified Local Seller, Reducing Cost and Lead Time by Up to 75 Percent



## Challenges

- Extremely long lead times for iron-on products from China
- Heavy dependency on Chinese wood supply, constituting 90 percent of the company's cost of goods sold
- Increasing prices for paint brushes as a result of Chinese wood supply shortage
- Difficulty identifying and qualifying alternative sources of supply outside of China due to lack of sourcing staff in other relevant countries
- Assessing legitimacy, capabilities, and reliability of sellers on Chinese Internet sites

## Solutions

- Started using the Ariba Discovery™ service to locate sellers outside of China
- Simplified posting process allows Plaid Enterprises to quickly find local and worldwide sellers for a broad range of products
- Successfully matched to pre-qualified sellers, many of them already vetted by other buyers on the Ariba® Network
- Provides an easy-to-use interface to manage the entire sourcing process on a single platform – from seller identification to qualification to awarding business
- Uses Ariba StartSourcing™ to cost-effectively manage relationships with sellers

## Results

- Received five offers for the supply of iron-on products and discovered a highly competitive local seller only minutes away from their office, allowing Plaid Enterprises to move all of their iron-on production from China to the United States
- Achieved 34 percent cost savings and reduced lead time from 120 to 30 days while improving product quality
- Increased product value and marketability by being able to add “Made in America”
- Expanded local partnership beyond the initial project scope, achieving further savings
- Received several offers for the supply of paint brushes, allowing Plaid Enterprises to benchmark their current vendor against competitors

### Profile

Plaid Enterprises, Inc. is one of the world's largest, most diverse manufacturers of creative do-it-yourself products. Its product innovation and dedication to the ever-changing needs of consumers have made the Plaid family of products among the most recognized and desired brands worldwide.

### Ariba Commerce Cloud Features

- Ariba Discovery
- Ariba StartSourcing

**“Posting my buying needs on Ariba Discovery has been a huge success. I was able to discover a supplier that was right below my nose. Not only did I achieve huge savings and significantly improved quality, I can now market our products as “Made in America” – it’s a win all the way around.”**

Leanne Melton, Strategic Supply Base Manager, Plaid Enterprises

