

# Complete Savings Approach Cuts Sourcing Cycles to Six Weeks; Automates Compliance \$100M in Spending in Four Months

Challenges	Solutions	Results
<ul style="list-style-type: none"> <li>\$500M in spending on non-merchandise goods and services</li> <li>Reducing costs and increasing procurement efficiencies</li> <li>Manual, paper-based processes unable to scale</li> <li>Wanted uniform and visible spending processes</li> </ul>	<ul style="list-style-type: none"> <li>Deployed Ariba sourcing technology to streamline sourcing processes                             <ul style="list-style-type: none"> <li>Find new suppliers, negotiate better contracts, lower costs</li> <li>Used a total landed cost model to include shipping fees, taxes, foreign tariffs</li> </ul> </li> <li>Deployed Ariba contract management technology to electronically manage agreements</li> <li>Deployed Ariba procurement technology to automate purchase requisition and approval                             <ul style="list-style-type: none"> <li>Integration with back-end systems</li> <li>Paperless invoice processing</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Six-week sourcing cycle times enable broader commodity coverage</li> <li>10 to 20 percent savings on private label purchases</li> <li>\$100M non-merchandise goods ordered through Ariba in first four months</li> <li>Managing \$6M in employee expenses</li> <li>Achieved five-year payback projection in just two years</li> </ul> <p><b>“With Ariba Sourcing, we accelerated our negotiating cycle time from an average of four months to six weeks, and saved millions of dollars during the first six months of use, realizing a unit saving of 10 to 20 percent off baseline prices. Online sourcing has positively influenced our private label margins. In addition, our eProcurement solution represents a centralized, compliance tool to help us realize those negotiated savings—directly affecting our bottom line.”</b>  <i>Management at Saks, Incorporated</i></p>

**Company**  
Saks Incorporated

**Profile**  
A leading retailer

**Ariba Commerce Cloud Features**  
Ariba sourcing solutions  
Ariba contract management solutions  
Ariba procurement solutions

