

## Cost Reduction Case Studies

**\$4 Billion Department Store Chain:** The retailer had a monthly advertising media spending level in excess of \$2 million for local television and radio. Introduced the retailer to a media barter organization who displaced the ad agency and provided the monthly media schedule at a 10% savings, in addition to eliminating the agency's 15% commission structure. The 10% media savings represented the barter company's accepting this proportion of the retailer's payment in barter credits. Obtained the credits for the retailer from a global printing organization at a fraction of their face value.

Outcome resulted in excess of a 20% overall savings for the retailer on its monthly media expenditures. In addition, the printing company successfully converted a portion of its unutilized barter credits/non-performing asset into cash; and the media barter company recognized a profit on the media placement on behalf of the retailer.

**Apparel Company:** Consolidated procurement for several of their non-strategic commodities from multiple suppliers to single resource providers for the U.S. subsidiary of an international apparel manufacturer and distributor.

Resulted in significant cost savings through leveraging volume-related discounts; improved organizational efficiency by eliminating redundant vendors/multiple invoice processing; and provided value-added benefits through the installation of on-line ordering capability as well as customized billing.

**Travel Agency:** Implemented a program that focused on generating cost savings opportunities for the agency's indirect expenditures.

Examined the agency's telecommunications area and provided a multi-faceted solution that included 1) conducting an audit of all billing telephone numbers which resulted in the elimination of unused and redundant lines, as well recoveries from their current telecommunications providers for inaccurate billing; 2) achieved a 35% rate savings on long distance and a 15% savings on local telephone usage by entering into new contracts with alternate Tier I telecommunications providers; and 3) outsourced the agency's telecommunications department to a third-party provider offering 24/7 customer service and customized billing capability.

## Clients

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|----------------------------|------------------------------------|-----------------------------|
| Accessory Network Group    | A.C. Moore Arts & Crafts           | Arlee Home Fashions         |
| Barry Kieselstein-Cord     | Castlewood Apparel Corp.           | Charlotte Russe             |
| Clean Us & Associated Cos. | Dependable Air Freight & Logistics | G+G Retail, Inc.            |
| Loehmann's                 | Modell's Sporting Goods            | Outer Stuff Ltd.            |
| Stonefield Josephson, Inc. | Urban Brands                       | Valerie Wilson Travel, Inc. |

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