

About J6 Limited

Based in Newcastle upon Tyne, J6 was founded in 1997 to provide innovative cost reduction services to large, medium and small businesses.

What we deliver

Using our experience and knowledge, we deliver continual, sustainable savings through best practice and improved buying power.

About our services

Our expertise is in the things that our clients cannot easily do for themselves:

Market knowledge – tariffs, suppliers, seasonal changes, tricks of the trade, best practice

Experience in most sectors – retail, services, construction, manufacturing and more - we deliver sustainable savings

Buying power of over £500m – we can help clients punch above their weight

Unique e-procurement technology – to help streamline buying processes

Skills and resources – to help clients to implement savings plans

Our customers

Over 1,000 large, medium and small customers use our e-procurement site and cost-saving services, including:

AAF, Austin Reed, Barbour, Bellway, BDO Stoy Hayward, Briggs & Forresters, Browell Smith Solicitors, Black's Leisure, City Electrical Factors, Coates, Cleveland Potash, CN Group, Courtaulds, Dane, Draeger, DWF Solicitors, EIAI Airlines, Eversheds, EWS Trains, Fone Logistics, GNER, Hansells Solicitors, Hardy & Greys, Home Group, Inst Mech Engineers Jennings Johnson, JT Dove, Kama Komatsu, Kwik Fit, Newsquest, NHS. N T Whitfield, North East Press, North Tyneside College, O'Neill Omega Plc, One North East Peacocks Medical Equipment Pochin, Port Lympne Animal Park PII (General Electric), Ravensworth, Redstone Plc, Reed Employment, Remploy, SAB Miller Brewers, Sage, Sanyo, Sanofi, Shiloh Medical Supplies, South West Trains, Tait Walker, Teleware, RSM Tenon, Theatre Royal, The Officer's Club, TSG, Tyco, Virgin Balloons, Virgin Megastore, Waring & Netts Architects

For more information on any of our products or services, please contact:

<u>Elie@j6Ltd.com</u> Telephone 0845 130 3012

J6 Limited St Thomas Street Business Centre Newcastle upon Tyne, NE1 4LE



CASE STUDY

Retail Sector Stationery



The brief

At the time of the project with J6, Blacks Leisure Group had over 400 retail stores across the UK. Working with the Finance Director together with the Facilities, IT and Marketing Managers, J6 was briefed to identify cost reduction opportunities and propose an implementation plan for six expense categories: Telecoms, Print (including Point of Sale materials), Photocopiers, Utilities, Stationery and Computer Consumables.

Stationery and Consumables – savings of over £83,000

Procurement improvements

- Implemented a unique e-procurement website with 5 suppliers bidding for each order
- **Consolidated** all orders into a single weekly order
- Agreed standard items, restricting the ability to order non-standard products

Procurement results

- Achieved savings of over 50% across all stationery/office supplies spend
- **Reduced** delivery costs through more efficient ordering patterns
- **Saved** time and effort required to process invoices, by reducing the annual invoice volume from 600 to around less than 60

Telecoms – savings of over £82,000

Procurement improvements

- Rationalised fixed lines by removing lines which were not required.
- Reduced fixed line and mobile contract charge rates by consolidating several suppliers and "piggybacking" the Blacks contract onto other J6 contracts, forming part of a £20m annual telecoms spend
- **Stopped** improper use of the phone system by analysing use of premium rate numbers
- **Improved management** reporting by ensuring that bills are submitted in required format, with necessary detail
- Established KPIs and early warning system to help management maintain tight control of all telecom expenditures
- **Implemented** a system with effective fraud prevention features
- Introduced Blacks to the J6 Market Price Tracker Programme to ensure that they will always be aware of better tariffs as market conditions change

Procurement results

- Achieved sustainable annual savings of over 25% on the Group telecoms spend
- Improved management visibility and control of the asset through new bill formats, real time billing and KPI monitoring
- **Saved** time and effort required to validate bills by implementing a set of alarms to alert management of misuse
- **Ensured** that management are always aware of new, improved tariffs which could reduce costs further in the future

With help from J6, Blacks leisure found that staff were using the speaking clock at 4.55pm every day to check for store closing time, and this alone was costing £1,000 per month. Having a monitoring system in place has reduced telecoms misuse to virtually nothing.



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Blacks Leisure Group plc

CASE STUDY

Retail Sector



Utilities – savings of over £83,000

Procurement improvements

- **Consolidated** several suppliers into a single supplier contract
- **Ensured** that the contract matched the profile of the business
- Introduced Blacks to the J6 Market Price Tracker Programme to ensure that they will always be aware of better tariffs as the market conditions change

Procurement results

- Achieved sustainable savings of over £83,000
- Saved time and effort required to process invoices, by reducing the annual invoice volume
- **Ensured** that management are always aware of new, improved tariffs which could reduce costs further in the future

Photocopiers – savings of over £117,000

Procurement improvements

- Analysed the existing agreement for the past 5 years to identify overcharges
 Established a new 3 year contract with a defined finish date (not a rolling contract)
- Improved control of the contract by moving to a cost per copy model, giving management visibility of contract performance
- **Reduced** the number of machines in use across the business
- **Ensured** that Blacks had the right machines for the company's usage profile

Procurement results

- Achieved annual savings of over £117,000 across all photocopier and consumables spend
- **Organised** a credit for all overcharges over the previous 5 year contract
- **Saved** time and effort required to process invoices, by ensuring that invoices contain the information that management required to monitor contract performance

Print (Including POS) – savings of over £1.9m

Procurement improvements

- Evaluated all print requirements by size,
- colour, paper quality and volume
- Measured all shop windows to assess the optimal sizes for POS
- **Reduced** the number of POS variations from over 1,000 items to less than 300 items
- Consolidated all print requirements to a single supplier
- **Reduced** the design time by asking the printer to place a designer in-house (foc)
- Streamlined the design to print process by
- processing all documents electronically

Procurement results

- Achieved annual savings of £1.9m (50%)
- Achieved faster order to delivery times
- Reduced delivery costs through more efficient ordering patterns
- **Saved** time and effort required to process invoices, by reducing the annual invoice volume