

A mid-market PE firm engaged ACG immediately after an acquisition and ACG delivered a 27.4% reduction on its corrugated and folding carton pricing in 30 days

SITUATION

A Mid-market PE firm acquired a leading US producer of specialty frozen confectionaries that has a commanding share in the Hispanic marketplace. There were price, performance, appearance, and other improvement opportunities because packaging was left unaddressed by previous ownership. ACG was engaged and deployed its Direct Source approach to capture near term savings and enable longer term packaging redesign opportunities with incremental savings

RESULTS

Price Reduction

27.4%

Project generated 27.4% savings on "like for like" specifications

Supply Base Reduction

50%

ACG consolidated Corrugated and Folding Carton spend with a single manufacturer that happened to be located 5 minutes from client's plant

Redesign and Reengineering

5% - 8%

Worked with supplier to identify a list of redesign / reengineering opportunities. Obtained a minimum commitment from supplier to achieve an additional 5%-8% run rate savings in year 1