

Strategy and Saving: A Perfect Pair



November 18, 2013 – Mississauga, Ontario – In the ongoing quest to maximize business results and optimize budgets, organizations large and small, in both the public and private sectors are turning to strategic sourcing for effective pricing, product quality and customer service from suppliers and vendors. Supply chains are often complex, but sourcing solutions can be simple.

“Strategic sourcing takes a holistic approach to total cost, versus pursuing low-cost bids that typically cost more in the long run for a variety of reasons, including sub-par product performance,” says Jay Candido, Corporate Director, Marketing and Operations, Kruger Products L.P. Away From Home Division. “Opting for the lowest bid will result in organizations missing out on the intangible benefits of working with a supplier that really understands your company’s needs as well as the direct cost-saving benefits to your bottom line.”

Kruger Products, a leading manufacturer of quality tissue and paper products in the Away From Home market works through customer needs with its exclusive Cost-In-Use business solutions tool. As a dependable supplier, Kruger Products works with jan/san distributors to leverage the tool to consider the importance of different purchasing elements, in addition to cost, to identify how product mixes can create different opportunities for savings. It is a simple but sophisticated tool that considers the following aspects to find the right products to suit your needs:

- Labour cost savings
- Reduced consumption
- Support of brand image
- Precise product comparison
- Controlled dispensing

Distributors and their manufacturing partners need to work together to provide both insight and service along with the products they deliver. “Solutions tailored to the needs, culture and priorities of the customer are paramount and are what drive the product recommendations our team makes,” explains Candido.

For many organizations, externally sourced products represent a significant portion of total costs. For example, the U.S. federal government purchases almost \$600 million of cleaning products annually through the General Services Administration (GSA). In 2005, the GSA introduced the Federal Strategic Sourcing Initiative (FSSI) as a way to analyze spending patterns, reduce costs, and leverage purchasing power, and it continues to push this program to create efficiencies.

The federal government isn’t the only organization streamlining procurement. From hotels and restaurants to private offices and educational facilities, all industries are moving towards strategic sourcing to balance budgetary demands and remain competitive.

Before making a strategic sourcing decision it is important to consider all aspects of your organization and ask the right questions to reap the direct and indirect rewards. To learn more about Kruger Products’ Cost-In-Use business model, visit us at booth #3353 ISSA/INTERCLEAN Las Vegas or online at www.krugerproducts.com/afh.

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About Kruger Products L.P.

Kruger Products L.P. is Canada's leading manufacturer of quality tissue products for household, industrial and commercial use. Kruger Products L.P. serves the Canadian consumer market with such well-known brands as Cashmere®, Purex®, SpongeTowels®, Scotties®¹ and White Swan®. In the U.S., Kruger Products L.P. manufactures the White Cloud® brand, as well as many private label products. Kruger Products L.P. has approximately 2,300 employees across North America and operates five FSC® CoC-certified mills (FSC® C104904), four of which are located in Canada and one in the US. For more information visit www.krugerproducts.ca.

About KP Tissue Inc.

KP Tissue Inc. (KPT) was created to acquire, and its business is limited to holding, a limited partnership interest in KPLP. For more information visit www.kptissueinc.com.

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