

Outsourced Category Management

Client: Global Mining Company

Location: Bowen Basin and Hunter Valley, Australia

Scope: Category Management Services, including an Opportunity Assessment

“The outcome was a successful transition to the new centralised model, and delivering a cost reduction of \$45m across the spend addressed by the team.”

The client had a requirement to centralise its category management and purchasing function for a number of its Coal divisions, and continue to ensure supply to the operations during the transition.

The client had an in-house category management and purchasing team but lacked the capacity to manage the transition.

Caliba was engaged to provide this support for an 18-month period to ensure the successful transition from the site-based model to centralised procurement.

The Caliba team provided support to development a sourcing plan to integrate \$610m of supply and services contracts into other client business units. This involved many formal tenders, supplier negotiations, and proactive contract management.

The Caliba purchasing team ensured the operations received uninterrupted supply of items and services during the transition.

The outcome was a successful transition to the new centralised model, and delivering a cost reduction of \$45m across the spend addressed by the team.

\$610m
Value under
Contract

17
Tenders &
Negotiations

\$45m
Cost
Reduction

