Four steps for building low-cost, resilient, and continuously improving supply chains.

01

Use raw material cost data to understand suppliers' pricing behavior.

- Push back to reduce "price creep" and "margin creep"

02

Build simple Negotiators' Should Cost Models.

- Permanently eliminate price and margin creep.
- Put price negotiations on autopilot - reduce hassling and free up time.
- Begin to objectively measure negotiating performance.
- Attract the right kind of suppliers

03

Convert sales reps into champions for your cause.

- Arm sales reps with data that helps achieve both your goals.
- Work together to expand beyond buyer-seller.
- Tour suppliers' plants to better understand capabilities and broaden relationships.
- Build trust – ask "How can we be a better customer?"

04

Initiate and manage joint savings projects with suppliers.

- Drive costs below the Negotiators' Should Cost curve (top 2% of the profession).
- Create a low-cost, resilient, and continuously improving supply chain: the foundation for making your company a low-cost producer