



Graham Group Presentation to APSE Advisory Group - Manchester

**Latest Developments In stores and
procurement**

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SAINT-GOBAIN

BUILDING DISTRIBUTION

Graham

- Introduction and Objectives
- Overview of SGBD
- Changes in Stores & Procurement
- What makes us different?
- Summary
- Questions

Agenda

Saint Gobain Group

- The worlds largest building materials company
- Established 1665
- Global business
 - 1,000 companies
 - 54 countries
- 207,000 people
- Sales 2008 – €45 billion
- 3 divisions
 - Manufacturing
 - Building Distribution
 - Innovation



Saint Gobain Building Distribution

- Saint-Gobain Building Distribution (SGBD)
- Europe's largest distributor of building materials
- Over 12,000 people employed
- Over 900 sites across the UK
- Over 600,000 products available
- Annual sales of £12 billion



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SGBD in the UK



516 branches



235 branches

Supporting Brands



Principles of Conduct and Action

Wherever we operate, these values set-out the rules which govern the behaviour of all individuals and companies within the Group:



Principles of Conduct:

- Professional commitment
- Respect for others
- Integrity
- Loyalty
- Solidarity

Principles of Action:

- Respect for the law
- Caring for the environment
- Health and safety
- Employee rights

About Jewson

- UK's leading timber and builders' merchant
- Over 500 branches across the UK
- Over 150 branches offering 'Chain of Custody' sustainable timber products
- Integrated national supply network
- Accreditation:
 - All branches ISO14001
 - All Regional Sales Centres ISO9001:2000



About Graham

Graham are a specialist plumbing, heating and bathroom merchant with over 250,00 products available from branches nationwide.

- Extensive Branch Network
235 branches across the UK
- Your account can be used in every Graham or Jewson Branch
- Graham, Ashworth, Neville Lumb & Curzon are our key brands
- 1,300 Knowledgeable, trained and friendly staff. All staff trained on key products
- Core range of stock at all branches
- 750 everyday products always in stock
- Exclusive own brand product ranges
Alterna – Bathrooms
Altech – Technical products

Developments in Stores & Procurement

- **Market requirements & demands have changed**
 - Move from Traditional DLO & Stores
 - Supply criteria - Requirements to be a supplier
(CSR, Sustainability, community support- the “added value”)
 - Huge increase in use of contractors

- **Need for greater efficiency**
 - Financial
 - Increased workload on key individuals
 - Tenant satisfaction
 - It's Good business practice

Developments in Stores & Procurement

- Greater range of options available
 - Use of contractors
 - Bespoke materials supply solutions
 - Confidence via proven reference points

- Technology has advanced
 - Improved admin & control systems

- Increased need for tenant satisfaction
 - Completion of work – “right first time”
 - Engagement in process

- Greater focus on “Best Value”
 - Developing real partnerships

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Dunedin & Canmore HA – integrated stores

- Began partnership with Graham in 2008
- Operatives vans now serviced via Graham Branches
- Negated need for own Stores operation
- Clear KPI's & regular review
- Moved to consolidated invoicing July 2010
- Substantial administration reduction
- Significant cost savings (fully Audited)

Efficiency saving 2008 - 2010

	2008-09	2009-10	2010	Total
Number of invoices	3846	6045	2656	12547
@ £23 per invoice {process cost}	£88,458	£139,035	£61,088	£288,581
New cost 23p per minute x 3 minutes inc. audit & author. = 69p	£2,654	£4,171	£1,833	£8,658
% of All Stock invoices	79.98%	88.42%	89.06%	
Paper saving {used to be 5 pages per invoice	19,230	30,225	13,280	62,735
Storage Savings	?	?		?

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Golden Gates Housing – Standalone Store

- 9,000 properties following ALMO from Warrington Borough Council
- Exclusive stand alone dedicated stores
- 95% + stock availability “core” range
- 15 minute turnaround collections
- Response and void maintenance
- Collect and delivered service
- Manage 96 imprest van stocks
- One invoice per month
- Delivered over £130,000 worth of savings



Whitefriars – Standalone Store

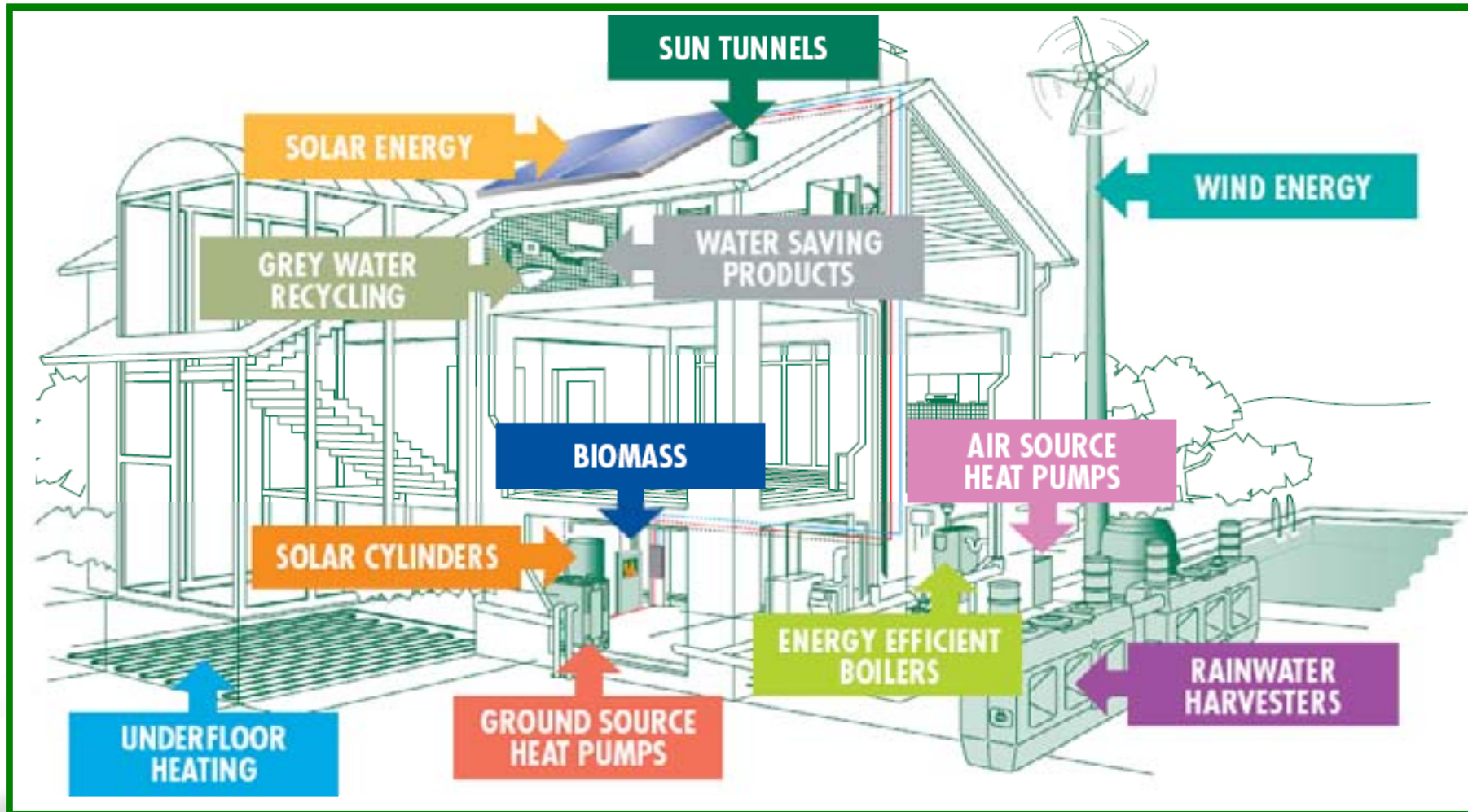
- 17,000 properties following LSVT Coventry City Council
- Exclusive stand alone dedicated stores
- Total material and tool management service
- 95% + stock availability “core” range
- 15 minute turnaround collections
- Response and Voids
- Manage 140 imprest van stocks
- One invoice per month
- Paperless process in development
- 12 Year Agreement



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Environment & Sustainability
Renewables Technology

A Sustainable Solution



Sustainability

- Products & Service Offering
 - Portfolio of sustainable building solutions
 - Specialist advice & training
(SGBD Training Academy – Late 2010)
- Logistical Solutions
 - Managed van stocks
 - Reduced environmental impact
- Source of information & support
 - Manufacturer support with new technologies
 - Code for Sustainable Homes
 - Chain of Custody sustainable timber
 - Waste Management
 - ISO 14001



Service Development – Sustainability

- ▶ Energy Efficient Light Bulbs
- ▶ Wall Insulation
- ▶ Loft Insulation
- ▶ Draught Proofing
- ▶ Improved Heating Controls
- ▶ A-rated Boiler
- ▶ Water Conservation
- ▶ Double Glazing
- ▶ Roof-lights and Sun-tubes
- ▶ Renewable Energy Generation



- ISO14001 Environmental Management
 - Zero waste to landfill
- Eco-Depot Concept
- Chain of Custody
- Product Selection
 - Product Miles
 - Sustainable Product Solutions
 - Greenworks Product Brand

What makes us different?

- National strength – Local offer
 - Support from a national branch network
 - Established local branches
- Dedicated & established account management team
- Supply chain expertise
- Robust implementation procedures
- Range of established IT solutions
- Proven track record of improving efficiencies
- Engagement with local communities
- Ability to provide a bespoke solution to meet your needs
- Robust environmental agenda

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The Benefits of our Partnerships “A one-stop solution”

■ Partnership with Graham Group

- Approved by OGC/Buying Solutions.
- Direct links to manufacturers
- Price Stability
- Strong & measurable KPI`s
- Working with us on future works programmes.

- ### ■ Multi trade purchasing
- Grahams – Plumbing and Heating
 - George Boyd - Ironmongery
 - Jewson – Timber & Building
 - Curzon – Heating Spares
 - Solaglass – Glazing
 - CTD Tiles – Ceramic & Floor
 - and many others



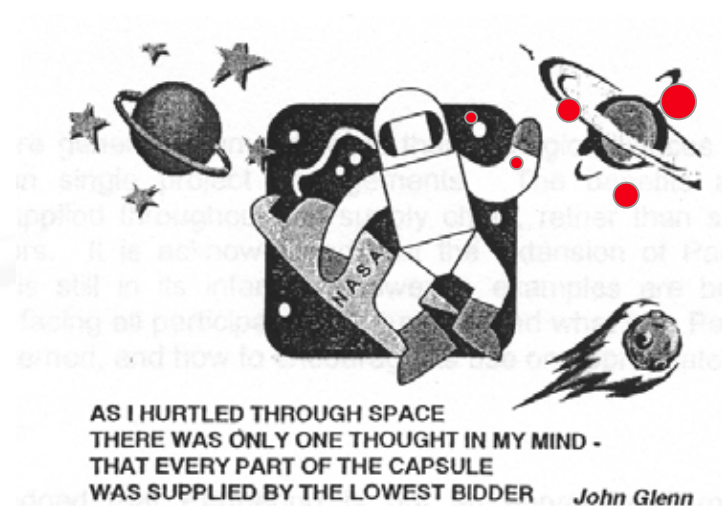
Summary

- Outlined developments from materials supply aspect -
There will be more!
- Illustrated some of the solutions we have provided
- In most cases it is real partnerships that deliver the best results
- Our belief is that to develop supply chain excellence requires both parties to work together to develop a relevant solution, by means of evaluation, communication and innovation and co-operation

■ **And Finally!!**

Worth Remembering!

- We all want best value
- We demonstrate Reduction in Process Cost
 - Key Product Range Cost Predictability
 - Aggregation of Spend
 - Management of Price Stability
 - Local Store / Dedicated Stock
 - Continuous Improvement



Am I Confident
that this is Best
Value?

Lowest price is
not always Best
Value!

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**THANK YOU FOR YOUR
ATTENTION
&
QUESTIONS?**