

OPTIMISING NEGOTIATIONS WITH SUPPLIERS BY INTEGRATING IVALUA WITH SAP

Sagemcom

SAGEMCOM, leading manufacturer of communication terminals, deployed the e-sourcing solution Ivalua within a technical ecosystem relying on SAP, with the technical expertise of OJC Consulting.



Key Facts 2017

1,200M production spend	
30B components worldwide	30M+ terminals produced annually
15,000 referenced Items	10 production sites across the world
95% supplier contracts in Ivalua	Over 350 strategic suppliers
100% production spend covered by Ivalua	800 negotiations handled over 3 years

Group Challenges

- **Innovation** and **technological breakthroughs** are vital for Sagemcom
- The impacts on business from **volatility, price** or **supply** are critical in manufacturing
- A **highly competitive international environment**, where volumes and natures of production purchases are important

Background

SAGEMCOM is highly reliant on innovation and technological developments with ever faster product renewals. At the centre of the organisation, the Purchasing department orchestrates every single production cycle, from the identification of needs in raw materials to the delivery of manufactured products. Initially, SAGEMCOM was managing all its production purchases through a home-made application but the volume, complexity and the volatility of electronic components soon rendered this unsuitable.

“We operate within a highly competitive and dynamic market. Our desire is to involve the Procurement further upstream in the purchasing process and in the product lifecycle in order to better manage risk, reduce time-to-market and to optimise the overall company performance.”

Jean-Claude Barberan
Purchasing Director
SAGEMCOM

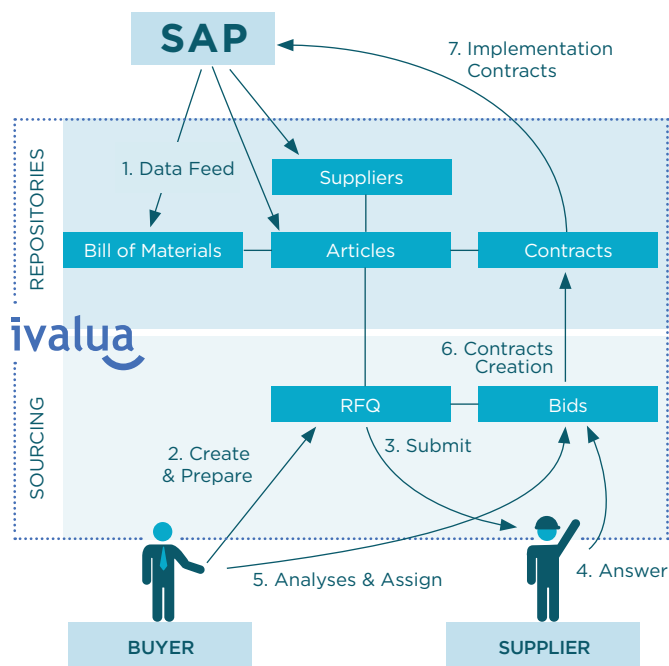
WITH THE SUPPORT OF OJC CONSULTING, SAGEMCOM DEPLOYED A TOOL FULLY ADJUSTED TO A TECHNICAL ECOSYSTEM RELYING ON SAP

The OJC team was able to immediately understand our purchasing process and integrate the Ivalua solution into our existing IT ecosystem. We were able to capitalise on the solution very quickly. OJC contribution to our project was extremely satisfactory, and the deadlines held.

Philippe Longuet
Purchasing IT Manager
SAGEMCOM

Solution deployed

SAGEMCOM chose Ivalua for its **functional capabilities as well as its product robustness**. In just a few months, SAGEMCOM was using an e-sourcing solution, composed of several modules, including Supplier Management, Sourcing, Contract Management, Strategy & Analytics that has been proven by many industrial groups for the management of production purchases.



Integration

To meet SAGEMCOM technical requirements, OJC Consulting has developed interfaces to automatically export SAP data on a daily basis and automate the complete e-sourcing process. Any purchaser at SAGEMCOM is now able to source his own project in just a few clicks.

Results

- **100% production spend** covered by Ivalua
- **>95% supplier contracts providers** managed through Ivalua, representing 800 negotiations carried out over a 3 years period
- **Instant application** of terms and conditions negotiated with suppliers
- Key internal **decision-making tool** due to qualitative data
- **Significant cost reduction** in maintenance and IT outsourcing