

# Procurement unlimited

Today, procurement has become a top management subject. The flow of goods and services becomes ever more complex and markets are shifting. Henceforth, Western Europe as supply market will play a less important role for procurement: According to recent studies the share of goods purchased from European companies will decline by almost 50% until 2012. On the contrary, Eastern Europe, China and India will strongly move ahead. Thus, subjects such as global or best cost country sourcing and supplier relationship management are gaining more importance and make different demands on corporate purchasing and procurement. Both, the appropriate strategy as well as professional implementation will be vital for success.

## HPI – together with you we will strengthen the role of procurement!

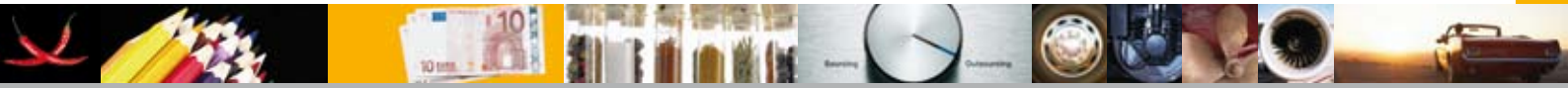
With almost 5 billion EUR of managed spend, more than 4,000 negotiated contracts, over 1,000 customers from various industries and of different size, and more than 200 employees, HPI is the leading independent procurement services provider in Europe. HPI's claim is "procurement unlimited – procurement and beyond". We cover the entire spectrum of strategic and operational procurement services for the processing and manufacturing industry. HPI has longstanding international market expertise and practical experience as well as comprehensive know-how regarding products, methods and processes to realize measurable results.

## The HPI Business Units:

Sourcing:	Logistics:	Fleet & Mobility:
<ul style="list-style-type: none"> <li>Identifying and realising optimization and savings potentials</li> <li>Global and best cost country sourcing</li> <li>Processing and e-sourcing (based on proven e-procurement solutions)</li> <li>BPO – takeover of entire business processes in procurement</li> <li>Strategic purchasing alliances</li> </ul>	<ul style="list-style-type: none"> <li>Planning and optimization of processes along the supply chain</li> <li>Identification and realization of savings potentials for the logistics value-added chain</li> <li>Takeover of logistics processes and interim management (outsourcing)</li> <li>Conduction of tenders and system-based analyses</li> </ul>	<ul style="list-style-type: none"> <li>Transparent fleet management by means of cost control and online reporting</li> <li>Reducing cost and decreasing administrative workload and expenditure (TCO)</li> <li>All-in-one service package including actual cost settlement and direct communication with driver</li> <li>Independent leasing broker with relationship to manufacturers and leasing companies</li> </ul>

## Our core competences include industry-, market-, and solution-related know-how in the following areas:

<ul style="list-style-type: none"> <li>Waste Disposal Management</li> </ul>	<ul style="list-style-type: none"> <li>Energy Supplies</li> </ul>
<ul style="list-style-type: none"> <li>Chemicals and Raw Materials</li> </ul>	<ul style="list-style-type: none"> <li>International Trading</li> </ul>
<ul style="list-style-type: none"> <li>C-Parts Management</li> </ul>	<ul style="list-style-type: none"> <li>Technical Equipment &amp; Services</li> </ul>
<ul style="list-style-type: none"> <li>Demand-Management</li> </ul>	<ul style="list-style-type: none"> <li>Packaging</li> </ul>



## The HPI Methods:

In order to stay competitive, cost reductions are a first and important step. The HPI methods provide an additional quality benefit:

### 1. Strategic Assessment:

HPI provides for transparency in procurement costs – whether it is harmonizing or categorizing of data-unit cost comparison or complex process infrastructure and organization analyses. We generate the required transparency as basis for future optimizations.

### 2. Frame Contracts/Volume Bundling:

HPI uses existing industry- and product-specific contracts with suppliers to realize “ad hoc” cost savings from already existing bundled volumes.

### 3. Global and Best Cost Country Sourcing:

HPI evaluates alternative suppliers worldwide, ensures quality standards and logistics and creates competition for the benefit of innovation and quality improvement.

### 4. Sourcing Projects:

HPI employs its market and product know-how as well as practice-proven inquiry and analysis methods to build up new or improve the already existing supplier networks.

### 5. Category Management:

HPI analyses the procurement volume as well as entire categories of goods and services and optimizes those by means of tendering, bundling, demand and specification management as well as global sourcing. HPI is working with professional partners in all relevant supply markets.

### 6. Business Process Outsourcing:

HPI manages the entire business processes of the procurement function: handling of orders for typical B- and C-parts, negotiation of frame contracts, compliance and supplier management as well as subsequent settlement of payments.

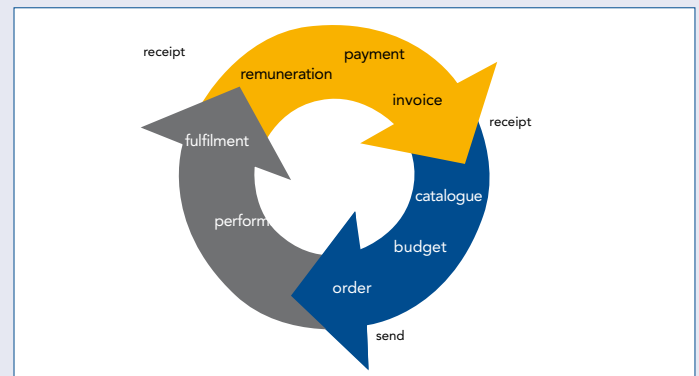
### 7. Strategic Purchasing Alliances:

Via eprolog AG, HPI provides bundling and collaborative purchasing for various companies – in particular for raw materials and producer goods, but also for indirect demand. Tools such as benchmarking or frame contracts are being applied.

### 8. Quality Management:

By using qualified and proven tools, HPI guarantees suppliers’ compliance with defined service levels in day-to-day operations.

## HPI – Completing the Circle



HPI is not just taking over certain process steps such as the implementation of software tools or mere consulting services. The independent service provider covers the entire automation of procurement processes for strategic and non-strategic goods and materials. HPI’s scope of service comprises the entire process from definition of purchase requisitions to settlement of payments (clearing), using self-developed processing tools, which can be integrated into customers’ ERP systems or used independently. HPI addresses both, the strategic level (assessment, sourcing, category management) as well as the operational level (external buying centres, own process tools). Individual procurement workflows are integrated by HPI using license-free e-procurement software. Apart from the development of procurement databases for further processing by HPI e-sourcing, this includes also the drafting of internal catalogues, the integration of supplier shops into a buying portal and the optimization of corresponding processing cost.

## HPI – Facts & Figures

<b>Employees:</b>	more than 200
<b>Customers:</b>	over 1,000 companies from various industries and of different size
<b>Subsidiaries:</b>	Germany (Sulzbach, Bochum, Cologne, Munich), Switzerland, Benelux, Slovakia, Poland, India, and China