

Zycus powers procurement performance  
for **Food & Beverage** industry



# Make procurement **the key element** of business performance

Global market conditions for food & beverage (F&B) manufacturers could not be more demanding. But if the challenges are numerous, so are the opportunities for procurement and supply management teams to affect business performance in positive ways. Zycus is here to help. We offer customized solutions that are highly attuned to the F&B industry's unique requirements and challenges.

## PROCUREMENT PERFORMANCE IMPACT

360-degree spend visibility combined with intelligent sourcing gives food & beverage industry procurement teams enormous power to maintain cost competitiveness, increase profitability, minimize exposure to risk, accelerate cash flow and capture innovation from a global base of suppliers. The solutions can deliver:

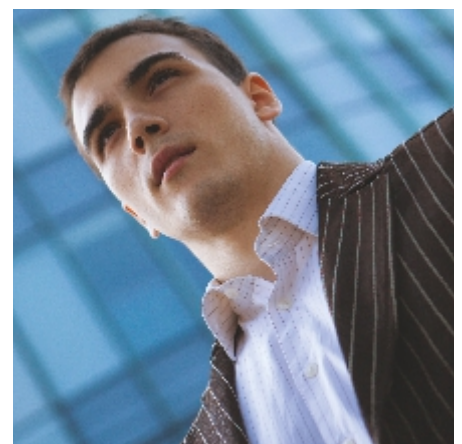
- Detailed and comprehensive visibility into both direct and indirect spending
- Timely insight into movements in global commodity prices and cost drivers
- Ability to aggregate transaction information in ways that model total costs
- e-Auction capability, supporting both English and Dutch auction, with live event monitoring
- Structured sourcing-decision support and optimization to ensure best-cost sourcing from only top-quality suppliers

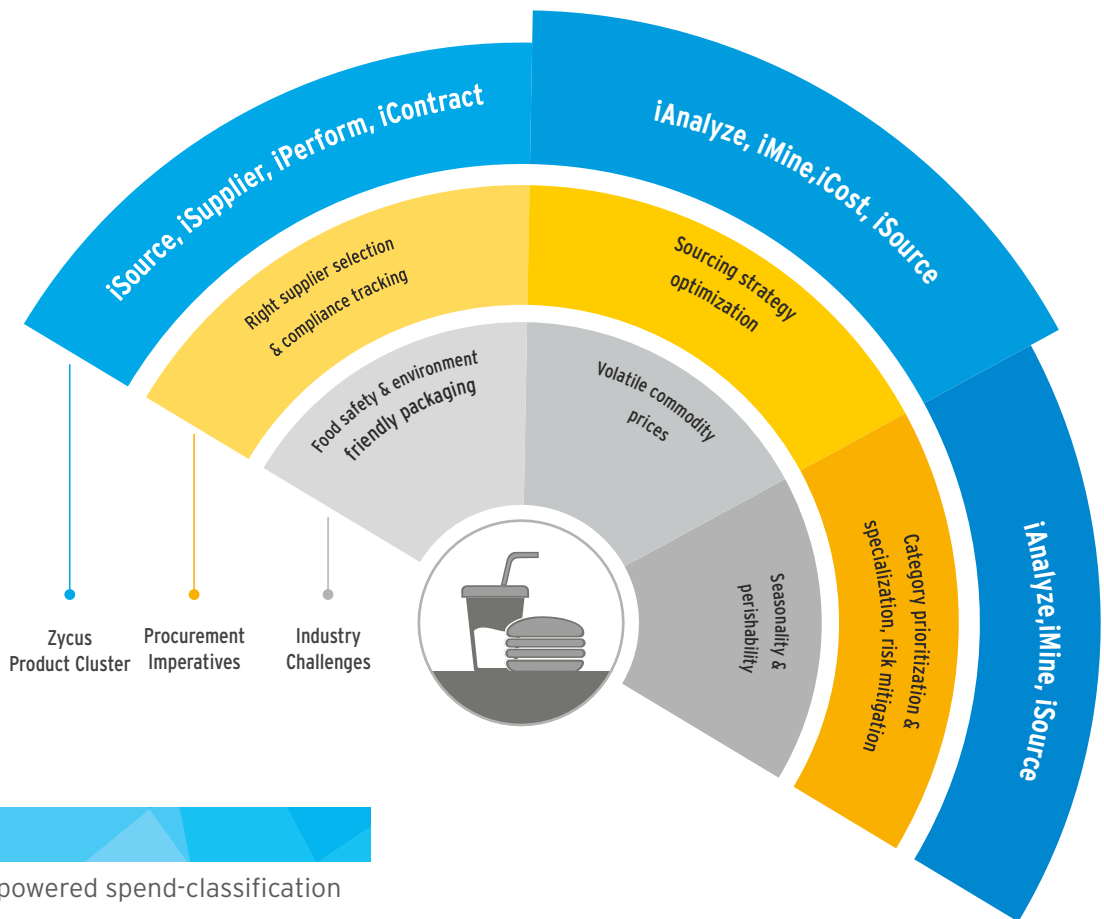
Disciplined and thorough supplier and contract management empowers Food & Beverage procurement teams to affect such business performance levers as product quality, consistency and safety and to ensure compliance with a vast variety of regulations and inspection requirements, including HACCP, ISO, OHSAS, GMP, Safe Water Act, USDA, FSIS, FDA and others. The solutions support:

- Thorough vetting and rapid onboarding of new suppliers
- Structured performance measurement and management systems that cover all types of suppliers, including complex contract manufacturing relationships
- Monitoring and managing supplier compliance to both performance specifications and commercial terms in contracts
- Collaboration with suppliers on continuous performance improvement

## INDUSTRY CHALLENGES

- Unpredictable consumers want steady flow of fresh, flavorful, healthful and safe foods delivered at low prices with minimal environmental impact and maximum emphasis on social responsibility
- Industrial and government authorities want rigorous science, strict regulatory compliance and airtight supply-chain accountability
- Investors want unending streams of product and promotional innovation, sales, profits and market-share growth
- Global business and regulatory complexity is increasing
- Supply risks are numerous, owing to volatility, seasonality, perishability, natural vulnerabilities and other factors that can cause commodity prices and availability to swing widely





## Zycus Solutions

### Spend Analysis

With its patented AI-powered spend-classification engine that learns data idiosyncrasies for entire industries such as Food & Beverage, Zycus offers both standard and custom spend taxonomies that can classify to an extraordinary level of detail needed for key F&B inputs such as nutraceuticals, flavorings, preservatives and proprietary chemicals, driving spend classification accuracy to 90% and beyond. The complete Zycus Spend Analysis solution (iAnalyze, iMine, iCost) empowers F&B companies to:

- Perform powerful multidimensional spend reporting, identify cost-savings opportunities and gain greater control over noncompliant spending
- Identify more opportunities for placing categories like services and other fragmented categories under management by procurement
- Track spending in context of global commodity pricing intelligence to create informed category sourcing strategies and comprehend total cost drivers
- Automatically identify & quantify cost-saving opportunities across spend categories for cost savings, supply base and SKU rationalization, contract compliance improvement, demand aggregation and payment terms rationalization

### eSourcing

The Zycus e-Sourcing solution is built for speed, collapsing sourcing cycle times to enable food & beverage makers to take full advantage of favorable commodity market conditions as they arise and minimize risks associated with the seasonal and perishable natures of many food inputs. The Zycus e-Sourcing solution (iSource, iOptimize) enables F&B manufacturers to:

- Source virtually any item or service including logistics, complex custom production and packaging equipment, design, engineering, printing and production of paper, plastic, metal and other food & beverage packaging items
- Quickly build sourcing events, solicit supplier bids from anywhere in the world and conduct live auctions before awarding business
- Analyze complex inputs from suppliers (including non-price parameters like quality), awarding business both promptly and optimally

## Contract Management

The Zycus Contract Management solution (iContract) minimizes risk exposure in contracts and empowers procurement organizations to:

- Ensure use of proper standard clauses and important SLAs for a wide variety of purchase types (for example food ingredients)
- Match transactions to contracts to ensure utilization and compliance to pricing and other performance terms
- Make sure that contracts are never automatically renewed without proper due diligence
- Ensure supplier service level agreements (SLAs) are part of contracts to minimize risk in subcontracting activities
- Reduce supply-chain risk by providing a centralized repository for all enterprise contracts and obligations

## Supplier Management

The Zycus Supplier Management solution (iSupplier & iPerform) provides KPIs for important F&B industry performance parameters such as legal and regulatory compliance, third-party certifications, environmental outreach, sustainable packaging, delivery performance and social responsibility. The solution enables F&B procurement teams to:

- Build strong supplier qualification and governance processes to assure regulatory compliance and avoid costly penalties
- Obtain and maintain accurate and timely information around supplier credentials, certifications, audit reports and histories in a single structured repository (compliance to standards like ISO, BRC, AIB, IFS etc.)
- Ensure that Tier II suppliers are in compliance with quality and safety standards such as HACCP
- Proactively measure supplier performance and risk (financial, operational and reputational), including such metrics as on-time delivery, fill rates, sustainability and green packaging
- Collaborate with suppliers to enhance supplier development

## ABOUT ZYCUS

At Zycus we are 100% dedicated to positioning procurement at the heart of business performance. With our spirit of innovation and a passion to help procurement create even greater business advantages, we have evolved our portfolio to a full suite of Procurement Performance Solutions - Spend Analysis, eSourcing, Contract Management, Supplier Management, Financial Savings Management, and Procure-to-Pay.

We believe our deep, detailed procurement expertise and a sharp focus on being responsive to our customers has reflected in us being positioned as a 'Leader' in the '2013 Gartner Magic Quadrant' for Strategic Sourcing Application Suites. We continue to see each customer as a partner in innovation and no client is too small to deserve our attention.

We are a 600+ company with a physical presence in virtually every major region of the globe. With more than 200 solution deployments among Global 1000 clients, we search the world continually for procurement practices proven to drive competitive business performance. We incorporate these practices into easy-to-use solutions that give procurement teams the power to get moving quickly - from any point of departure - and to continue innovating and pushing business and procurement performance to new heights.

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