

CONTRACT MANAGEMENT

PRGX Case Study:
Commercial Printer -- Single Supplier Audit

AUDIT SCENARIO

- ◆ Printer of catalogs and promotional materials Spend \$63M, 3 Year
- ◆ Scope
- ◆ Complex Pricing of Paper
- ◆ Multiple shipping locations

BREAKDOWNS IDENTIFIED

- ◆ Indexed Pricing improperly billed
- ◆ Effective dates of price changes unclear
- ◆ Defective product/returns
- ◆ Miscalculated Volume Discount Unauthorized charges
- ◆ Freight charges overstated

OTHER KEY LEARNINGS

- ◆ Learnings leading to increased transparency with billings

3 Year Future
Savings Corrective
Actions Identified

> \$1M

Historical Cash
Recoveries
Realized

> \$500K

