

SPEND & PAYMENT INSIGHT

PRGX Case Study: Working Capital / Supplier Terms (DPO)

NATIONAL
US
GROCER

BACKGROUND & CHALLENGES

- ❖ National American grocer with over \$40 billion in annual spend, 30,000 vendors across 5 different banners and 10 separate data sources
- ❖ After their latest acquisition, client sought to rationalize payment terms across banners and align payment process and policies with DPO best practices to improve working capital and impact their bottom line

PRGX
4-STAGE
APPROACH
FEATURED:

APPROACH

- ❖ Data analysis of current DPO performance, payables process/policy reviews
- ❖ Benchmarking and target payment terms recommendations for all vendors
- ❖ New terms implementation management, vendor outreach, DPO tracking



RESULTS

PRGX's DPO Optimization program provided the client with impactful financial and working capital benefits:

\$130M Positive cash flow impact from extending terms days

>100 Supplier and Category playbook targets

\$27M Annual EBITDA gains from increasing terms discounts

