

For Immediate Release

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## **Avicon's New Strategic Sourcing Practice Focuses on Improving Profitability**

### **New Service Enables Organizations to Increase Buying Power, Supplier Responsiveness and Material Quality**

**WALTHAM, MA, June 14, 2004** – Avicon, architects of the new supply chain, today announced the launch of its Strategic Sourcing consulting practice. This new service helps companies improve profit generation by increasing buying power, supplier responsiveness and material quality.

“In today’s tight economy the most realistic and practical means to reduce costs and increase profits is to spend less on what is being bought from external suppliers,” said Eliot Madow, vice president of professional services, and director of the Strategic Sourcing practice at Avicon. “But to spend less one must know who is buying what, why, from whom, how often, and for how much throughout the entire organization. Avicon’s robust sourcing strategies provide a thorough analysis of where and how a company spends its money.”

Avicon’s Strategic Sourcing practice helps organizations make the most effective use of its procurement organization. With Avicon’s guidance, clients increase their ability to leverage technology in order to eliminate non-value-added processes and streamline routine functions, while making the best utilization of procurement specialists.

New service offerings from this practice include assessments of the maturity and capabilities of an organization’s procurement function, comprehensive spend analysis, and the planning, development, and implementation of an end-to-end sourcing strategy.

Avicon’s Strategic Sourcing Assessment examines the procurement function using the company’s “PICO”™ framework (Process, Information,

Cash, and Organization). It allows clients to determine the areas of strength and opportunities for improvement within their sourcing functions by assessing the maturity in the five areas of the strategic sourcing cycle: Plan; Source; Procure; Settle; and Analyze.

Avicon's Spend Analysis helps clients identify all of the organizational spend, including that which is not reflected in the company's internal systems, such as wire transfers, P-card and travel card purchases, and freight forwarding and insurance costs. Utilizing a combination of analysis tools and deep expertise, Avicon categorizes the spend, and determines the most effective procurement programs and initiatives to reduce the total cost associated with the acquisition of goods and services.

For a copy of Avicon's whitepaper titled "Strategic Sourcing: Problems, Solutions, and Approaches to Generating Shareholder Value" go to <http://www.avicon.com/pdfs/papers/StrategicSourcing.pdf>

### **About Avicon**

Avicon, architects of the new supply chain, designs and implements supply chain strategies, and architects the underlying business processes and IT solutions that bring those strategies to life. Avicon's customers include Cisco Systems, EMC Corporation, Enterasys Networks, Hard Rock Café, Hewlett Packard, Kuehne & Nagel, Lucent Technologies, NMS Communications, Schenker AG, Siemens and United Technology Corporation. Headquartered in Waltham, Massachusetts, Avicon is on the web at [www.avicon.com](http://www.avicon.com).

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