RESULTS-OECM ANALYSIS -CLTORONTO

Hi Cathy,

Thank you again for sharing your spend info as a follow-up to our meeting with Flavian, Terry, Heather, myself and others. As per your request to compare your current Staples Corporate Express pricing against OECM’s Staples agreement - It seems I have some good news to share. OECM has completed its analysis of CL Toronto’s Office Products and Paper spend and the results are very promising. Our analysis was done on an “apples to apples” comparison and the results (where **exact comparisons** were found) are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Tab on Worksheet** | **% of Product Matches** | **Highest Savings %** | **Lowest Savings %** | **Average Savings %** | **Savings on exact matches only (based on CLT’s current volumes purchased)** |
| Items more than $100 | 35.9% | 35.5% | 5.0% | 15.1% | $ 524.19 |
| Tech and Toners | 70.9% | 72.9% | 5.0% | 28.7% | $ 1799.99 |
| Office Products | 75.9% | 91.1% | 0.3% | 25.3% | $ 7523.56 |
| Paper | 97.4% | 74.4% | 10.7% | 38.4% | $ 7768.99 |

In addition, our business analyst informs me that for your tab named “Items More than $100” the comparison gaps are primarily furniture. This is because it is difficult to do an “apples to apples” comparison because of how they are inventoried/sku’d. We are confident, however, that for these and all other items (where no exact match is present) – OECM will be highly competitive and In line with identified savings %’s above. Using this approach – we **estimate an overall** **27% savings on an annual basis for Office Products and Paper** over what you pay today. Of course, you will also benefit for the ongoing service and support provided by OECM to ensure your 100% customer satisfaction.

To continue the momentum we have built here I’d like to propose the following Next steps:

1. Please review our findings to validate our analysis. I have attached the spreadsheet analysis for your review. Let me know if you’re ok with these results.
2. OECM to inform Flavian and Terry (OECM’s CEO) of the good news since they were such strong supporters of this review.
3. If you agree, I would like them to have OECM’s Business Relationship manager responsible for Office Supplies – Glenda Schmidt - work with you to support the signing of the necessary CSA’s with Staples to get you on your way to great savings with OECM!
4. Continue to collaborate to review other potential opportunities for CL Toronto with OECM supplier partners. We would be pleased to support you to perform any other analysis you may require.

Again Cathy – thank you for all your efforts. We are excited by these promising results and look forward to hearing from you in the days ahead.

Warm regards,

John

John Schenk

Business Development Manager  
OECM