

Big Bang for Bucks - Significant savings and improvements for GMK Ltd

> ERA Success Story

GMK Ltd, formerly known as Gunmark, is the UK's leading shooting sports distributor and has been trading since 1971.

Summary of savings

Distribution	19.5%
Merchant Card Fees	21.4%
Print	20.0%
Telecomms	17.1%

GMK Ltd exclusively represents many well known brands for shooting apparel and also provide guns and shooting equipment to the UK Law Enforcement and Ministry of Defence.

GMK Ltd engaged Expense Reduction Analysts Consultant Danny Rogers, who met with Paul Charleston, GMK Ltd's Warehouse Manager to discuss areas of the company where procurement could be improved and savings could be achieved.

Danny enlisted the assistance of his colleague, Charles Reid, to analyse GMK Ltd's expenditure on distribution. This category was not straightforward as firearms and ammunition are a specialist category; therefore there are a limited number of parcel carriers that are legally allowed to carry them. GMK Ltd had two suppliers in place, one which carried ammunition and another for the distribution of guns and other shooting paraphernalia.

Charles worked with the suppliers to streamline the dispatch process with one carrier to take all goods excluding ammunition, where the contract with the incumbent supplier was maintained. This uncovered a saving of 19.5% and a significant reduction of time in the warehouse, with much fewer invoices to process.

Speaking of this project, Charles said: "Initially, this was a tricky implementation due to the sensitive cargo, but with patience and bringing the correct contacts into play from the supplier, good service levels and a significant saving was achieved."

Consultant, Paul Davidson, was brought in to review GMK Ltd's spends on merchant card fees. The company had numerous accounts provided by 2 different suppliers; Paul recommended simplifying this process by consolidating all of their accounts to a single supplier. This uncovered an annual saving of 21.4% and an improved service for GMK Ltd as it allowed them to manage only one bank for each of their different accounts. The chosen supplier also



provides a dedicated Relationship Manager to handle GMK Ltd's accounts, meaning they won't have to call bothersome help lines if they incur an issue which is an additional improvement.

Lyn Emery, Purchase Ledger Administrator said: "I was initially nervous as I thought rearranging our accounts would be complicated and time consuming, but Expense Reduction Analysts made sure it was a straightforward process. It was reassuring to have an expert there to assist and ensure it all ran smoothly. Expense Reduction Analysts were able to secure a significant saving in GMK Ltd's spends on marketing print. GMK Ltd were pleased with

the service they were receiving with the print supplier they had in place; whilst maintaining the relationship between GMK Ltd and the supplier, Danny was able to secure a saving of 20% by working with the incumbent supplier to renegotiate GMK Ltd's contract at a lower price.

Danny appointed Brian Holmes, expert in telecoms, to review GMK Ltd's spends on their fixed telecoms. Brian identified a new supplier that was able to offer a better service for less than GMK Ltd were paying. This resulted in a saving of 17.1% and an improved visibility of GMK Ltd's international calls.

Oskar Wakare, Financial Director of GMK said:

"The analysts definitely proved their expert status across all of the categories they reviewed for us, their knowledge was invaluable and they required minimal input from us. They were conscientious in their approach when dealing with our stakeholders which was important to us and our reputable brand. Aside from uncovering significant savings and improving our processes, each of the consultants was a pleasure to work with."

Speaking of this partnership, Danny said:

"GMK Ltd is an unusual type of client for us. As their products are of a sensitive nature, there were many challenges with risk and legalities, especially in the areas where we implemented new suppliers, but overcoming these obstacles was rewarding. Our projects for GMK Ltd delivered fantastic results, not only were we able to uncover significant savings, but also add value to their procurement – resolving issues they were encountering and improving the service they were receiving."