



OMNIA®
P A R T N E R S

Using a GPO to Help Manage Indirect Spend
February 13, 2025

Agenda

- Introduction
- Issues Faced by Procurement
 - Why Companies Use GPOs
- Where Companies Use GPOs
- An Example of the GPO Model
 - Voice of Customer

Introduction

- Annie Lamerand
- Senior Regional Director, OMNIA Partners
- BS-Butler University, MBA-St. Thomas
- From Chemist to Sourcing to This (13 years)
- Wife and mother of HS Senior

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Procurement Challenges

Technology

**BUDGET
CONSTRAINTS**

**EXPAND
PROCUREMENT'S
SCOPE/INFLUENCE**

**DELIVERING VALUE BEYOND
COST REDUCTION**

ADDRESSING TAIL SPEND

STAFF & TALENT CONSTRAINTS

REDUCE SUPPLY RISK

**PRIORITIZING
INITIATIVES**

**BECOMING THE TRUSTED
ADVISOR**

**EFFECTIVE SUPPLIER
RELATIONSHIP
MANAGEMENT**

OPTIMIZE P2P

SAVINGS GOALS

**COMPLETE
SPEND
VISIBILITY**

WORKING CAPITAL IMPROVEMENT



Indirect Spend in Particular is Often Challenging

**Measured by
short-term results**

At the cost of long-term value creation

Metrics solely on savings

Overlooking innovation and other benefits

Project selection

Stuck on “low hanging fruit”

Alignment

P&SC goals not aligned to stakeholder goals

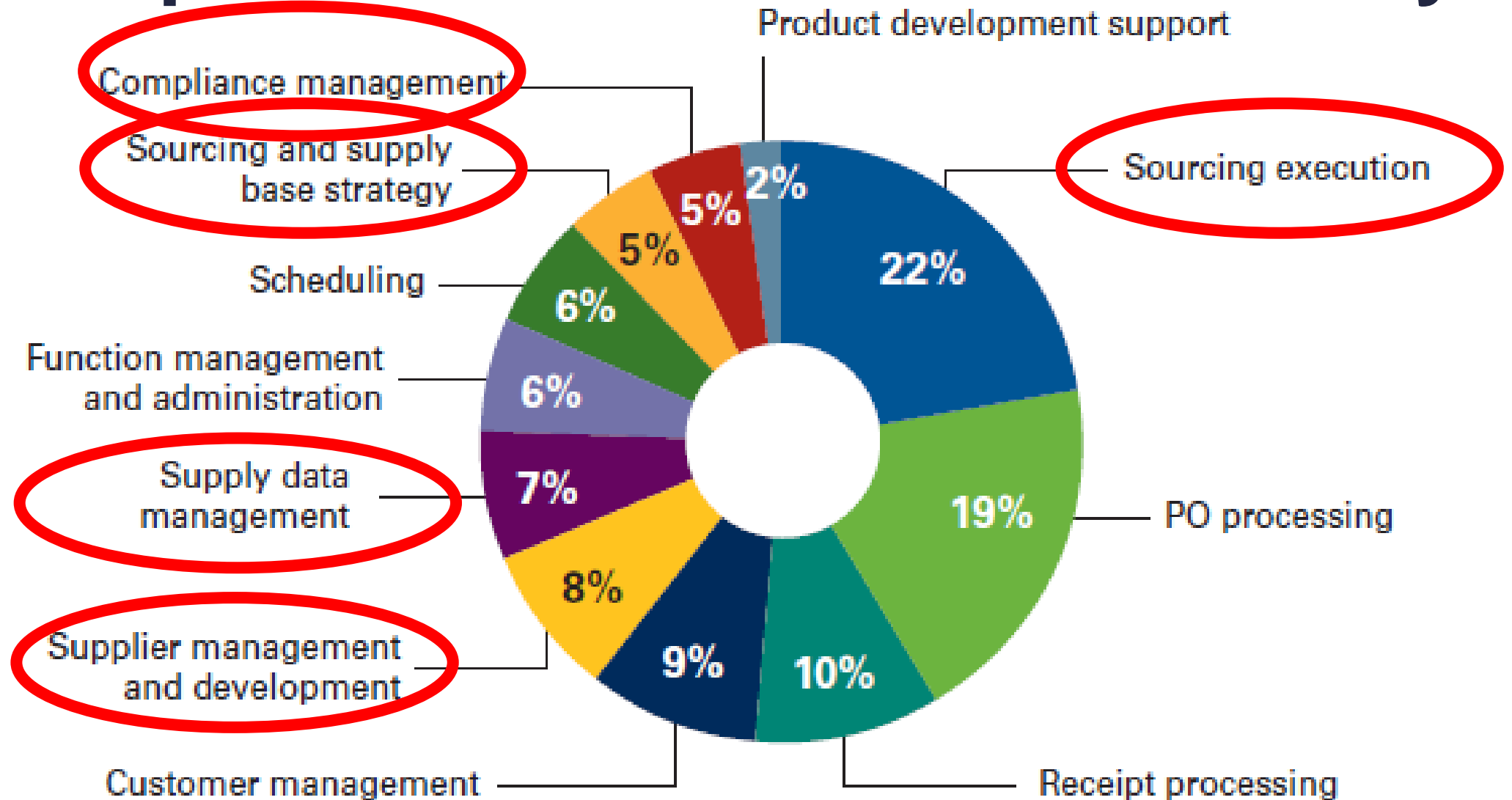
Role in organization

**Viewed as tactical and not strategic...
self fulfilling prophecy?!?**

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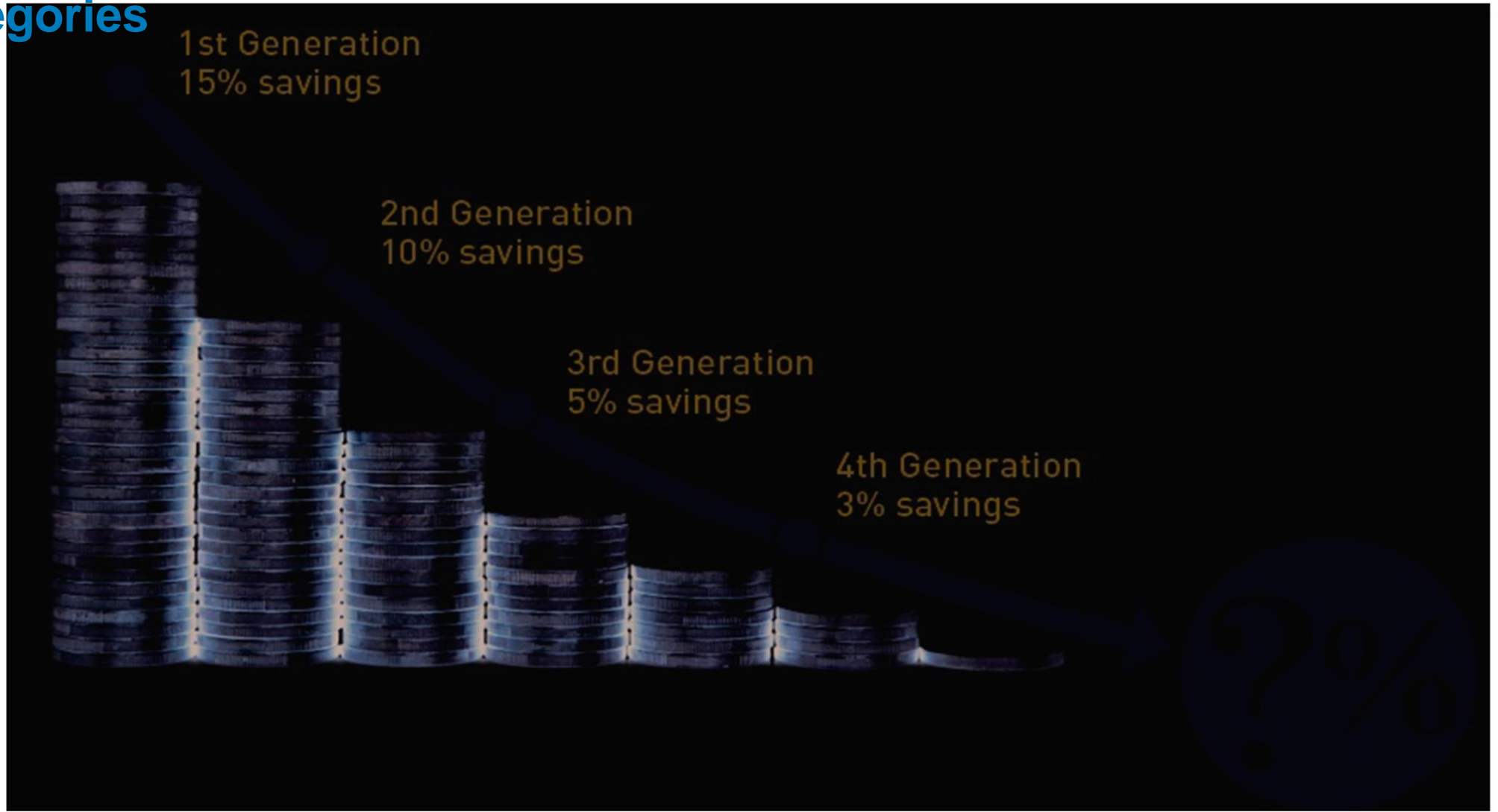
Help Use Time & Resources Wisely



Procurement FTE Time Allocation

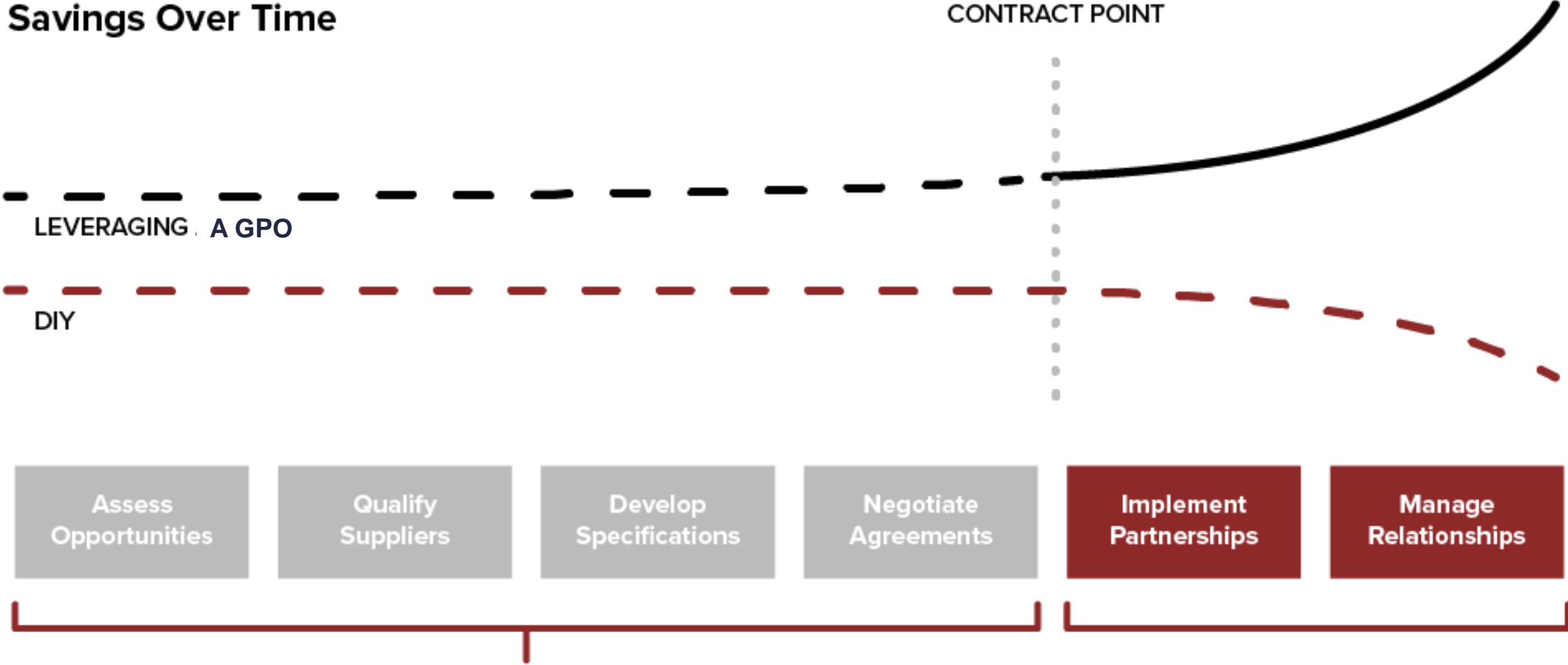
Diminishing Returns

Years of Approaching
the Same Categories
the Same Way



GPO Savings Over Time vs. DIY Sourcing

Savings Over Time

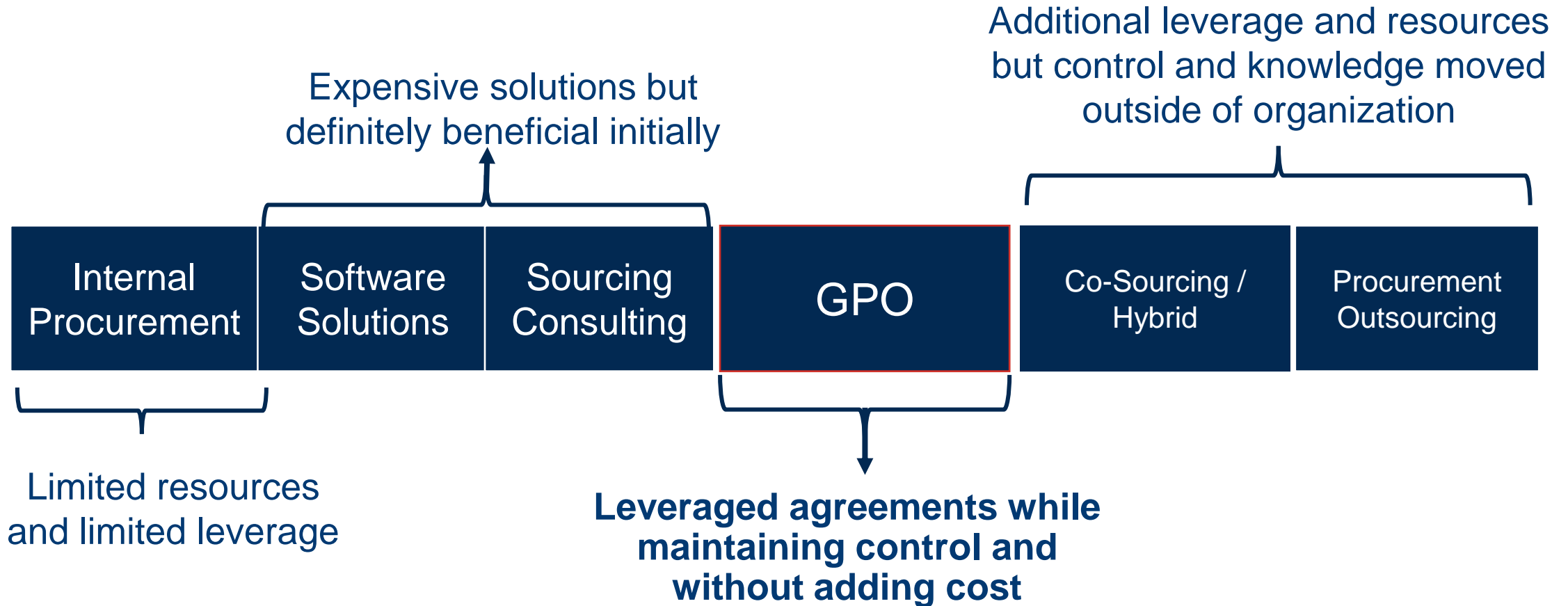


By leveraging a GPO, your team can
reinvest up to 500 sourcing hours **per category**

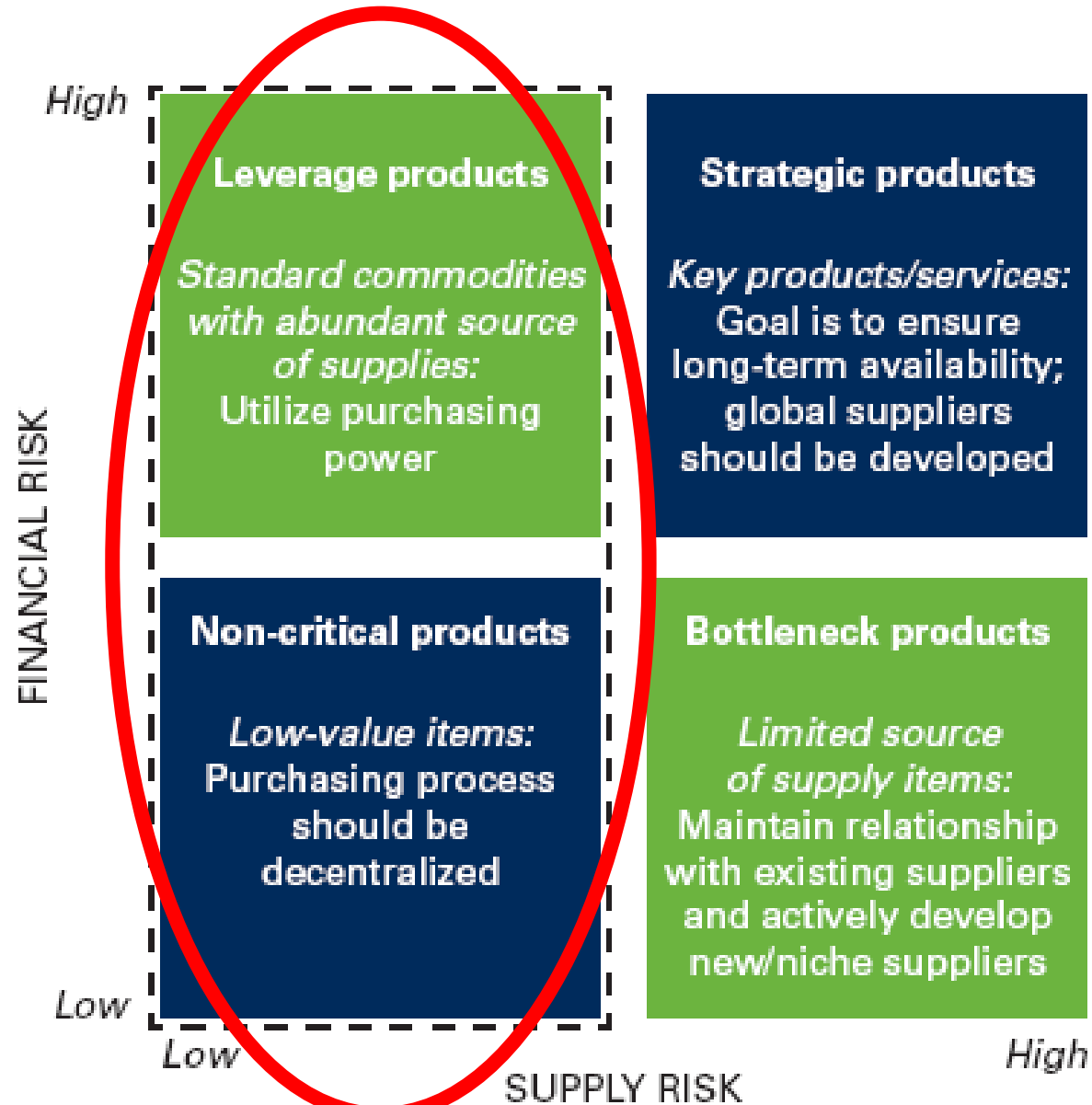
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GPOs are One Tool in the Procurement Toolkit



Where GPOs Make Sense



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One GPO I Know...

- **20+ Years as a Group Purchasing Organization**
- **Headquartered in Franklin, TN**
- **350+ Employees, 200+ Member Facing**
- **Largest Non-Healthcare GPO in US**
- **\$35B+ Spend Under Management**
- **100,000+ Active Members**
- **500,000+ Member Procurement Locations**

The Power of OMNIA Partners

Public Sector

94%
Population served by agencies
utilizing OMNIA Partners

90,000+
Active parent agency
participants

K-12 Education

Higher Education

State & Local Government

Nonprofits & Charities



40%
Of Fortune 1000 companies
benefitting from membership

15,000+
Parent member companies in
35+ different industries

Enterprise Corporations

Small & Medium Business

Real Estate & Housing

Private Equity Firms & HoldCos

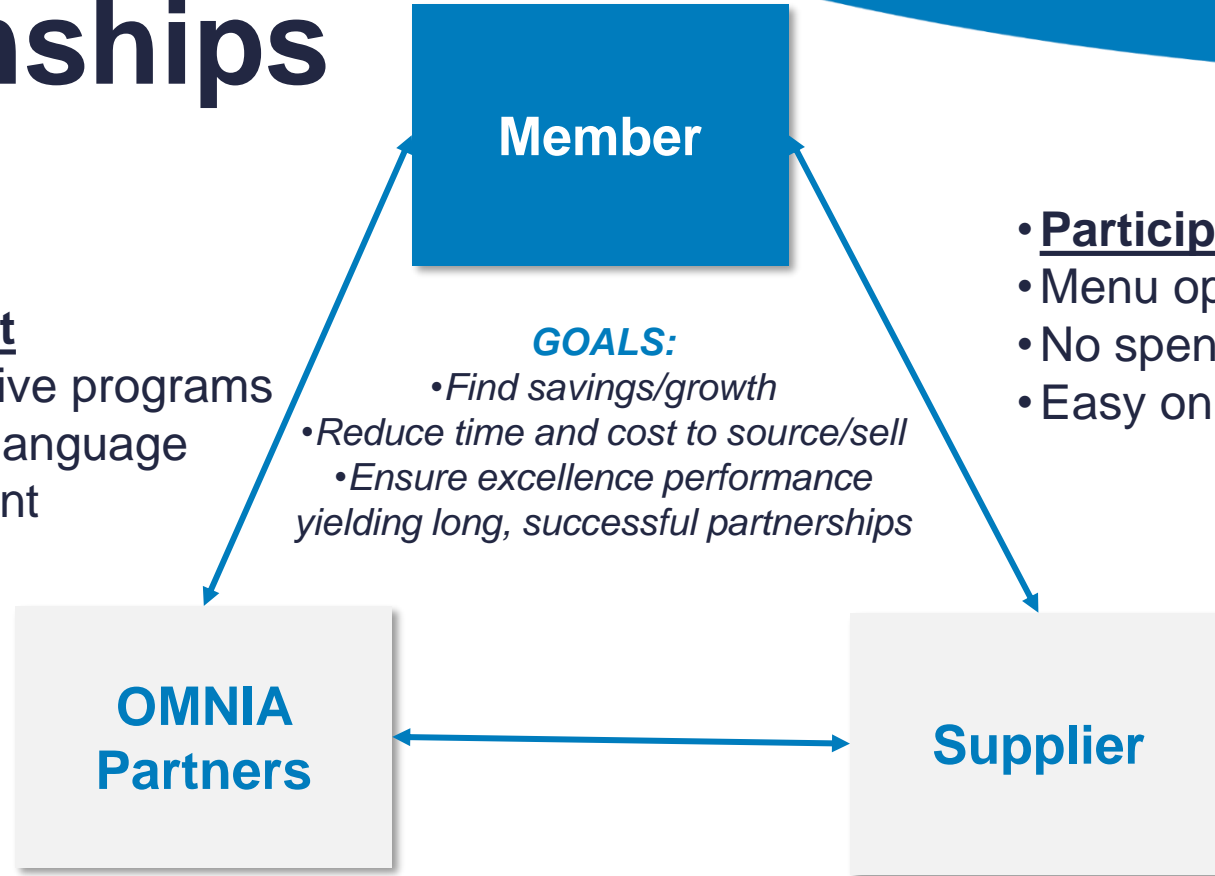


Private Sector

Agreements & Relationships

Membership Agreement

- Gives access to exclusive programs
- Mutual non-disclosure language
- Zero cost or commitment



• Participation Agreement

- Menu options to customize program
- No spend minimums
- Easy on, easy off

Master Purchasing Agreement

- Pre-negotiated terms & conditions
- Pricing/discounts, delivery and payment terms, rebates, service metrics, and other value adds

The OMNIA Partners Difference

No Cost to Join:

No fee to become a member and no minimum spend commitments.

Unmatched Leverage:

Leverage collective buying power to achieve best-value pricing and service.

Supply Chain Relevancy:

Broadest category portfolio, including offerings in HR, facilities, logistics, IT, packaging, and more.

Dedicated Support:

Subject matter experts to identify custom solutions that deliver savings and operational benefits, generating a more efficient procurement process.

Analysis and Advocacy:

Our team of analysts will perform complimentary analyses to develop strategies and find savings.

Exclusive Contracts:

Pre-negotiated agreements that make joining best in class programs fast and easy.

Spend Assessment

Indirect Spend Analysis

Data scrubbed, duplicates combined, and non-relevant data discarded

Relevant spend data categorized and grouped

Categories with OMNIA Partners programs identified and savings estimated

Compliance and supplier reduction opportunities also identified

Savings and compliance opportunities proposed in waves based on estimated difficulty

Wave	Subcategory	# of Suppliers	Key Supplier(s)	Total Annual Spend	Addressable Spend	Average Savings (%)	Average Savings (\$)	OMNIA Partners Supplier(s)
1	Contingent Workforce Solutions	9	EXPRESS SERVICES INC	\$ 1,930,172	\$ 1,544,138	5% - 15%	\$77k - \$232k	Staffmark, Innova, ACRO
	Power Transmission & Bearings	2	MOTION INDUSTRIES	\$ 1,363,444	\$ 1,090,755	5% - 15%	\$55k - \$164k	Motion Industries
	Electrical & Lighting Supplies	7	WESCO DISTRIBUTION	\$ 1,048,369	\$ 838,695	5% - 15%	\$42k - \$126k	Graybar
	Uniforms & Mats	5	Cintas Corporation	\$ 341,843	\$ 273,475	5% - 28%	\$14k - \$77k	Cintas
	Industrial Gases	7	PRAXAIR	\$ 308,562	\$ 246,850	5% - 15%	\$12k - \$37k	Airgas
	Relocation & Moving Services	1	LEXICON RELOCATION LLC	\$ 235,614	\$ 235,614	10% - 30%	\$24k - \$71k	PODS, Andrews, Weichert
	Equipment Rental	1	SUNBELT RENTALS	\$ 113,569	\$ 113,569	8% - 12%	\$9k - \$14k	Sunbelt
	Pest Control	4	ORKIN	\$ 104,306	\$ 104,306	10% - 18%	\$10k - \$19k	Orkin, Terminix
	Paint & Painting Supplies	1	CHARLOTTE PAINT CO LLC	\$ 45,860	\$ 45,860	5% - 15%	\$2k - \$7k	PPG, Sherwin Williams
	Office Equipment	4	KONICA MINOLTA	\$ 38,764	\$ 38,764	4% - 22%	\$2k - \$9k	Konica Minolta, Ricoh
Wave 1 Subtotal		41		\$ 5,530,504	\$ 4,532,026	5% - 17%	\$247k - \$753k	
2	Packaging Supplies	20	CASCADES	\$ 8,626,858	\$ 5,176,115	5% - 15%	\$259k - \$776k	RTI, SupplyOne
	Waste Management & Recycling	6	WASTE PRO	\$ 1,653,170	\$ 1,157,219	2% - 12%	\$23k - \$139k	Republic, MPS
	HVAC	6	J & D SERVICE CO INC	\$ 1,429,653	\$ 1,000,757	8% - 18%	\$80k - \$180k	Daikin, Service Logic
	Lift Trucks	7	FORKLIFT SYSTEMS INC	\$ 1,172,299	\$ 820,610	8% - 12%	\$66k - \$98k	OnPoint Group
	Pharmacy Benefits Management	1	CAREMARK PERScription SERVICE	\$ 1,082,575	\$ 1,082,575	3% - 25%	\$32k - \$271k	Express Scripts
	Fleet & Automotive Parts	1	CONSOLIDATED METCO, INC.	\$ 729,125	\$ 510,388	5% - 15%	\$26k - \$77k	Advance Auto Parts
	Fire Protection	9	KOORSEN FIRE & SECURITY, INC	\$ 435,620	\$ 304,934	1% - 4%	\$3k - \$12k	Cintas
	Roofing	2	RADCO CONSTRUCTION SERVICES INC	\$ 328,853	\$ 263,083	10% - 20%	\$26k - \$53k	Aspen, CentiMark
	Corrugated	2	CL RABB INC	\$ 225,260	\$ 202,734	3% - 12%	\$6k - \$24k	RTI, SupplyOne, Pratt Corrugated
	Physical Security Services	1	UNIVERSAL PROTECTION SERVICE LP	\$ 195,798	\$ 195,798	1% - 4%	\$2k - \$8k	Protos
	Janitorial Services	3	DISTRICHEM-ECO CANADA GROUP	\$ 171,607	\$ 137,286	2% - 10%	\$3k - \$14k	KBS
	Print & Labels	2	PRECISION LABEL	\$ 113,996	\$ 113,996	5% - 20%	\$6k - \$23k	RR Donnelley
	Payroll & HCM Solutions	2	CERIDIAN HCM INC	\$ 112,155	\$ 112,155	5% - 10%	\$6k - \$11k	Ceridian
	Events Management	1	EVENT CAPTURE SYSTEMS INC	\$ 105,608	\$ 105,608	2% - 5%	\$2k - \$5k	Altour
	Dock Doors & Equipment	2	ALL ABOUT DOORS (ASHV GARAGE)	\$ 66,659	\$ 66,659	8% - 12%	\$5k - \$8k	OnPoint Group
	Pallets	1	NEALS PALLET COMPANY INC	\$ 66,223	\$ 66,223	3% - 8%	\$2k - \$5k	Millerwood
Promotional Products	1	4IMPRINT	\$ 38,665	\$ 38,665	5% - 20%	\$2k - \$8k	AMP&M	
Translation Services	1	MORNINGSIDE TRANSLATIONS INC	\$ 19,514	\$ 19,514	5% - 10%	\$980 - \$2k	Acolad, Summa Linguae	
Wave 2 Subtotal		68		\$ 16,573,639	\$ 11,374,318	5% - 15%	\$549k - \$1.7M	
3	Freight & Logistics	21	KBX LOGISTICS	\$ 13,356,002	\$ 2,671,200	2% - 8%	\$53k - \$214k	Echo, Schneider
	IT Services	12	ENOWA LLC	\$ 4,883,221	\$ 2,441,610	3% - 18%	\$73k - \$439k	Varisource
	Software	5	SAP	\$ 3,911,205	\$ 1,955,603	3% - 18%	\$59k - \$352k	Varisource
	Litigation Support Services	7	BLANK ROME LLP	\$ 2,551,627	\$ 510,325	1% - 4%	\$5k - \$20k	U.S. Legal Support
	Value-Added Reseller	4	SHI INTERNATIONAL CORPORATION	\$ 1,628,915	\$ 814,457	3% - 18%	\$24k - \$147k	Varisource
	Metals & Metal Fabrications	9	CCE PRECISION LTEE	\$ 1,212,442	\$ 727,465	1% - 4%	\$7k - \$29k	Kloeckner Metals
	Telecommunications	16	LUMEN INC	\$ 1,086,570	\$ 760,599	3% - 22%	\$23k - \$167k	Granite, Ring Central, Intrado
	Risk Management Solutions	5	WILLIS TOWERS WATSON	\$ 1,006,760	\$ 402,704	4% - 10%	\$16k - \$40k	GRMS
	Building Construction & Facility Maintenance	6	CALLAWAY INDUSTRIAL SERVICES INC	\$ 758,837	\$ 607,070	1% - 4%	\$6k - \$24k	Powerhouse
	Energy Management	1	TWIN EAGLE RESOURCE MANAGEMENT CANA	\$ 758,143	\$ 758,143	5% - 8%	\$38k - \$61k	Tradition Energy
	IT Hardware	2	CURVATURE INC	\$ 444,176	\$ 355,341	3% - 18%	\$11k - \$64k	Varisource
	Plastic Fabrication & Distribution	1	CENTRO INC	\$ 389,334	\$ 389,334	1% - 4%	\$4k - \$16k	Cope Plastics
	Cybersecurity	3	GUIDEPOINT SECURITY LLC	\$ 188,560	\$ 150,848	3% - 18%	\$5k - \$27k	MCPc
	Small Parcel	1	FEDEX	\$ 124,796	\$ 124,796	5% - 10%	\$6k - \$12k	DHL, TransImpact
	Marketing Services	1	MOTION MARKETING & MEDIA INC	\$ 45,453	\$ 45,453	5% - 25%	\$2k - \$11k	Konica Minolta, RR Donnelley
Wireless	1	MOBILE COMMUNICATIONS AMERICA INC	\$ 27,521	\$ 27,521	3% - 22%	\$830 - \$6k	Granite	
Wave 3 Subtotal		95		\$ 32,373,562	\$ 12,742,470	3% - 13%	\$333k - \$1.6M	
Total		204		\$ 54,477,705	\$ 28,648,813	4% - 14%	\$1.1M - \$4.1M	

Category Assessment

Ensuring an OMNIA Partners program will be successful at your organization –
quickly, efficiently, and without a lengthy RFP



Category Offerings



Sampling of Categories

Italics Indicates that Diversity Options are Available

Corporate Services	Human Resources	It & Telecom
Appliances	Applicant Tracking System & HRIS	Application Development
Branded Apparel	Background Checks & Drug Screening	Asset Disposition & Management
Breakroom Supplies	Candidate Travel & Expense	Audio/Visual & IT Equipment
<i>Commercial Moving & Storage</i>	<i>Contingent Workforce Management</i>	Conferencing
Copy & Print	<i>Employee Recognition Programs</i>	Cyber Security Services
Floral & Gifts	<i>Independent Contractor & 1099 Compliance</i>	Enterprise Helpdesk
Food & Beverage	<i>Managed Services Providers</i>	IT Consulting
Furniture & Workspace Solutions	<i>Payroll & HCM Solutions</i>	IT Hardware Products & Services
Language Translation Services	Pharmacy Benefits	IT Staff Augmentation
Legal Services	Recognition Programs	Managed Print Services
Marketing Services	Recruiting Services	Mobile Wireless Carriers
Office Supplies & Solutions	Relocation & Workforce Mobility	Multifunctional Devices & Printers
Online Marketplace	Temp Staffing	Robotic Process Automation
Postage & Mailing Systems	<i>Vendor Management System Technology</i>	Software & SAAS
<i>Promotional Merchandise</i>		Technology Management
Security & Alarms		Telecom Services & Expense Management
<i>Shredding & Document Storage</i>		Unified Communications
Signage		VAR Services
Vending Solutions		Voice & Network Services

Sampling of Categories

Italics Indicates that Diversity Options are Available

Facilities – Infrastructure	Facilities – Consumables	Manufacturing & Packaging
Air Filtration	Asset Tracking & Management	Corrugated
Ceiling Tiles, Panels, & Systems	Breakroom Supplies	Components & Parts
Construction & Maintenance	Cleaning & Carpet Cleaning	Fasteners & Hardware
Doors, Loading Docks, & Gates	Cleaning & Restoration Services	Flexible & Rigid Plastic Packaging
Electrical & Lighting	Energy Management	Global Outsourcing
Elevators	Facilities Management	Industrial Gases
Equipment Rental	Fire Safety Services	Insulation
Facilities Management	<i>First Aid & Safety Solutions</i>	Metals & Metal Fabrications
<i>First Aid & Safety Solutions</i>	HVAC Maintenance Services	Packaging Supplies
Flooring & Flooring Care Equipment	Industrial Supplies & MRO	Packing & Product Labels
Material Handling	Janitorial & Restoration	Pallets (New & Reman)
Outdoor Furniture & Recreation Equipment	Landscaping & Exterior Solutions	Paper & Paper-based Products
Paving Services	Maintenance & Handyman Services	Plastics & Plastic Fabrications
Racking & Automation	Paint	Resin
Roofing	Pest Control	
Security & Alarms	Safety Equipment & Supplies	
Signage	Storage	
	Uniforms & Mats	
	Waste Management & Recycling	

Sampling of Categories

Italics Indicates that Diversity Options are Available

Travel & Fleet	Financial Services	Freight & Logistics
Air & Hotel Sourcing	Business Process Outsourcing	3PL Services
Automotive Parts	Corporate Cards	Drayage
Car & Truck Rental	Credit Card Processing	Freight Invoice Auditing
Corporate Housing	Expense Management	Freight Pricing Procurement Platform
Corporate/Private Jet Rental	<i>Leasing Services</i>	International Freight & Import/Export
Golf Carts & Utility Vehicles	Non-employee Travel & Expense	LTL & TL Freight (Inbound & Outbound)
Leisure & Incentives Services	Payment Solutions	Parcel/Freight Audit Provider
Meetings & Events		Rail Services
Non-employee Travel & Expense		Small Parcel International
Ride Sharing		Small Parcel Savings
Risk Management Services		Specialty Freight Solutions
Travel Management		Storage
		Trade Show Logistics
		Transportation Management System
		Warehousing

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- 

DAIKIN APPLIED – INDIRECT PROCUREMENT USING GPO'S

Aaron Barriger

Why use a Group Purchasing Organization (GPO)?

“Working with Omnia Partners has enabled Daikin to reduce cost of the bottom line through leveraged buying power, while protecting valuable resources to continue supporting the needs of the business.”



Daikin Applied at a Glance



Plymouth, MN
DAA Headquarters



>\$3.8 Billion
Net Sales



>8,000
Employees



\$450M Annual
Indirect Spend



2006
Established by Daikin Industries, Ltd.



\$56 Million
Invested in Test Labs and R&D from 2017-2019



\$350 Million
Invested in 9 MFG site since 2017



60+
Independent Sales Reps with over 100 Locations



\$41 Million
MN Facility Opened in 2019
CA Facility acquired 2023

Daikin with Omnia Partners

Member Since: 2017
Annual Spend: \$6.0M
Daikin Divisions: 4

Daikin Applied Daikin Comfort Daikin Mexico American Air Filters



Key Drivers

Resource Availability

Lack of Sourcing resources to conduct RFP's and transition business posed a challenge.

Budgetary Constraints

No budgeted dollars to hire consultant or additional staff to support cost initiatives.

Technology Disadvantage

Outdated technology driving immaturity of supplier management.









ISM—Twin Cities, Inc.



Daikin Overview & Value

Daikin Applied Supplier Agreements

\$250k/YR	\$220k/YR	\$120k/YR	\$120k/YR	\$200k/YR	\$100k/YR
					
Category: Uniforms, Fire, First Aid	Category: Office Products, IT Access	Category: MRO & Industrial Supplies	Category: MRO & Industrial Supplies	Category: Printers & Copiers	Category: Office Products
Spend: \$1.29M	Spend: \$467k	Spend: \$638k	Spend: \$543k	Spend: \$1.50M	Spend: \$2.16M

Group Purchasing Organization – Value Proposition

Contract	50+ Contracts	<10 Contracts
Cost	\$7.60M Spend	\$6.55M Spend
Supplier	20 Suppliers	<10 Suppliers
Labor	280+ Hours	5 Hours



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Annie Lamerand

651-276-7968

annie.lamerand@omniapartners.com

Thank you!