



LUMERIC™ Project Summaries

Project Type:

Strategic Sourcing / Competitive Intelligence

Sector: Healthcare / Pharmaceuticals

Client Size: \$50B+

Company Position: Market Leader

Client Level: VP Strategic Sourcing

The Critical Decision:

Can a Pharmacy Benefit Manager (PBM) take advantage of competitive benchmarks to bring spending in certain categories down to levels that are consistent with their buying leverage?

The Answer:

Yes. Their volumes in the categories covered represented a critical level of revenue to most suppliers and pricing could be measurably improved through managed consolidation.

The Discussion:

The client was in the process of centralizing purchasing by creating a strategic sourcing department to support several separate operating divisions. With certain non-drug purchases, there was a significant lack of understanding as to what price reductions these divisions could yield through volume purchasing.

Using primary research, Lumeric assessed the supplier base for each product category, identified the value of the client's purchases to these organizations, and benchmarked the relative market price and service expectations for the size of their purchases. Using this information, the client was able to save 15%+ on purchases in these categories. 