



E-Procurement Solutions for AWMA Members, powered by Category One

Companies in nearly every sector are suffering from reduced revenue and many are in danger of failing. In this environment, it is increasingly difficult to increase prices or expand sales. The quickest and best way to positively affect your bottom line is by cutting costs.

AWMA, in partnership with Category One, now provides e-procurement solutions that drive prices lower, reduce procurement time, expand choice of suppliers and increase profit margins—all while retaining product quality and customer service.

AWMA has entered into a partnership with Category One to provide AWMA members with access to e-procurement tools previously available only to the largest companies. Through a reverse auction technology platform, this web-based program facilitates product purchasing in a fraction of the time of a traditional purchasing process and can result in savings of as much as 35% on products AWMA members purchase routinely for their customers.

Dozens of Fortune 500 companies have been using this exact same power sourcing platform for years and most recently many c-store retailers and distributors have begun to adopt this purchasing solution as well. Companies such as Sheetz, Au Bon Pain, Quick Check, Kwik Trip and others rely on Category One E-sourcing to consistently reduce their costs.

Highlights of the Reverse Auction Platform

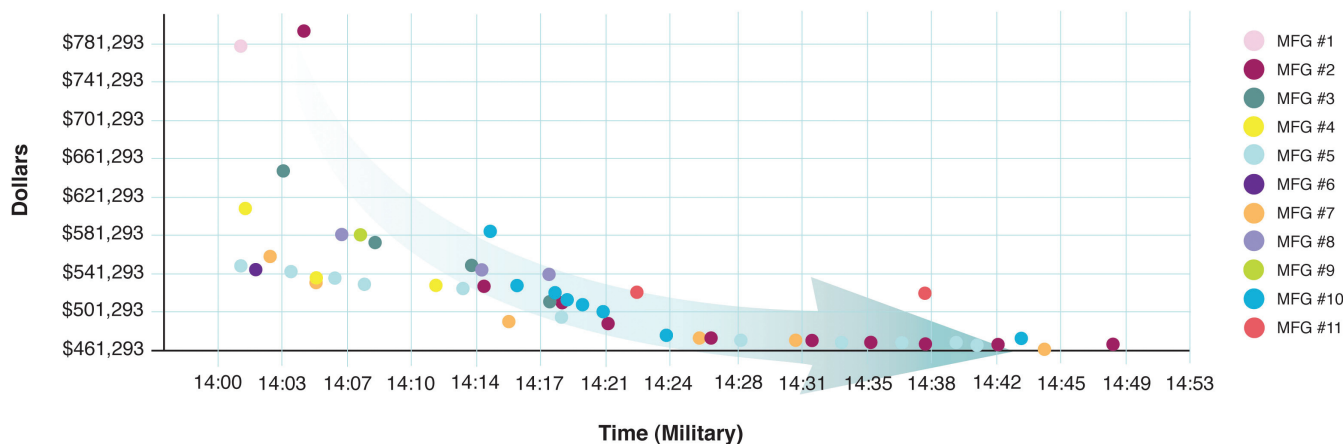
This web-based reverse auction platform allows you to:

- Save thousands to hundreds of thousands of dollars on purchases—savings have been as much as 35%—savings that drop directly to your bottom line.
- Reduce expenses on products purchased routinely and do not contribute significantly to profit margin (i.e. coffee cups, paper goods, cutlery, etc.).
- Gain competitive advantage—by passing on some of the savings to customers or prospective customers, the reverse auction platform creates an opportunity for you to gain competitive advantage in the marketplace.
- Completely risk free—there is no upfront investment or pre-payment. In fact, you do not pay for the service unless you realize savings. Further, there is no investment in software or hardware—you pay only when you save!

Online Auction Bidding Process

The chart below tracks an actual auction where there were 11 manufacturers bidding on this particular item. In less than an hour, all 11 companies bid multiple times on this item, resulting in savings from the highest to lowest bid of more than \$300,000. [Note that the number of companies involved with bidding and the bid prices vary from auction to auction depending upon the product in the auction.]

Online Auction Bidding Process
(Actual Auction)



Getting Started

To begin discussions about conducting an online auction, contact Jane Berzan at AWMA at 703-517-4752 or via e-mail at jmberzan@cox.net.

Examples of Typical Auction Products

Auctions can be successfully executed and substantial savings achieved for hundreds of products, including:

AUTOMOTIVE

Anti Freeze
Automotive Oil
Brake Fluid
Fuel Filters
Rock Salt
Windshield Fluid
Windshield Towels

EQUIPMENT

Heavy Equipment
Fleets
Hose/Nozzle Parts
MPDs
Ovens/Refrigerators/Hot Boxes
POS Equipment

FOOD PRODUCTS

Biscuits
Cheese
Chicken
Chunky Salsa
Coffee Programs
Condiment Packets
Egg Products
Fryer/Vegetable Oil
Nacho Cheese
O.J. Concentrate

PACKAGING MATERIALS

Pallets
Corrugated Paper
Plastic Bottles
Aluminum Cans
Shipping Totes

SERVICES

Accounting
Credit Card Processing
Landscaping
Payroll Processing
Pre-employment Testing
Security Services
Utilities (Power, Telecom, Water)

SUPPLIES

Bathroom Tissue
Cutlery
Cold Cups & Lids
Copy Paper
Dispenser Napkins
Food Service Wrap
Food Wrap
Hot Cups, Lids, & Sleeves
Lamps & Bulbs
Multipurpose Gloves
Multi Fold Towels
Pizza Cartons
Plastic & Foam Containers
Plastic Clam Shells
Printer Tape
Roll Towels
Salad Containers
Stir Sticks
Store Fixtures
Straws
T-Sacks
T-Shirts
Trash Liners
Wipes

FREQUENTLY ASKED QUESTIONS

Q. What is a reverse auction?

A. A reverse auction is where many suppliers compete for a buyer's business by bidding down the price of the product being purchased.

Q. How does a Category One reverse auction differ from other procurement methods?

A. Category One uses a powerful, web-based reverse auction platform and a compressed bidding timeframe to help its clients to save between 10% and 35% over traditional procurement methods.

Q. How much involvement does my company need to have in order to prepare for an online auction?

A. The most popular type of auction is our Turn Key Option. This is a full-service option where Category One experts will run the entire sourcing event for you from beginning to end. They would work with you to identify the products or services with the greatest potential for savings based upon their extensive experience in the convenience store arena. You provide your product specifications, Category One assembles a group of leading suppliers to participate in the online bidding and administers the actual auction process.

Q. How does the reverse auction process reduce procurement time?

A. By design, the reverse auction cuts out all of the back and forth with suppliers to negotiate prices down—all of the negotiation is done online with suppliers reducing their prices to secure your business—all in approximately 30 minutes!

Q. How can I ensure that the product quality of the auction items meets our satisfaction?

A. First, you provide the detailed product specifications. Second, and most importantly, you approve the final product when the auction is over; however, the auction is not officially closed until the product is accepted by you to ensure that your product quality standards are met.

Q. How long will it take to conduct the auction once we provide our specifications to Category One?

A. Once Category One has all of the information it needs to conduct the auction, the auction will be held within a few weeks.

Q. Is there a place where I can preview the process with our purchasing team?

A. Absolutely. Once you contact Jane Berzan with AWMA, she will set up a time for the Category One experts to walk you through a Power Point demo that provides detailed information to you and your team in a WebEx meeting format where all of your questions can be answered.

Improve your bottom line immediately!

Contact Jane Berzan (jmberzan@cox.net) at AWMA today to find out how your company can streamline product procurement, expand your base of suppliers, and achieve results that go directly to the bottom line.



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