

QSCC Advances Its Sourcing Strategy for Wendy's Restaurant Operators

Customer Profile

Quality Supply Chain Co-op Inc. (QSCCSM) is an independent, not-for-profit cooperative that oversees the supply chain for more than 6,100 Wendy's® restaurants in North America. With a widespread group of stakeholders, including company-owned and franchise restaurants, QSCC is focused on delivering supply chain services and procurement activities that offer the best combination of quality, consistency and value.

"In just a few months, it was apparent that the advanced capabilities within JAGGAER Sourcing Optimizer that we leveraged for our large, complex RFPs would drive a higher level of strategic benefit for our eSourcing activities within smaller, less-complex spend categories."

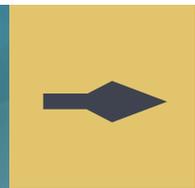
David Kourie,
Vice President of Food, Packaging
and Indirect,
Quality Supply Chain Co-op, Inc.

Challenges

QSCC manages eSourcing activities across a wide range of materials and services that are used by Wendy's restaurants, including food products, consumables, packaging, disposables, smallwares, kitchen equipment and various logistics and facility services. With responsibility for ensuring supply for Wendy's restaurants, QSCC's team not only needed a sourcing solution that could support a wide range of sourcing strategies, but also one that could handle the size and scale of the Wendy's supply chain and the business requirements and preferences of various stakeholders.

QSCC's sourcing team translated their business challenges into the following requirements for an eSourcing solution:

- Scalability for large sourcing events without line item or bid collection limitations
- To support detailed item-level bidding in sourcing events that aggregate spend across thousands of individual restaurant locations
- Evaluation of suppliers' capacity to meet demand at multiple levels across the supply chain



- To ensure uninterrupted supply across restaurant locations (this was a necessity to provide quality service to Wendy's operations)
- Incorporation of stakeholder preferences and requirements in sourcing strategy and bid analysis, including the preferences and requirements of The Wendy's Company, individual franchisees, and their suppliers
- Fast, iterative analysis of bids and supply options for rapid decision making
- To quickly evaluate supplier proposals alongside stakeholder preferences and business requirements

Solution

QSCC selected and adopted JAGGAER's Sourcing Optimizer as part of a broad eSourcing technology landscape strategy. Initially, JAGGAER's Sourcing Optimizer was used to address the complex RFPs for commonly used food products, complementing one of the eSourcing industry's most popular

eProcurement platforms, which was to be used for less-complex sourcing activities.

The more-advanced capabilities of JAGGAER's Sourcing Optimizer help QSCC manage sourcing events that aggregate demand across thousands of Wendy's restaurants in North America, yet still provide the agile analytical capabilities to ensure that broad sourcing events meet the needs of individual franchisees and other stakeholders across the organization.

Some of the capabilities of JAGGAER's Sourcing Optimizer that have proven most valuable in supporting QSCCs are:

Unlimited Scale

The ability to conduct sourcing events with unlimited numbers of items and bid elements enables QSCC to aggregate spends across thousands of individual Wendy's restaurants for more comprehensive and competitive bidding.



(This differed from the line item limitations of other eProcurement suites, which required QSCC to reduce the size of their eSourcing events, and restrict the price and non-price information they could collect from suppliers, therefore diminishing the effectiveness of their sourcing strategies.)

Expressive Bidding®, Including Multi-Level Capacity

Engaging suppliers in a more creative and collaborative bidding process, JAGGAER's Expressive Bidding approach enables QSCC's suppliers to provide more strategic and competitive bid responses, including proposals such as Conditional Offers that offer discounts based on volume commitments. Additionally, the ability to collect and evaluate each supplier's capacity to meet demand at multiple levels across the supply chain helps QSCC ensure uninterrupted supply of food products and other materials.

“What If?” Sourcing Scenarios

By making it easy to create multiple “What If?” scenarios that incorporate the preferences of restaurant franchisees and other stakeholders in decision making, QSCC is able to build confidence in their sourcing process and drive long-term support for sourcing contracts. JAGGAER's flexible rule building enables QSCC to include unlimited preferences and business constraints into scenarios that model real-world execution in the evaluation of supplier proposals.

Sourcing Scenario Optimization

JAGGAER offers the industry's most powerful sourcing optimization technology, which makes it possible for QSCC to conduct fast, iterative analysis of supplier bid data and various supply options. Using this capability, they can quickly review the results of “What If?” scenarios that evaluate supplier proposals alongside stakeholder preferences and business

requirements. With optimized scenario reports available in seconds, QSCC can engage internal stakeholders in evaluating dozens of sourcing awards that meet their real-world business needs in a single sitting to explore supply options and make better decisions.

The Future

Since adopting JAGGAER's Sourcing Optimizer, QSCC's sourcing team has successfully managed eSourcing events across a wide range of spend categories across the entire Wendy's supply chain, including:

- Food products such as proteins, bakery, dairy, etc.
- Transportation and distribution services
- Disposables and packaging
- Contract services
- Smallwares and kitchen equipment

"JAGGAER's Sourcing Optimizer is the only solution that is capable of handling both the size and scale of our sourcing events, but also of providing the necessary scenario analysis capabilities that we need to ensure that we are working with the right suppliers to deliver the freshness, quality and consistency that customers expect from Wendy's restaurants."

David Kourie,
Vice President of Food, Packaging
and Indirect,
Quality Supply Chain Co-op, Inc.

Americas

+1 919 659 2600
sales@jaggaer.com

Europe

+43 1 80 490 80
dach_sales@jaggaer.com

MENA

+971 4 360 1398
info@tejari.com

APAC

+61 (2) 8072 0644
apac_sales@jaggaer.com