

## CUSTOMER SPOTLIGHT

### MacLellan Integrated Services Achieves 15% Savings, Increased Diverse Spend and Recognition With ESG

Achieving positive, measurable, and trackable financial results is difficult for many businesses in the current economic environment. Doing so while also increasing Tier 1 and Tier 2 diverse spend, that's an even tougher challenge.

Lexington, KY-based Equity Solutions Group (ESG), a certified MBE, has the solution, and the measurable results they've achieved for one industry-leading customer offers a perfect example.

"ESG provides third party procurement support services, including automation of the entire purchasing cycle, through our experienced people, proven strategic sourcing processes and proprietary technology platform," says D. Mitchell, the company's Director of Business Development. ESG offers a ready-to-go catalog delivering immediate savings and the technology to access it, compatible with any existing procurement software a customer may be using. In addition, all goods and services provided by ESG serve to increase Tier 1 diverse spend. "This platform and business model was birthed out of need," adds Ray Daniels, ESG's President and CEO. "With it, not only do we offer a means for organizations to immediately enhance that Tier 1 spend. ESG also further develops Tier 2 spend up and down the entire supply chain."

For over two decades and with 26 locations across the country, MacLellan Integrated Services, Inc. has supplied some of the world's top manufacturers with critical industrial process and facility support services.

In 2017, ESG was tasked by Jeff Betzoldt, MacLellan's owner and founder, to put their expertise to work for them by outsourcing a significant portion of their purchasing process and spend. The results in this short amount of time are impressive:

- ESG has achieved a 15% expense reduction on products purchased versus historic baseline costs across multiple MRO related categories including safety/industrial supplies, office supplies, chemicals and more.
- Tier 1 diverse spend jumped from less than 20% to over 70%. Tier 2 diverse spend now exceeds 21% (best in class range).

- ESG's "many-to-one" portal allows access to savings from multiple suppliers via single interface. Steven Eades, MacLellan's Commercial Director, confirms that consolidation of the multiple business critical fulfillment companies the company uses down to ESG's unified online catalog has simplified the technology barrier and user experience. "Every fulfillment company we use has their own web site, their own interface...it can get confusing and slow down the ordering process," he adds. "With ESG's portal, our users only need to go to one place to buy all the products and services they have historically bought but at lower costs."
- MacLellan's increased emphasis on diverse spend and cost savings played a part in the company being awarded Toyota North America's (a long-time MacLellan customer) prestigious *Superior Performance Award* in 2019.

What are the next steps in the relationship? According to Mitchell, ESG will continue to consolidate and aggregate needed goods with existing fulfillment companies, reduce the number of SKUs utilized, maximize leverage for price cuts, and further standardize items being used across the enterprise. "We are confident ESG will provide procurement analytics

and standardization allowing MacLellan to maximize leverage and further reduce costs," says Eades. "ESG's valued partnership will aid MacLellan's competitive advantage for the foreseeable future, support MacLellan in meeting our current clients' savings targets and reduce costs for future clients."

"This is a strong example of how supplier diversity can really work when all parties involved are doing it for the right reasons and want to have a business benefit with measurable results," confirms Betzoldt. "Put simply, these results are what happens when supplier diversity goes right!"

#### *About Equity Solutions Group:*

*Equity Solutions Group, LLC (ESG), a certified MBE, is a strategic sourcing, procurement support services, and executive recruiting firm with an emphasis on expense reduction while ensuring competitive participation from qualified diverse businesses and personnel. More than two decades of experience working with leaders in the manufacturing, service, and other industries worldwide enables us to develop a framework for providing strategic solutions. To learn more about ESG visit us at [www.esgconsultingllc.com](http://www.esgconsultingllc.com).*

