



# Understanding our relationship with suppliers

North America

# Contents

01 Introduction .....	P3
02 Frequently asked questions .....	P4
03 The ERA Group process .....	P6
04 How we operate with suppliers .....	P8
05 What we expect from suppliers .....	P9
06 What ERA Group expects from suppliers .....	P10
07 Benefits of inclusion in our process .....	P11
08 Values of our relationships .....	P12
09 Complaints procedure .....	P14

We strive for long-term partnerships based on teamwork, trust, and transparency.

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# Introduction



ERA Group is a global network of more than 1,000 people in more than 50 countries. Since 1992, our mission has been to optimize costs and illuminate opportunities, revealing hidden value to help businesses unlock their full potential.

ERA Group works with thousands of clients worldwide to ensure they receive the best value in terms of price, process, quality, and service. ERA values both client and supplier relationships and works closely with supplier markets to provide the most current and relevant information to our clients.

As a supplier, you'll be pleased to learn that the ERA process is about more than just price. Our subject matter experts (Solution Delivery Specialists) collaborate with suppliers to identify opportunities for our clients to improve service, technology, and supplier support.

ERA Group is a consulting firm specializing in cost optimization and supplier management. We aim to obtain improved value from our clients' suppliers while recognizing that suppliers must also run profitable and sustainable businesses.

This guide is designed to help suppliers understand the ERA process, how we engage with suppliers and your involvement in the supplier-client relationship. ERA values the opportunity to create long-term, sustainable relationships with suppliers for current and future dealings.

## Frequently asked questions

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### Q Is ERA Group looking to take the incumbent supplier's account away?

Absolutely not. ERA Group has been engaged to obtain the best value in terms of quality, process, service, and price. It is ERA's standard procedure to include incumbent suppliers in the fair and neutral process of achieving optimized results. When using our unbiased method with the client and supplier(s), we often identify efficiencies that can help to adjust (or streamline) purchasing methods. These, in turn, could enable the incumbent suppliers to provide the client with the better value they seek.

### Q Is ERA Group looking for the cheapest price?

No. Our goal is to source a competitive solution for our clients that meets or exceeds their requirements. These requirements will always include price as a consideration. However, other factors are evaluated - such as the quality of the product/service, process improvement, account management, and value-added offerings. ERA's engagements typically extend for 24-36 months post-implementation of the new arrangements, and any pricing agreements or quality and service offerings must be sustainable. If ERA or the client determines that the arrangements are unsustainable or unsatisfactory, our ongoing commitment to our clients is to source alternative solutions as part of our engagement. The additional time and resources needed by all parties to do this may significantly impact the difference realized from the lowest-cost option.

### **Q Do you have your own preferred suppliers?**

**No.** Our consultants research the market in the best interest of our clients. They review suppliers based on each clients' individual needs, ensuring potential suppliers align with the business objectives of the client. In a typical scenario, ERA Group will invite incumbent suppliers, client-nominated suppliers and alternative suppliers that ERA believes can fulfill the client's specific requirements.

### **Q How is ERA Group remunerated?**

We are remunerated by the terms according to our engagement agreement and any bonuses, incentives, commissions, or referral fees in any supplier offering are transparent to our client.

### **Q I have submitted tenders to you before but never had any feedback, Why?**

Our consultants should notify you if you have been unsuccessful with a proposed solution and advise you of the reasons why the client did not select your service. If this does not occur, please contact the involved consultant directly to request feedback or contact [info@eragroup.com](mailto:info@eragroup.com) to make ERA Group aware of the situation. We want you to be informed about the decision-making circumstances for future opportunities.

# The ERA Group process



1. ERA Group gets engaged to perform a full review on a specific cost category



2. ERA researches the market on behalf of our clients



4. We analyze supplier responses, determining how well they align with the client's requirements



3. We brief the invited suppliers on the opportunity



5. Our consultants present available options to the clients, enabling them to make educated decisions



6. An implementation schedule is agreed upon with the successful supplier(s)



8. ERA assists the implementation of new arrangements



7. Suppliers are formally debriefed of the client's decision



9. Continuous monitoring for 24 - 36 months, ensuring agreed arrangements are maintained



10. ERA facilitates regular contact with both client and supplier(s)

ERA considers all those involved, and every step is examined closely so that all parties benefit from the agreements.



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The valuable partnership with ERA not only has ensured that Nazdar is procuring industry-competitive rates but also maintaining and solidifying the long-term supplier relationships that have been developed over decades. ”

DAVID AUSTIN, CHIEF OPERATING OFFICER  
NAZDAR COMPANY (AN ERA GROUP CLIENT)

## How we operate with suppliers

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You can expect an unbiased, courteous, and professional relationship with a team-oriented approach — focused on delivering solutions to our clients in a timely and sustainable manner.

ERA Group strives to involve incumbent suppliers in the early stages of the review process unless otherwise instructed by the client. By doing so, we can better understand their relationship with our clients and ensure they have an opportunity to retain the business. Our consultants utilize their collective expertise to quickly determine if current products and services purchased by the client reflect the best value at a fair market price. If we believe there is an opportunity to improve value for the client, or if the client raises concerns with the existing supply chain, a project review will occur. In this event, our consultants will select and invite qualified alternative suppliers to participate in the project review, alongside the incumbents.

## Benefits of working with ERA Group

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Our consultants regularly commence and manage many cost review projects, many of which involve reviews with multiple suppliers. Suppliers can benefit from the additional business development channel that ERA offers by making us aware of their product, service, and unique value proposition.



## What suppliers can expect from ERA Group

- Professional conduct and courtesy
- The opportunity to submit a proposal along with other qualified suppliers
- A timely response to all reasonable questions
- An invitation to offer greater value to our mutual client through product or service alternatives or innovations
- To be treated on a level playing field, along with other suppliers in consideration
- A full summary of relevant purchase patterns
- A copy of the letter of authority to negotiate on behalf of the client shall be provided upon request
- Discussions with consultants who fully understand the client's buying patterns, having completed a detailed review of historic purchasing
- A debriefing in the event of an unsuccessful response
- A suitable implementation schedule in the event of being awarded as future supplier
- Ongoing monitoring of implemented arrangements for a minimum of 24 months. This commonly helps support client purchasing behavior, establishes ERA as a mediator for any supplier or client disputes, and protects against competing suppliers eroding the new arrangements

“ I highly recommend ERA to any organization looking to positively impact their bottom line with an ethical, objective, and professional approach. ”

RICK BELLAMY, CHIEF EXECUTIVE OFFICER  
REISCHLING PRESS INC (AN ERA GROUP CLIENT)

## What we expect from suppliers

- Professional conduct and courtesy
- Prompt responses to all communications
- Accurate detail on any requirement submitted to suppliers
- Proposals which reflect long-term best value and not unsustainable offers to win contracts
- Submitting your best offer at the first opportunity. We do not believe in multiple rounds of negotiations without strong reasons. We encourage all suppliers to put their best proposal forward in their first response
- Respect for the contractual position the client has awarded ERA Group to deal with suppliers. Suppliers not to approach the client directly in an attempt to circumvent the process
- Best value: A combination of product and service quality, customer service, process, and price
- For suppliers to enjoy reasonable profit margin for the product or services they provide to our client
- Consistently meeting commitments specified in proposals, service level agreements, and other arrangements



## Benefits of inclusion in our process

Inclusion in our supplier database gives suppliers a long-term channel to market their products and services within the ERA Group Network. ERA has a team of consultants who, on behalf of thousands of clients, have a procurement influence over hundreds of millions of budgets annually. Suppliers who can meet the best-value requirements of our clients can win substantial amounts of new business at no direct sales cost to themselves.

### Entry in Our Database

A consultant will meet with suppliers who are new to our organization to gain a better understanding with regards to the company and its offered goods and services. The consultant will then enter the supplier's information into our worldwide database.

If suppliers have marketing information in electronic format (for example, catalogs or presentation material that they believe we should know about) they can forward materials to: [info@eragroup.com](mailto:info@eragroup.com)

### Update Procedure

To keep your database entry up-to-date, suppliers need to inform us of any changes, such as contact details and the range of products or services provided. They can do this by contacting an ERA consultant, or by sending an e-mail to: [info@eragroup.com](mailto:info@eragroup.com)



## Values of our relationships

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### **Remuneration**

ERA Group will be solely paid by its clients and no form of hidden remuneration or payment shall be received by any ERA consultant from suppliers.

### **Unsolicited gifts**

ERA wishes to make it clear that under no circumstances should any ERA consultant accept gifts from suppliers as remuneration or to influence results.

### **Conflict of interest**

We work exclusively for the client in a consultative relationship and will not allow any dealings or negotiations on behalf of that client to be influenced by any outside work.

### **Confidentiality**

ERA is committed to maintaining the highest degree of integrity in all their dealings with potential, current and past suppliers, both in terms of normal commercial confidentiality, and the protection of all personal information received while providing their business service.

### **Ethics**

We conduct our services professionally and ethically - and expect our clients and suppliers to do the same. ERA consultants' advice, strategic assistance, and work methods are implemented with the ethical considerations and the protection of their clients and suppliers in mind.

### **Duty of care**

ERA Group's actions and advice will always conform to relevant laws and standard industry practices.

## **Client agreements**

The consulting engagement with our clients authorizes ERA Group to represent the client in dealings with the supplier market but does not allow ERA to commit their client to any contractual obligations. However, clients often rely on ERA's experience in their final decisions regarding which supplier to work with in the future. The client agreement binds us to work in what we perceive to be a client's best interest.

## **Achieving best value**

In all supplier negotiations and subsequent recommendations to our clients, we will evaluate each offering on a basis of best value. A definition of best value shall include, but not be limited to, consideration of service levels, product quality, delivery terms, performance history, cost of supplier change, and price per unit that provides the greatest overall benefit under the specified selection criteria. We will never recommend a change of supplier based on price alone.

## **Quality assurance**

To maintain the quality of what we do, ongoing reviews of goals, activities, outcomes, and cost effectiveness are conducted via regular meetings with our clients as well as suppliers.

## **Professional conduct**

ERA conducts all their activities professionally and with integrity. We take great care to be objective in our decisions and with any recommendations we make, so decisions are never influenced by anything other than the best interests of our clients.

## **Equality and discrimination**

We strive to be unbiased in our advice and actions. Our decisions, actions, or recommendations are never influenced by issues of gender, race, creed, age, disability, or any other factor not directly related to the needs of their clients.

## Complaints procedure

As a further commitment to supplier relations, we have adopted a procedure for disputes and complaints. Should any supplier feel that they were not treated fairly, please raise the matter with your ERA consultant. Should the matter fail to be resolved to your satisfaction, the supplier should send an email detailing their concerns to: [info@eragroup.com](mailto:info@eragroup.com).

An ERA Group representative will acknowledge receipt of a complaint immediately. The complaint will then be investigated internally and ERA will report back to the supplier with the findings.

Please note that although ERA attempts to be open in all dealings with suppliers, in some instances, we may be bound by client instructions that prevent disclosure of certain details to suppliers or their representatives.



We value both client and supplier relationships, and work closely with supplier markets to provide current and relevant information to our clients.





Want to know more?  
[eragroup.com](http://eragroup.com)

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