

Turning supplier loyalty into \$2.7M in savings

How a manufacturing client unlocked significant cost savings by treating exclusivity as a negotiating asset — not a concession.

MANUFACTURING

CONTRACT NEGOTIATION

MARGIN ENHANCEMENT

THE CHALLENGE

This client was spread across multiple suppliers for the same category — a common default that feels safe but quietly leaves value on the table. Without consolidation, the business had limited leverage and no mechanism to turn its purchasing volume into a meaningful cost advantage.

Volume is only leverage if you're willing to use it. Most companies aren't — and suppliers know it.

WHAT WE DID

Savings Edge negotiated an **exclusivity incentive** — structuring a deal where the client's commitment to a single supplier was directly rewarded with meaningful cost concessions. Rather than treating exclusivity as a risk, we reframed it as currency: the supplier gained guaranteed volume, and the client gained pricing and terms that reflected that value.

Every dollar of exclusivity was tied to a dollar of savings — no vague promises of partnership.

RESULTS

\$2.7M

in total cost savings from the exclusivity agreement

1

streamlined supplier relationship replacing fragmented spend

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stronger long-term leverage through consolidated volume

The savings were substantial, but the structural shift mattered just as much — a more predictable cost base, a tighter supply relationship, and a contract framework built to compound over time.