

## CASE STUDY

# Materne Squeezes Out Savings and Strengthens Their Supplier Network by Running an RFP on Cartons with Arkestro

## About Materne Industries

Materne North America, also known as GoGo SqueeZ, is the leader of “Applesauce in a Pouch,” with over 65% in market share. Materne belongs to the world-renowned company the [BEL Group](#), also an Arkestro customer.

The company has a cartons baseline spend of \$20 million a year, coming in a variety of sizes from a consumer pack of 4 to a commercial pack of 48. With over 100,000 tons of apples purchased each year and 200 growers that they work with, it is no surprise they have a lot of products to package.


With a three-year agreement coming to a close with three incumbent suppliers, Materne turned to Arkestro to run an RFP on cartons.

## The Challenges




Vice President of Materne Procurement, Mathieu Pappalardo, faced two challenges. The first was that up until the supply chain crisis a few years ago, Materne’s main focus was on the bottom line — savings — as the existing suppliers’ network was enough to support the business. When the pandemic occurred, the focus expanded to business continuity to keep their operations running. Since the company is growing by the double digits every year, there were some concerns that Materne needed more suppliers to protect the business.

The second challenge was prioritizing adding more suppliers. Because of the company’s rapid growth and innovation pipeline, there were many projects in the queue and limited resources to execute. Adding a supplier takes resources from multiple departments and Mathieu’s team didn’t have the time or funding to execute on this project until recent changes within the company. If they could secure suppliers now, they’d have the flexibility to be prepared for the future.


## INDUSTRY:

 Food Manufacturing

## OBJECTIVES:

-  Obtain better pricing on packaging
-  Support business growth by expanding their supplier base
-  Become more strategic when analyzing data

## RESULTS:

-  **\$1 MILLION** in savings
-  **2 ADDITIONAL SUPPLIERS** added to supplier network

“*In the past, we had a strong enough network and we put savings as the primary target of any RFP. With our continued growth, now we ask, ‘Can we do that and also build a strong supplier network that’s going to help us keep growing?’*”

*There is a change in the mindset due to the supply chain challenges that we’ve all faced.*

~ MATHIEU PAPPALARDO, VICE PRESIDENT OF MATERNE PROCUREMENT

## Implementation

Prior to the first sourcing event with Arkestro, Mathieu had his team reach out to their three incumbent suppliers regarding renegotiating their contract. Materne was transparent that they were inviting new suppliers, but offered the incumbents a chance to come back with a new price proposal. If Mathieu and his team liked the prices that were sent, they would extend their current agreements.

Unfortunately they did not like what they received and the team turned to Arkestro to run a sourcing event. Initially Mathieu and his team were skeptical of being able to find new suppliers quickly, but they were pleasantly surprised by what they achieved.

## The Outcomes

Mathieu and his team were not only able to meet their objectives, but exceed them with Arkestro. They added two more suppliers for a total of five — giving them the peace of mind that they would have a backup on every single format (which they didn't have before). To top it off, they obtained a savings of \$1 million!

“ *The RFP we ran with Arkestro was a double success. We were able to both obtain \$1 million in savings and expand our supplier base. It was an amazing achievement!* ”

~ MATHIEU PAPPALARDO,  
VICE PRESIDENT OF MATERNE PROCUREMENT

## Looking Toward the Future

Materne Industries is on a mission to double in size over the next 5 years. That means Mathieu's team needs to continue building a strong supplier network. Not only will they need double the cartons, but apples, food puree, and more.

These exciting growth opportunities mean more projects for Mathieu and his team. They are looking forward to utilizing Arkestro to become more strategic and not spend days dumping data into Excel to analyze, but to instead spend that time focusing on the future of the business.

“*I have a great team and we have a lot of fun working together. They have been very resilient in the recent challenging years. I want to make sure I continue giving them the resources that they need, which is people, specific equipment, and tools. And of course Arkestro is one of the tools.*”

~ MATHIEU PAPPALARDO, VICE PRESIDENT OF MATERNE PROCUREMENT

## About Arkestro

Founded in 2017, Arkestro's Predictive Procurement Orchestration (PPO), taps into the power of behavioral science, game theory and machine learning to help companies make their best buying decisions faster across all addressable spend. Top enterprises leverage Arkestro to confidently optimize their procurement cycles with direct actions and clear recommendations, managing spend at scale without increasing headcount. See Arkestro in action at [arkestro.com](https://www.arkestro.com).



Ready to see how real-time recommendations can amplify your procurement team's impact? **Let's talk.**

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