

Executive Summary: How BuyMetrics Adds Value



Efficiency - Automated Workflows Save Time

Experienced lumber buyers consistently reduce cycle time, saving on-average one-third of their time and/or increasing purchase volume 2-3X. BuyMetrics Enterprise edition incorporates a full range of speed assists, templates, load calculators, up-to-buyer/down-to-vendor alerts and notifications, drill-down detail, PO issuance (no manual re-keying), auditable data trail.

Effectiveness - Shifts Control of the BUY to the Buyer

Historically, buyers have been price-takers. By leveling the market-information advantage long-held by sellers, BuyMetrics shifts control of the BUY to the buyer. BuyMetrics patented technologies uniquely provide transaction-level transparency - market data dynamically normalized/adapted to context of a specific item, at a specific time, for a specific client - bringing market benchmarks to the realm of the individual user, the individual transaction. *Decision-shaping information*. BuyMetrics improves execution and administration of buying process. Once implemented, purchasing becomes a series of teachable processes. Your corporate experience base is now in a database. Access to your data is via an intuitive, point and click interface, empowering you to analyze and measure performance (on-the-fly), quickly respond to changing opportunities, hone strategy and tactics, systematically improve outcomes.

Decrease Cost-of-Goods

BuyMetrics increases client's capacity to quickly and efficiently handle peak buying loads while simultaneously expanding market reach. Shopping more vendors improves price discovery especially in volatile, fast-moving markets - exactly when most lumber is purchased. Periodically BuyMetrics conducts yearlong studies of the purchases of large clients using its technology. Study methodology: for each purchase, calculate the \$\$\$ savings between the awarded PO and the next best offer: "*How much more would I have spent if I didn't see the winning offer*"? Findings for 2021: (1) the average spread versus the next best offer increased 2X from prior studies; (2) 36% of awarded POs went to secondary suppliers, CoG savings attributable to secondary suppliers increased 5X; (3) shopping via BuyMetrics produced quantifiable CoG savings of 390 basis points (\$390,000 added to client's bottom line for every \$10 million in lumber purchases). For details see BuyMetrics CoG Case Study for 2021.

Add Intelligence - Bespoke Measures

BuyMetrics patented technologies: (1) produce client-customized, context-specific metrics (market measures) for items/offers; and (2) generate a relative value metric for each offer (price divided by metric), the resulting index value enabling competing offers, including inherently unequal offers, to be objectively compared. The complexity comes in contextually ascertaining (learning) the client-specific, transaction-specific, item-specific adjustments required to turn mis-matched market data into useful information (applicable to your inventory, your locations). Beyond the immediate transaction, your most-current shopping data, including normalized-for-you metric data, represents *valuable data that can be aggregated, analyzed and re-purposed for use across your business* (i.e., to set quote/sell prices, negotiate contracts).

Maintain and Enhance Existing Supplier Relationships

Automated parallel workflow dramatically cuts the data collection cycle while preserving private one-to-one communications with valued suppliers. Founded by an industry veteran and collaboratively honed (over two decades) by experienced lumber buyers, BuyMetrics understands *the enduring value of the one-to-one buyer/seller relationship*.

Connect Your Supply Chain

BuyMetrics operates via a *private channel*, BuyMetrics Connections Portal, enabling purchase data to flow seamlessly to/from BuyMetrics and your back-office ERP system(s), vendor portals, logistics providers and other special-use applications, optimally providing near real time visibility across your supply chain. BuyMetrics authenticates all users. The use of e-mail is intentionally limited (mitigating cyber risk). Vendor notifications (if received via e-mail) take vendor to a secure BuyMetrics interface before any data is entered. Each vendor has access to a personal dashboard on the Connections Portal where he/she can manage all of his or her RFQs/Offer/POs in one place.