



Mitchells & Butlers serves up a **supply chain revolution**

The **company**

As one of the largest operators of restaurants, pubs and bars in the UK, Mitchells & Butlers provides a wide selection of dining and drinking experiences in 1,700 locations through well-known brands including Harvester, Toby Carvery, Browns and Vintage Inns.

Mitchells & Butlers (M&B) spends around \$1.3billion with suppliers each year. The Commercial Department at the Retail Support Center in Birmingham comprises three specialist individual procurement teams responsible for key spend categories such as food, drinks and indirects.

Procurement excellence program

In order to maximize the buying scale and encourage suppliers to invest in their relationship with Mitchells & Butlers, most of the spend with suppliers is contracted. There were mature offline processes and procedures already in place but they required a significant level of management as well as auditing processes that took time to maintain.

Mitchells & Butlers embarked on a procurement excellence program aimed at continuous improvement focusing on developing three core areas - people, processes and systems. Medius Spend Management was selected as the system to establish efficiency, control and reduced risk across the supply base. Working closely with Medius to configure the core platform to its specific needs, Mitchells & Butlers launched the system internally under the name GO!procure.

GO!procure

Going dutch - a collaborative approach

Mitchells & Butlers embarked on the process of transferring paper based contract storage over to a centrally stored online database within Medius Contract Management, and developed a contract compliance reporting suite that monitors adherence to policy.

Bringing a wealth of experience gained from dozens of successful implementations,

the Medius project management team worked closely with the Mitchells & Butlers team during the workshop phase to ensure the most efficient delivery of the solution and the approach to supplier onboarding. Medius regularly spent time with the central procurement team, adopting a consultancy role to support the delivery of the project.



Our supplier on-boarding overheads have been significantly reduced with Medius and we now have complete visibility of those approved suppliers across the business.

Simon Madders, Project Implementation Manager, Mitchells & Butlers

Positive change through relationship management

Eager to adopt a best practice supplier relationship management approach that developed supplier engagement and relationships, Mitchells & Butlers utilized a tiered structure to segment their supplier base.

Introducing initiatives linked to supplier tiers would provide a framework for regular engagement with key suppliers, improving supply-chain relationships, building trust and enhancing product engagement and innovation.

An easy-to-use system was key to success in the move away from a paper contracts process. The intuitive nature of the Medius system was central not only to its initial selection by Mitchells & Butlers, but to the success of the deployment and adoption across the organization.

Faster, more efficient sourcing and onboarding

Paper-based processes managed separately by each division meant that sourcing new suppliers and getting them set up could take weeks. These processes were also becoming difficult to manage from a compliance perspective, as there was a lack of audit trail.

Working with new suppliers was also very labor intensive. Setting up a new supplier could take 3-4 weeks, with suppliers filling in a Word document with their details, signing, dating, and returning it by post to be approved by Mitchells & Butlers stakeholders. The procurement team would then key in the supplier information manually into their payment system.

All subsequent changes to the supplier record would also be made manually.

Accelerated supplier on- boarding

This long-winded process, meant most of the information was held on separate drives or in different locations, giving no central view of the supply base for the business, and in particular around which suppliers had been approved and had met Mitchells & Butlers compliance standards.

Through Medius Supplier Information Management (SIM) the supplier onboarding process has been reduced to just a few hours. Medius SIM has proven to be extremely configurable, highly intuitive and easy to use which has helped quickly improve and speed up the onboarding process.



Better control of supplier approvals

Mitchells & Butlers also wanted to encourage company-wide use of the Medius solution in order for each division to retain control of its supplier selection and approval, while still involving the procurement function.

Now approved users within the business are able to issue Supplier Registration Forms (SRF) to selected suppliers, capturing and evaluating responses before moving onto an approval route which sits with the head of each department and procurement manager to approve and apply a relevant tier rating.

Senior administrators now have access to Medius SIM and are able to view approved suppliers across the business, with some users also able to create contracts, subject to their permission settings. The SRF is centrally stored against the supplier record, so that supplier responses containing information including insurance certificates, health and safety policies and finances are visible to the rest of the business.

Improved supplier visibility

Medius Spend Management allows Mitchells & Butlers to develop a master supplier database and gain critical control and visibility, saving time and unlocking internal resources for other tasks, all while reducing risk and inefficiency across its numerous businesses.

Having access to dynamic SRFs, automated approvals and the ability for suppliers to upload documentation electronically has significantly helped Mitchell & Butlers reduce supply-side risk. With the option to report on every element, it means stakeholders now have full visibility of the completeness of the businesses' supply chain.



Medius SIM has given us the ability to onboard suppliers through a structured, clear and concise approach. Our procurement teams can be confident that all information provided by the supplier is captured correctly, quickly and efficiently, and approved via the appropriate channels.

Simon Madders, Project Implementation Manager, Mitchells & Butlers

Driving a compliant supplier base

A key requirement for Mitchells & Butlers was to show compliance and evidence of up-to-date supplier information with a complete audit trail of how that information was collected.

With the tracking available in Medius Supplier Information Management this is now possible, with features such as automated alerts and reminders for when supplier data and documentation is nearing expiration. This offers the supplier an opportunity to provide accurate information ahead of any expiration deadline.

With rigid controls around supplier information, supplier data can be collected in a timely manner, and with information stored electronically in the system, procurement can easily highlight or flag to its suppliers any company polices with which they are not compliant.



Key statistics:

- Mitchell & Butlers has 3,000 active compliant suppliers across its food, drink and indirect categories
- 20-30 suppliers are onboarded per month via Medius
- 2,900 live suppliers on Medius
- Supplier on-boarding process reduced from 3-4 weeks to a few hours
- Reduced supply-chain risk
- Improved supplier relationships

Keeping a tab on spend

The depth of functionality and reporting capability was a critical requirement for Mitchells & Butlers. The procurement team needs to be able to demonstrate to the rest of the business the results generated by their savings initiatives. Medius reports are underpinned by Microsoft SQL Reports allowing Mitchells & Butlers to easily extract highly complex and customized information as required.

A five-star success story

When Mitchells & Butlers acquired Orchid group in June 2014 it gained an influx of new suppliers, but using Medius SIM it was able to easily evaluate and onboard those new suppliers in just a few weeks.

Putting Medius at the heart of its procurement excellence program has enabled Mitchells & Butlers to gain real visibility of its spend under contract. This is vital to monitoring spend change with different suppliers and measuring this against contract values.



As Mitchells & Butlers continues to grow we are confident that we have found an innovative solution that can flex and adapt as we do.

Simon Madders, Project Implementation Manager, Mitchells & Butlers

Supplier compliance

One key category to benefit is building maintenance and facilities management. Suppliers in this category now have access to Medius Supplier Information Management to upload their own insurance documents and details where previously this would have been maintained offline. This is now a compliance pre-requisite before Mitchells & Butlers will trade with a supplier.

Medius provides Mitchells & Butlers with an easy to access, secure, cloud-based platform utilized by hundreds of team members and suppliers to improve supplier compliance and visibility. Medius is a class-leading platform that will support Mitchells & Butlers in achieving its procurement objectives, driving positive process changes as it continues to grow.

The results

Mitchells & Butlers key procurement best practice successes include:

- 1,155 contracts stored in Medius Contract Management with suppliers that have been onboarded, approved and have agreed-upon terms
- 1,300 users fully proficient in the use of the Medius solution
- Complete visibility of the supply-chain and contracts
- Significant increase of spend under contract
- Process efficiency and time-savings



About **Medius**

Medius AP management software replaces the work and worry of invoices with AI and automation. Medius goes far beyond basic automation by using artificial intelligence to do the work - so invoices get coded, approved and paid, and your business can trust your budgets and forecasts without the fear of potential fraud. And you won't have to worry about implementation and ongoing administration costs, because you'll start seeing the value immediately and the innovation won't stop. To learn more, visit medius.com.



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