



Value Based Procurement Partnership

The organisation

The Telethon Kids Institute is a not-for-profit medical research institute with a vision to improve the health and wellbeing of children through excellence in research. Established in 1990, the Institute has adopted a multidisciplinary approach to major health issues: clinical research, laboratory sciences and epidemiologists to tackle complex diseases and issues in a number of ways. Winning competitive research grants enables Telethon Kids to conduct research in four key areas being Aboriginal health, Brain and Behaviour, Chronic and Severe Diseases and Early Environment.

The challenge

Telethon Kids was experiencing fragmented procurement, inconsistent pricing, excessive delivery costs and high volumes of invoices from multiple suppliers and approached Staples to explore a procurement partnership that would be centred on long term strategic alignment and shared values. In conjunction with the Institute, Staples conducted a comprehensive supply chain review and identified more than 50 providers supplying workplace supplies causing business inefficiencies such as duplication of function and invoices being processed across varying cost centres. Furthermore, bulk orders from various suppliers were consuming research inventory space and costing a disproportionate amount of precious grant funds.



The journey

Staples proposed a solution that would not only reduce procurement costs but also support fund raising and allow Telethon Kids to concentrate on their core mission. By providing access to products across a range of business categories, Telethon Kids were able streamline their ordering processes and achieve efficiencies through order consolidation and online ordering.

Staples also introduced on-site Vending Solutions to alleviate storage space and provide quick access to every day needs such as office products. As an office solutions industry leader with a national footprint, Staples also proposed a nation-wide cause marketing initiative to support additional fund raising for the Institute.

The results

As a single source supplier with a best practice supply chain capability, Staples has been able to assist Telethon Kids to reduce expenditure, free up staff resources and utilise procurement savings for core research initiatives. This was achieved by reducing the number of vendors which enabled Telethon Kids to consolidate their ordering, invoicing and reporting.

By launching a unique co-branded cause marketing campaign, Staples now offer a range of speciality co-branded office, facility and education products to their large national customer base with 5% of the total net sales being donated to the Telethon Kids Institute to directly increase research funds. The success of this initiative included Staples Merchandising Team being able to implement both businesses' brand guidelines seamlessly across the products to create a unique range of promotional products with a cause.

"The new cause-based marketing initiative between our two organisations will raise national awareness of the Institute's important research and provide an avenue for businesses, governments and even schools to support the Institute simply by ordering these specially branded items".

**Nick Wood, Director, Corporate Services,
Telethon Kids Institute**



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