




RETAIL CASE STUDY

PROCUREMENT TRANSFORMATION FOR A \$10B APPAREL RETAILER

The business's explosive global growth — doubling digital revenue and quadrupling international sales — put immense pressure on procurement resources, leaving indirect spend categories decentralized and under-optimized.

With limited investment and resourcing, the company's procurement function struggled to keep pace with its growth, resulting in:

-  **A lack of formalized category management structure**
-  **A reactive, tactical approach to buying**
-  **Minimal savings tracking and reporting capabilities**

Recognizing procurement as a lever for value creation and operational efficiency, the leadership team partnered with LogicSource to build a Best-in-Class sourcing and procurement capability.

MULTIBILLION-DOLLAR APPAREL RETAILER

INDUSTRY	Athletic Apparel & Footwear
SUPPLIER COUNT	~3,000+
ADDRESSABLE SPEND	\$554MM
GLOBAL LOCATIONS	~500
EMPLOYEES	8,000+
ESTIMATED REVENUE	\$10B



Through this embedded partnership, LogicSource delivered **\$54MM+** in net cumulative value through FY2022, enabling rapid transformation.

CLIENT PROCUREMENT CHALLENGES



Under-Resourced Procurement Capacity: Procurement operations were stretched thin across rapid international and digital expansion, lacking a centralized team and consistent tools to scale indirect sourcing effectively.



Fragmented Spend Management: Indirect categories like Marketing, Facilities, IT, Logistics, and Packaging were decentralized across departments, limiting visibility and leading to fragmented supplier relationships.



Limited Tech Enablement: Procurement lacked a system of record across Source-to-Pay with no centralized contract repository or rate card library existing, impeding automation and savings validation.



Lack of Category Management Discipline: The absence of formal category strategies, demand management, or supplier governance contributed to inefficiencies in rates, sourcing cycles, and vendor consolidation.

THE LOGICSOURCE SOLUTION



Procurement Transformation at Scale: LogicSource deployed a fully integrated solution across Lululemon's indirect categories, combining 10 on-site resources with 32 scalable shared services to deliver immediate and sustained impact.



Category & Strategic Sourcing Excellence: Allocated both dedicated and shared resources to effectively manage nine key indirect spend areas – including IT, Facilities, Logistics, Packaging, Store FF&E, and Marketing – leveraging LogicSource's \$180B in cross-portfolio spend and supplier ecosystem.



Operating Model & Governance Rebuild: The solution introduced a governance structure, executive alignment, a central buy desk, and procurement metrics, elevating procurement's role as a strategic partner to the business.



Source-to-Pay Technology: LogicSource implemented its market-leading Source-to-Pay technology platform, OneMarket, enabling the client to automate critical workflows and processes, thereby advancing procurement maturity.

PERFORMANCE HIGHLIGHT



Delivered \$54MM in incremental value by FY2022



Enabled procurement transformation across \$553MM in indirect spend



Consolidated 2,000+ low-spend vendors



Identified \$36.5 - \$42MM in annualized gross savings through rate optimization, value engineering, and operational redesign



Benchmarked and renegotiated contracts in Facilities, IT, and Logistics to align with market-best rates

Get in touch with us to find out more, or schedule your free assessment with us [here](#).

[LEARN MORE](#)



logicsource.com