

**COUPA** The Trusted Platform for Business Spend Management



# **Tetra Pak Un-Boxes Sustainability**

SOURCING MADE EASY WITH COUPA

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## TETRA PAK UN-BOXES SUSTAINABILITY

### SOURCING MADE EASY WITH COUPA



**KAUL PADILLA** Category Manager, Tetra Pak

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#### STAY LEAN AND GET GREEN

Multinational food packaging and processing company Tetra Pak, founded in 1951 and headquartered in Switzerland with operations in over 160 countries, is considered a leader in sustainable packaging solutions. It is known around the world for its iconic tetrahedronshaped cartons made of paperboard, which are used to package liquids such as milk, juice, and soup. The company also provides a wide range of equipment, services and solutions for processing and packaging food and beverages.

Tetra Pak provides its customers with complete integration from the start of a process sourcing raw materials and ingredients, using a recipe to produce and develop a specific food, right through to the packaging, warehousing and distribution. It proudly stands by its purpose to make food safe and available everywhere and to protect what's good: food, people and the planet.

Supply chain logistics, especially in food handling, has always been of paramount importance to Tetra Pak. An efficient supply chain logistics system aids in minimizing waste and expenses while enhancing efficiency and customer satisfaction. Premium logistics management is imperative for food companies to stay competitive, promote sustainability, and meet regulatory requirements.



#### DATA POWERED, FACT-BASED

To stay ahead of the competition, Tetra Pak turned to Coupa Sourcing Optimization (CSO) where the solution powers its logistics categories - road, air, express, and ocean freight and warehousing services.

"Tetra Pak faces many of the same challenges as other companies worldwide," says Raul Padilla, Category Manager, Tetra Pak, "There is a lot of volatility, uncertainty, complexity, and ambiguity. Coupa Sourcing Optimization gives us the tools and processes to make smarter decisions faster to address those challenges."

The ability to arrive at smarter decisions faster comes down to one word: Data. As organizations continue the process of digital transformation, the opportunity to collect, store, analyze and act on that data grows. However, the sheer volume of data available now can be a headache for organizations who do not have the technology or wherewithal to take advantage.

CSO is an invaluable tool for Tetra Pak when it comes to data analytics driving the optimum price point with suppliers. "We have been using CSO for more than eight years now and during that time it has been used to analyze data and help us go to market quicker, making fact-based decisions faster," explains Raul. "Without CSO it would not be possible to generate fact-based reports as quickly as we do."

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#### EVOLVING WITH THE TECHNOLOGY

Tetra Pak has evolved its use of CSO over time, growing and building competence to generate stronger tenders, improve templates, and standardize processes. However, Raul identifies two ways that Tetra Pak currently utilizes CSO where the biggest benefit and value is realized. The first is how it calculates savings, and the second is how it helps Tetra Pak understand forecasts from salespeople and transmit that information to suppliers.

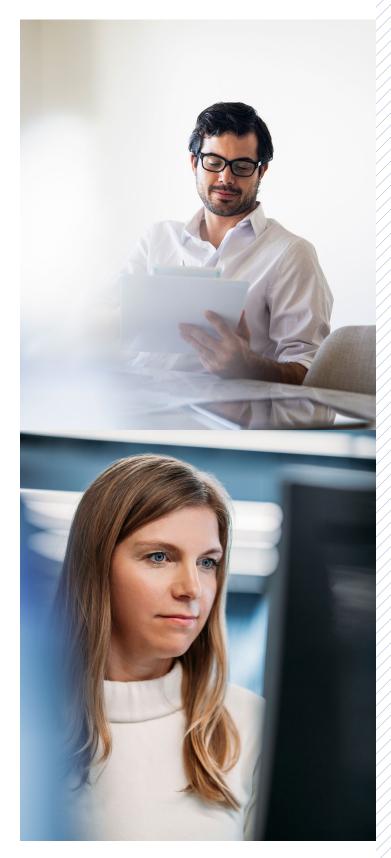
"We calculate savings on a quarterly basis. But we don't have all our systems interconnected, so this makes things a little bit difficult," describes Raul. "However, it is quite easy to upload data to CSO, which can then calculate and process the information, making reports ready for download."

When it comes to making forecasts, Tetra Pak also handles a considerable amount of information from several different sources. "Our suppliers measure in 'tonnage,' they measure in 'number of pallets,' they measure in 'number or volume of equipment.' We have different units of measurement that need to be translated. We do it all in CSO," states Raul. "We run all these calculations and are able to project a forecast."

Before implementing CSO, everything was done quite manually. Furthermore, the process was done differently from country to county, which meant every single country was running just their data, running their own tenders with their own suppliers.

"When we implemented CSO, we could change our way of thinking about how we combine bundled volumes and supply chains," shares Raul. "For example, in road freight for Europe, perhaps the volume is around €80 million. By addressing that into one tool, we have been able to control not only the freight cost, but also our supplier base."

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#### A SUSTAINED FOCUS ON THE ENVIRONMENT

To walk the walk and live up to its motto 'Protect what's good: food, people and the planet', Tetra Pak places a great deal of emphasis on extending its sustainability efforts into the supply chain. When it comes to greenhouse gas emissions, it has set the target of achieving net zero by 2030 in its own operations and 2050 for its whole value chain.

Around 5% of all the greenhouse gas emissions are in the transportation at Tetra Pak and so it is developing KPIs using CSO, enabling it to address emissions, and include targets in its tenders. "That way suppliers will know that it will be a criteria for selection, and it is not just 'nice to have' but is more like a license to operate at all," adds Raul. "In Supplier Management we are continually improving, selecting the tools that are a good fit for our organization - looking forward two, three, or five years. We have seen and appreciated the development of Coupa. We see the potential of Coupa and Tetra Pak working together to share not only CSO but other modules that can really talk to each other and further improve our processes."

## **About Coupa**

Coupa is the cloud-based Business Spend Management (BSM) platform that unifies processes across supply chain, procurement, and finance functions. Coupa empowers organizations around the world to maximize value and operationalize purpose through their business spend.

Coupa's community of 3,000+ customers use the platform to maximize the value of over \$4T of direct and indirect spend to date.

For more information, visit coupa.com.

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