



Industry: Retail

Employees: 40,000

Geographies:
North America

Challenges

- Spend classification
- Spend visibility
- Decentralized, off-contract buying

Solutions

- Spend Analysis (AIC)
- Expenses
- Procurement
- Invoicing

Results

- **100%** visibility across billions in spend
- On-contract buying
- Exceeded post-acquisition synergy goals

Bass Pro Shops Realizes Acquisition Synergies with Business Spend Management

Bass Pro Shops, North America's premier outdoor and conservation company, is the leader in fishing, hunting, boating, and outdoor sporting goods. The company had grown rapidly with 200-plus locations across North America but realized that it had a problem with spend visibility prior to completing a major acquisition. Lacking a mature business spend management system, Bass Pro wasn't able to fully consolidate spending by category to maximize its buying power. Though it had hundreds of millions in spend, the company's indirect procurement team didn't have the visibility needed into spend across the entire company. Buyers struggled to negotiate the most favorable deals and didn't have the control they needed to push spend onto negotiated contracts.

In 2017, Bass Pro acquired another outdoor sports leader, Cabela's, for nearly \$5 billion. Bass Pro's leadership then faced the challenge of using the combined buying power of the two companies to achieve aggressive synergy goals. The company's Director of Non-Merchandise Procurement, who had extensive experience at companies with mature spend management systems, realized the team would need immediate visibility into all spend.

Bass Pro engaged Coupa's Spend Analysis capabilities to give its team the visibility needed to realize its acquisition synergy goals and reap the business benefit of spend visibility across the growing company.

Weathering the Acquisition Challenge

Typical of large acquisitions, the Bass Pro management team set aggressive goals for synergies in the first two years following the acquisition. While the best-planned synergy assumptions are often difficult to achieve, Bass Pro realized there was huge potential in consolidating indirect spend. With full visibility into the combined non-merchandise spend across Bass Pro and Cabela's, putting many categories out for combined bid was relatively straightforward (e.g., one company had been using FedEx; the other, UPS).

Achieving acquisition synergies called for visibility into spending across both Bass Pro and Cabela's to spot opportunities for better deals. In Bass Pro's case, this was challenging because it was running not one but multiple general ledgers. Consolidating and categorizing spend data across Bass Pro and Cabela's would be essential but extremely challenging.

Coupa Supports Over-Delivering on Synergy Goals

Acquisitions are risky by their very nature. Failing to deliver on savings targets can mean missing synergy assumptions baked into the purchase price and communicated to investors. Failure on synergies can happen right out of the gate.

Bass Pro's story is one of success. The company used Coupa Spend Analysis tools to get visibility into 100% of non-merchandise spend across all ERPs from both Bass Pro and Cabela's, despite the multiple-ledger challenge. Visibility contributed to realizing the company's goals for acquisition synergy in each of the first two years and in some cases exceeding goals dramatically.

While mature Spend Management systems typically capture and classify spend before transactions post to the general ledger, Coupa's Spend Analysis was used to connect to each of Bass Pro's ERP systems and classify spend after the fact. It provided the classification that the Bass Pro procurement team needed to meet aggressive goals.

Building on the AIC Gains

Once Bass Pro got visibility into spend with Coupa Spend Analysis, they wanted a full spend management solution. They realized that, in order to drive all new spending onto their contracts and capture the full benefits they negotiated, they needed an effective Procure-to-Pay process and system across the company. Otherwise, people would continue using their old ways. The company is rolling out the full Coupa Business Spend Management (BSM) suite to get an improved process with upstream controls.

Another change at Bass Pro involves the CFO's engagement with Procurement. As a result of Procurement's contribution to the achievement of synergy goals, Bass Pro's CFO understood that huge gains had been made in spend visibility. No longer keeping spend at arm's length, the CFO now wants to review spend categorization for the whole company to further unlock value.

Conclusion

Bass Pro realized their acquisition synergy goals with Coupa. For other companies undergoing an acquisition process, which always brings with it unforeseen challenges and uncertainties, Coupa Spend Analysis offers a bridge to provide visibility for those with substantial spend but little visibility and control. With implementation of the full Coupa BSM Suite, companies can add the control over spend they need to maximize results.



“We exceeded synergy targets following our \$5B acquisition of Cabela's, using Coupa to understand and classify 100% of combined spend.”

— **David Elford**,
Director of Non-Merchandise Procurement

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