

Foodbuy assists Member in maximizing their broadline distribution strategy and achieving a 4.4% rebate improvement.

Member Profile

This Member is a regional hotel management company operating mostly in the southeastern US with some locations in the Midwest.



Focuses on developing, investing and operating properties as well as servicing for third-party management contracts. The company specializes in the two to four-star hotel segments.

The Challenge

This Member was looking for a way to improve their level of service through broadline and deliver savings. Their volume was split 70%/30% between two distributors, and the member had a number of requested improvements which included: consolidating to one broadline distributor; achieving one delivery per week per location; accessing Foodbuy deals and items stocked at DCs; stocking products that move 5 or more cases per week; adjusting to mark-up vs. margin; and formalized auditing included in their agreement.

The Solution

Foodbuy performed an assessment of this Member's current master distribution agreement (MDA). After review, the Foodbuy Distribution Team recommended a full RFP on behalf of the Member. Foodbuy drafted the RFP, worked with the three interested parties to ensure the most competitive bids, and made the award following close consultation and review with the Member. Foodbuy also offered to manage the agreement following implementation and throughout the life of the contract.

The Results



Foodbuy delivered a single source broadline solution and an agreement that featured a 3-year term with two one year exceptions and a 60-day, no-fault, exit clause.



Foodbuy helped the Member secure tiered brand and drop incentives.



By following Foodbuy's Distribution Plan, this Member achieved a 9.4% reduction in distributor mark-up and a 4.4% rebate improvement on their broadline purchases.