

Fuller, Smith & Turner PLC: major savings in energy and water

Background

A family-owned London-based brewer listed on the London Stock Exchange, Fuller, Smith & Turner PLC owns and operates the Griffin Brewery in West London together with 380 pubs, inns and hotels in southern England. With annual turnover of £392 million (2017), the company produces almost 200,000 barrels of beer each year. In a relationship that dates back to 2004 and 125 sites, *Consultus* today is helping Fuller's to better support its operations and reduce costs across more than 300 sites.

Challenges

An intensive consumer of energy and water, Fuller's diverse portfolio ranges from its Chiswick HQ - beer has been brewed at the site since the 1600s, to bars, washrooms, kitchens and bathrooms for pubs and hotels. The company previously had a five-year fixed price energy contract and wanted more flexible arrangements enabling them to take advantage of fluctuating market pricing; this contract was fit for purpose in a low energy cost environment but as energy costs were rising it had become increasingly expensive. The opportunity was to reduce costs and improve accuracy while providing essential utilities. Hayley Conroy says, "We introduced flexible purchasing arrangements enabling the Fuller's team to still be in control of pricing whilst *Consultus* provided expert advice and carried out all the administration: the Fuller's team recognised this was a more sophisticated way of purchasing which removed the peaks and troughs from energy costs."

Leading UK brewery business is benefiting from *Consultus* energy management services including Advice & Consulting, Energy Procurement, Contract Negotiation, Cost Avoidance, Risk Management, Metering and more.

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'Our brewery, pubs and hotels depend on power and water: Consultus expertise helps Fuller's to better understand, plan and consume these essential utilities.'

See the solution overleaf

Solution

At contract renewal, *Consultus* negotiated optimal rates and conducted a bill validation audit for current and historical bills. In the years since, *Consultus* services have focused on Consulting, Procurement and Bill Validation across a complex portfolio, including Supplier Contract Negotiation, Account Management, Risk Management and managing AMR (smart meter) rollout across the entire gas and electricity portfolio. "We continue managing the integrity of all Fuller's data," Conroy says. "We have weekly conference calls with the appointed Data Collector and our team is consistently analysing and validating all metered and logged data."

Outcomes

"*Consultus* works harder to deliver more, and take pride in delivering great service," says Fran Howell, Head of Procurement, Fuller, Smith & Turner PLC. "This includes fast response times if we encounter issues, typically within hours - so key performance indicators are good. We can ensure essential services are delivered across our estate while benefiting from improved accuracy and insights into consumption and costs, financial savings, and reduced risk."

In a recent power contract renegotiation, *Consultus* negotiated a halving of the supplier margin, saving more than £14,000 each year. Savings across the entire contract totalled £36,000. In another case, the *Consultus* Bill Validation team identified spurious consumption on

- three invoices, querying this with the Data Collector and supplier, and providing evidence when this was disputed. "We had to pursue this case repeatedly on Fuller's behalf, with a great deal of persistence and escalation," says Conroy. "We ultimately secured a credit of £37,000. One of the great aspects of our bill validation is access to historical profiles. This means we're in tune with a client's consumption, so can see anomalies quickly and act faster."

When an unidentified gas meter 'appeared' through bill validation, the *Consultus* investigation included a site visit. This supply was actually feeding an adjacent non-Fuller's site. A six-month escalation resulted in a full £18,000 refund of incorrect charges. In the same period, renegotiating a meter operator (MOP) and Data Collector (DC) contract with the incumbent supplier for all AMR (smart meters) saved Fuller's £18,500 over the contract term, while removing year-on-year RPI increases provided clear cost avoidance and financial benefits. In terms of going 'above and beyond', *Consultus* received a late afternoon call from Fuller's: with a surveyor onsite for a new pub opening and an engineer ready to commission a gas meter, an issue had emerged with the safety regulator. "The situation was time-critical, the pub had to open, so we immediately contacted the National Grid," Conroy says. "We knew the right people to call." In a little over two hours, the National Grid visited, the meter was calibrated and the engineer could proceed. With the UK water market now fully deregulated, *Consultus* are currently carrying out a full supplier tender for all of Fuller's water supplies.

“*Consultus* provides Fuller's with a focused and efficient service: the team has excellent industry knowledge and is proactive. We do expect the highest levels of support and that is what we get from *Consultus*.”

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