NORTHBRIDGE COST ADVISORY

OPPORTUNITY REPORT

Prepared for Acme Corp

Performance-based cost reduction • Paid only on verified, accepted savings

Report Date	May 4, 2026
Baseline Period	Last 12 months of invoiced spend (as submitted)
Categories	Telecom / Communications · IT / Technology · Professional Services · Facilities / Real Estate · Office Supplies / MRO · Utilities / Energy · Fleet / Vehicles
Currency	CAD
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Executive Summary

Across **7 categories in scope** and **CAD 1,400,000 in baseline annual spend**, Northbridge has identified **CAD 310,350 in likely annualized savings** — a reduction of **22.2%** on addressed spend.

BASELINE SPEND	LIKELY SAVINGS	SAVINGS RANGE	
CAD 1,400,000	CAD 310,350	CAD 219,350 – CAD 401,350	

Headline findings

- Telecom / Communications (30.0% of spend) — CAD 147,000 opportunity. Mobile fleet right-pricing against current national rate cards. Fixed connectivity re-tender or renegotiation. Bundled service audit to identify unused inclusions. Line inventory assessment. Line inventory audit to.

- IT / Technology (20.0% of spend) — CAD 56,000 opportunity. Seat audit across all user-based SaaS tools. ELA renewal benchmarking against market. Convert on-demand cloud resources to reserved instances where usage patterns support it. Consolidate overlapping tools.

- Fleet / Vehicles (17.9% of spend) — CAD 37,500 opportunity. Consolidated fleet maintenance tender. Fuel card program renegotiation. Lease rate benchmarking at next renewal cycle. Insurance program competitive tender.

- Professional Services (10.7% of spend) — CAD 22,500 opportunity. Retainer scope and utilization audit. Rate benchmarking against Canadian market for equivalent credentials. Retainer re-scoping to consumption-based or capped models. Competitive tender for engagements in their third.

Realized Savings = supplier-negotiated + client-accepted. Fees are calculated on the negotiated rate differential, not on downstream implementation or consumption.

Spend Breakdown

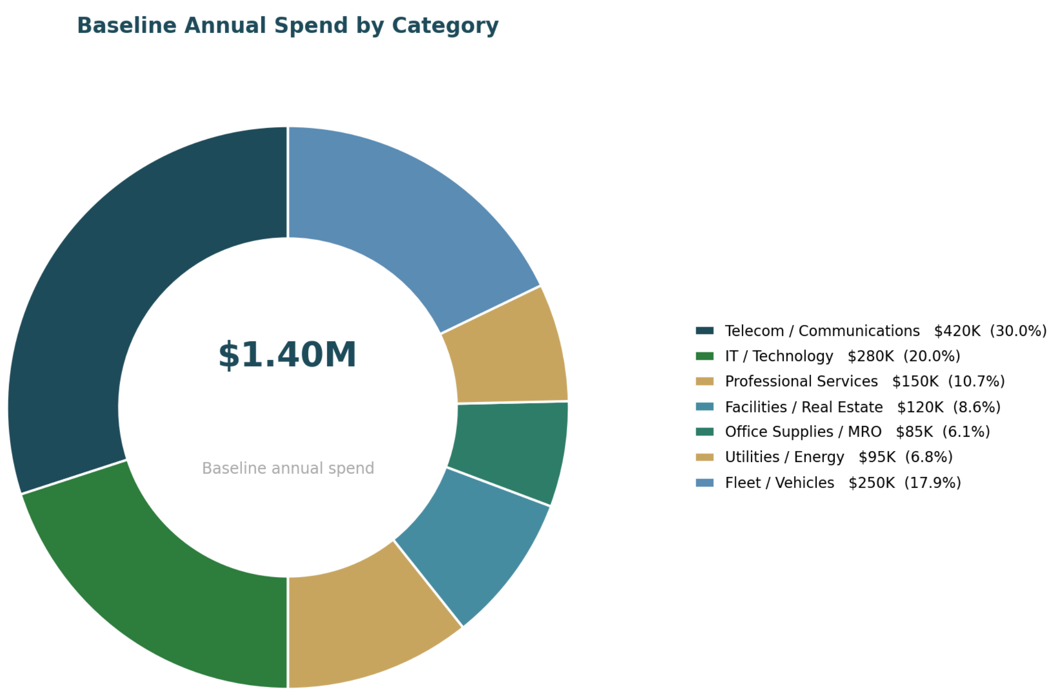

Figure 1 — Baseline annual spend of CAD 1,400,000 by category. Top two categories together account for 50.0% of addressable spend.

Engagement Context

Scope

This engagement covers 7 indirect spend categories at Acme Corp. Baseline period is the most recent 12 months of invoiced spend as submitted. Cost of goods, regulated items, and capital expenditure are excluded from scope.

Methodology

- Baselines established from submitted annual spend data per category.
- Opportunities benchmarked against Northbridge Canadian market reference data and comparable private-sector engagements.
- Savings estimates shown as annualized, post-negotiation rate differentials applied to submitted baseline volumes.
- All figures in CAD.

What is not in this report

- Projections of unimplemented savings. We report the opportunity — Acme Corp decides acceptance.
- Implementation cost-to-serve, change management fees, or internal FTE time.
- Capital expenditure, cost-of-goods, or regulated fees outside engagement scope.

Savings Summary

Ordered by dollar impact. Confidence reflects Northbridge's view on negotiated outcome based on current Canadian market data and supplier posture.

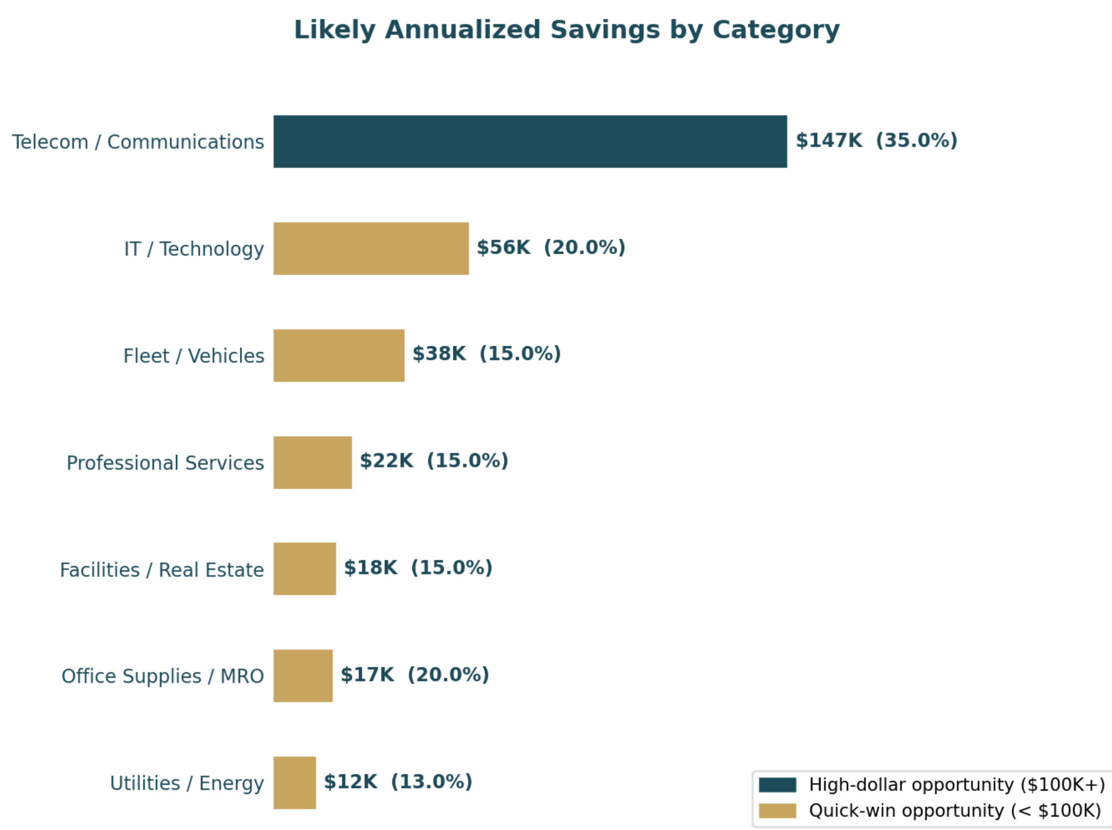

Figure 2 — Likely annualized savings by category. Top three categories drive 77.5% of total opportunity.

Category	Baseline	Low	Likely	High	% Spend	Confidence
Telecom / Communications	CAD 420,000	CAD 105,000	CAD 147,000	CAD 189,000	35.0%	H
IT / Technology	CAD 280,000	CAD 42,000	CAD 56,000	CAD 70,000	20.0%	M
Fleet / Vehicles	CAD 250,000	CAD 25,000	CAD 37,500	CAD 50,000	15.0%	M
Professional Services	CAD 150,000	CAD 15,000	CAD 22,500		15.0%	M
Facilities / Real Estate	CAD 120,000	CAD 12,000	CAD 18,000	CAD 24,000	15.0%	M

Office Supplies / MRO	CAD 85,000	CAD 12,750	CAD 17,000	CAD 21,250	20.0%	H
Utilities / Energy	CAD 95,000	CAD 7,600	CAD 12,350	CAD 17,100	13.0%	M
TOTAL	**CAD 1,400,000**	**CAD 219,350**	**CAD 310,350**	**CAD 401,350**	**22.2%**	

Confidence: H = supplier concession already signalled or market overwhelmingly supports · M = market supports, negotiation required

Savings Range & Confidence by Category

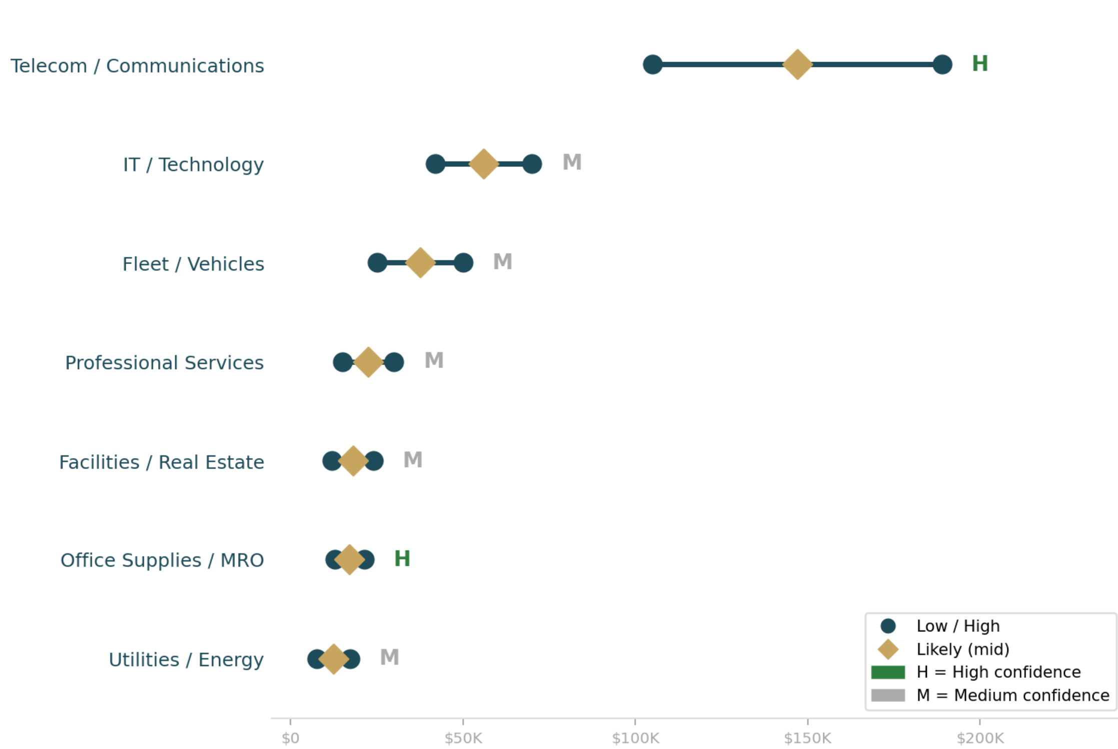

Figure 3 — Low / Likely / High savings range per category, with confidence rating. Diamond marks Likely; range bar shows Low to High.

Category Findings

Presented in order of dollar impact. Each block: what we found · opportunity · recommended path.

Telecom / Communications

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 420,000	**CAD 147,000**	**35.0%**	**High**

What we found

Telecom contracts commonly run 24-36 months without renegotiation. Mobile fleet plans and fixed internet/MPLS circuits frequently sit on rate cards from 2022-2023. CRTC market data shows Canadian telecom pricing has declined 15-25% in equivalent service tiers since 2022. Bundled packages often include unused conferencing, landline, or data services.

Opportunity

Mobile fleet right-pricing against current national rate cards. Fixed connectivity re-tender or renegotiation. Bundled service audit to identify unused inclusions. Line inventory assessment. Line inventory audit to decommission unused circuits. Mobility contract re-pricing against current national rate cards.

Recommended path

- Week 1 -- invoice and contract audit across all telecom suppliers. -- Finance / IT
- Week 2-3 -- competitive process for mobile and connectivity. -- Northbridge
- Week 4 -- MPLS right-sizing and circuit decommission plan. -- Northbridge
- Week 5 -- Savings Opportunity Sheet per accepted concession. -- Northbridge

IT / Technology

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 280,000	**CAD 56,000**	**20.0%**	**Medium**

What we found

SaaS licensing is frequently over-provisioned. User-based tools (Microsoft 365, Salesforce, Adobe, Zoom) commonly carry 15-25% unused seats. Multi-year ELA renewals are rarely benchmarked at renewal. Shadow IT subscriptions (departmental credit card purchases) inflate the true cost of IT. Cloud infrastructure spend is negotiable. Cloud infrastructure benefits from reserved instance conversion and right-sizing.

Opportunity

Seat audit across all user-based SaaS tools. ELA renewal benchmarking against market. Convert on-demand cloud resources to reserved instances where usage patterns support it. Consolidate overlapping tools.

Recommended path

- Week 1 -- full SaaS and cloud spend inventory including shadow IT. -- IT / Finance
- Week 2 -- seat utilization audit per tool. -- IT
- Week 3-4 -- vendor renegotiations and ELA right-sizing. -- Northbridge
- Week 5 -- Savings Opportunity Sheet per accepted concession. -- Northbridge

Fleet / Vehicles

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 250,000	CAD 37,500	15.0%	Medium

What we found

Fleet maintenance and leasing contracts are often negotiated on a per-vehicle basis, a common source of overspend. OEM maintenance bundles often include service levels not aligned with actual usage. Fuel card programs carry interchange and service fees that are negotiable at volume. Fleet insurance premiums are rarely market-tested annually.

Opportunity

Consolidated fleet maintenance tender. Fuel card program renegotiation. Lease rate benchmarking at next renewal cycle. Insurance program competitive tender.

Recommended path

- Week 1 -- full fleet inventory: vehicles, maintenance contracts, fuel spend. -- Fleet / Finance
- Week 2-3 -- maintenance and fuel card renegotiation. -- Northbridge
- Week 4 -- Savings Opportunity Sheet. -- Northbridge

Professional Services

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 150,000	CAD 22,500	15.0%	Medium

What we found

Professional services retainers and project engagements are rarely re-tendered after initial award. Hourly rates for legal, accounting, consulting, and HR advisory commonly sit 15-25% above market for equivalent credentials and scope. Retainer scope is often misaligned with actual utilization. consumption-based or capped models. Competitive tender for any engagement in its 3rd year or beyond.

Opportunity

Retainer scope and utilization audit. Rate benchmarking against Canadian market for equivalent credentials. Retainer re-scoping to consumption-based or capped models. Competitive tender for engagements in their third year or beyond.

Recommended path

- Week 1 -- retainer inventory: scope, utilization, and rate per supplier. -- Finance
- Week 2-3 -- rate benchmarking and retainer re-scoping conversations. -- Northbridge
- Week 4 -- competitive tender for engagements flagged for re-tender. -- Northbridge
- Week 5 -- Savings Opportunity Sheet per accepted concession. -- Northbridge

Facilities / Real Estate

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 120,000	CAD 18,000	15.0%	Medium

What we found

Facilities contracts for janitorial, cleaning, and building maintenance typically run 2-3 years and are rarely re-tendered. Effective rates per square foot vary significantly across vendors. Security monitoring often involves redundant service tiers. HVAC maintenance contracts frequently include unused service levels.

Opportunity

Harmonize specifications across all sites. Consolidate janitorial and maintenance under fewer vendors. Review security monitoring for redundant layers. Benchmark HVAC contract against current market.

Recommended path

- Week 1 -- site inventory and current contract review. -- Facilities Manager
- Week 2-4 -- consolidated RFP to 3-4 regional vendors. -- Northbridge
- Week 5 -- award + Savings Opportunity Sheet. -- Northbridge

Office Supplies / MRO

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 85,000	CAD 17,000	20.0%	High

What we found

Office supply contracts are frequently on 3-5 year old pricing with significant off-catalog (rogue) buying. Print services managed under per-page contracts often carry rates well above current market. Staples, Lyreco, and Office Depot pricing has declined materially in recent renewal cycles.

Opportunity

Renegotiate primary supplier contract at 2026 market rates. Close rogue buying through single-supplier enforcement. Print services re-tender.

Recommended path

- Week 1 -- 12-month spend analysis including off-catalog purchases. -- AP Manager
- Week 2-3 -- primary supplier renegotiation + print services quote. -- Northbridge
- Week 4 -- rogue-spend policy enforcement + Savings Opportunity Sheet. -- Northbridge

Utilities / Energy

Baseline Annual Spend	Likely Savings	% Reduction	Confidence
CAD 95,000	CAD 12,350	13.0%	Medium

What we found

Electricity and natural gas contracts in deregulated Canadian markets are frequently on auto-renew terms that are above current competitive rates. Fixed-price contracts signed during 2021-2022 peak-price periods present re-pricing opportunity as shoulder rates have softened significantly since 2022.

Opportunity

Electricity and gas competitive tender in deregulated markets. Fixed vs. variable rate renegotiation with hedge on shoulder months. Demand management review.

Recommended path

- Week 1 -- utility bills and contract review across all sites. -- Facilities / Finance
- Week 2-3 -- competitive tender in deregulated markets. -- Northbridge
- Week 4 -- rate restructure + Savings Opportunity Sheet. -- Northbridge

Risks & Assumptions

Each risk is rated on likelihood, impact on Realized Savings, and mitigation built into the engagement structure.

Risk	Likelihood	Impact	Mitigation
Supplier incumbent resistance. Vendors may decline to concede or threaten service disruption.	**Medium**	**High**	Competitive process with 3–5 qualified alternatives per category. Incumbents offered match-right in final round.
Baseline data anomalies. 12-month spend may include one-time charges that misrepresent the true baseline.	**Low**	**Medium**	Baselines reconciled against GL. Baseline Schedule issued at end of Phase 1 with 10-business-day client review.
Market-rate drift between analysis and contract execution.	**Low**	**Medium**	Benchmarks re-validated within 30 days of execution. Savings calculated on negotiated rate × contracted volume.
Volume decline post-negotiation. If actual consumption drops, dollar savings shrink proportionally.	**Medium**	**Medium**	Realized Savings defined on rate differential × contracted annual volume at point of acceptance.
Contract notice periods delay cash realization.	**Medium**	**Low**	Notice windows factored into roadmap. Fee trigger occurs at acceptance; cash savings follow the contract cycle.
Client execution risk. Rollout and supplier onboarding sit with Acme Corp.	—	N/A	Implementation is outside Northbridge scope. Acme Corp's internal lead owns rollout.

Key Assumptions

- Baselines derived from submitted annual spend data. Client to confirm GL reconciliation at baseline lock.
- Annual volumes held at submitted levels. Material business change would reset the Baseline Schedule.
- Supplier commercial willingness estimated from current Canadian market data; individual outcomes may vary within the Low–High range shown.
- All figures in CAD. No FX conversion required.

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Implementation Roadmap

The sequence below converts identified opportunities into Realized Savings across an 8-week engagement window. Northbridge drives the supplier-side work; Acme Corp owns internal decision rights.

Weeks 1–2 · Baseline Lock

- CFO or Finance lead countersigns the Baseline Schedule per category.
- Letter of Authorization signed and distributed to suppliers in scope.
- First supplier information requests issued.

Weeks 2–6 · Negotiation & Acceptance

- Competitive processes run in parallel: Telecom, Utilities, Facilities, Office Supplies.
- Direct renegotiations: IT/SaaS vendors, Professional Services retainers, Fleet maintenance.
- Each concession documented on a Savings Opportunity Sheet within 48 hours of supplier confirmation.
- Acme Corp returns Acceptance Sheet within 10 business days per Engagement Letter §4.

Weeks 6–8 · Close-out & Invoicing

- Accepted opportunities consolidated into final Acceptance Log.
- Tiered fee calculated and invoiced (est. .
- Trailing 12-month provision begins on engagement termination.

Disclaimers & Next Steps

Savings are opportunities, not guarantees

Figures in this report reflect the negotiated or negotiable differential between baseline and market-supported rates at the time of analysis. Actual Realized Savings depend on Acme Corp’s acceptance and on supplier willingness to commit to negotiated terms.

Confidentiality

This report is prepared for Acme Corp only. Do not distribute externally without prior written consent.

Independence

Northbridge holds no commercial relationship, referral arrangement, or financial affiliation with any supplier named in this report.

Next step

Schedule a **30-minute report walkthrough** with the Acme Corp CFO and Head of Finance to confirm priorities, lock the baselines for the two highest-dollar categories, and authorize the competitive processes.

Questions — contact@northbridgecost.com · Cindy Sharp, Founder, Northbridge Cost Advisory