BLUE STREAM FIBER · TECHNOLOGY & TELECOMMUNICATIONS

$2.75M out of material and sub cost while scaling for growth

A fast-growing regional fiber provider brought ballooning inventory under control, consolidated suppliers and built procurement processes fit for its next stage.

$2.75M	30%	12 !’ 7	150%
reduction in material and sub cost	reduction in inventory value	suppliers after consolidation	inventory cost growth controlled

BASELINE

Blue Stream Fiber is a Florida-based provider of internet, TV and phone products delivered over a fiber network it built itself. The company was growing fast and preparing for private equity investment and, ultimately, an IPO. But growth had outpaced the operating infrastructure. Operations were siloed, systems were not integrated, and inventory costs had ballooned by 150% with limited controls and no defined procurement or inventory management processes. Heading into diligence, that is both a cost problem and a credibility problem.

WHAT WE DID

- **Competitive bid and negotiation with incumbent suppliers**, testing pricing that had never been tested.
- **Leveraged spend to fewer suppliers**, consolidating from 12 to 7.
- **Renegotiated purchase order values** with distributors.
- **Developed standard bills of materials**, so design and construction could order consistently.
- **Optimized the sales process to use inventory on hand**, rather than ordering against stock already owned.

IMPLEMENTATION AND ADOPTION

Process changes ran through the teams doing the work. We improved the sales and operations planning process, tightened communication between design, construction and the warehouse to reduce errors, and improved inventory data accuracy so decisions were made against real numbers.

VALIDATED RESULT

- **$2.75M reduction** in material and subcontractor cost.
- **Inventory value reduced 30%**, releasing working capital that growth had tied up.
- **Supplier base consolidated from 12 to 7**, concentrating volume and simplifying management.
- **Shorter subcontractor lead times** and more efficient design and construction.

Blue Stream came out of the work with lower costs and, more importantly for its next stage, defined procurement and inventory processes an investor or acquirer can see working.

SERVICES · ASSESS · ADVISE · EXECUTE

Every number here was validated with the client. Read the full case study and the rest of our work at **s2vadvisory.com/projects**.

Book a Quick 15 to talk through whether the same approach fits your spend: **s2vadvisory.com/contact**.