

# Fine Tune Partners with MH Equipment to Manage and Optimize Key Indirect Expense Categories

*Ongoing expense management program saves MH Equipment 58% on Waste Disposal Costs and \$91,000 on Uniform Agreement Buyout*

CHICAGO, IL, US, March 29, 2021 /EINPresswire.com/ -- [Fine Tune](#), a provider of indirect spend



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*Brad Barrow, CFO, MH  
Equipment*

management services, today reported results from negotiations of more favorable uniform rental and waste disposal agreements—despite preexisting confines of set, remaining contract terms—for MH Equipment, a construction, janitorial, and material handling equipment dealership with 33 locations across the US.

## Uniform Rental

In 2014, MH Equipment partnered with Fine Tune to strategically manage their uniform rental program.

A few years into the partnership, MH Equipment acquired

new locations serviced by a different uniform rental supplier than legacy MH Equipment sites. The legacy sites were previously included in a national uniform rental program already negotiated and managed by Fine Tune.

The inherited uniform supplier agreement included a remaining four-year term on a “boiler plate” local agreement, but MH Equipment’s goal was to immediately move the acquired sites to the already-managed national agreement and re-dress the employees in their approved uniform image.

To protect MH Equipment from exorbitant costs related to the pre-term switch, Fine Tune began with an analysis of the inherited uniform rental agreement and program, revealing a gross miscalculation of liability in the supplier’s initial buyout offer.

To start, of the five sites acquired, Fine Tune found only one was listed on the inherited agreement, though the initial buyout offer was calculated to include all five sites.

It was also found that a majority of the acquired sites' rented uniforms had been in use since 2008 at the start of the agreement. Fine Tune knew this meant the individual liability for most of the uniforms had already been paid through weekly rental fees, and the uniforms were not in a state rendering them particularly valuable.

With these findings—only one of five sites written into the agreement and the aged state of the uniforms—along with a concern for fairness, Fine Tune calculated an equitable buyout based on:

- Expert industry knowledge of fair market purchase prices coupled with consideration for the uniforms' aged state
- An offer to purchase all uniforms in service, but at fair market pricing, with the alternative being a steadfast approach of only paying a buyout for the one site written into the agreement

The Fine Tune-calculated and ultimately accepted buyout amount came in \$91K less than the original offer, increasing MH Equipment's bottom line.

Additional benefits included MH Equipment keeping and now owning their uniforms due to paying for them via buyout, and a switch four years early from the inherited sites' supplier agreement to the national uniform rental program already in place for the other MH Equipment sites—resulting in additional cost avoidance and savings due to more competitive rates and terms.

### Waste Disposal

Fine Tune and MH Equipment began partnering on the management of MH Equipment's waste disposal category in 2018.

Due to the decentralized nature of MH Equipment's waste disposal program—and often, waste disposal programs in general—most sites' agreements necessitated one-by-one set up.

Using their dedicated expertise, Fine Tune got to work organizing and tracking the mix of waste disposal agreements currently in place and their wide-ranging terms and pricing (i.e. the baseline).

While analyzing each waste disposal agreement, Fine Tune found that up to a few years' term remained on the majority of MH Equipment sites' agreements, and several of the sites' suppliers faced little to no regional competition.

However, unphased by this sub-optimal negotiations landscape, Fine Tune put their proficiency to work and negotiated vastly improved waste disposal agreements with both improved pricing and terms.

In the end, MH Equipment sites' newly negotiated waste disposal agreements produced an

average savings of 58% from baseline.

“It’s become clear since partnering with Fine Tune that effective management of these burdensome tail spend categories requires deep expertise and vigilance,” stated Brad Barrow, CFO, MH Equipment. “And Fine Tune’s competency for both simply cannot be replicated—they’ll find and secure savings that could never be achieved left to one’s own devices, especially when constraints such as remaining term are present.”

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#### About Fine Tune

Headquartered in Chicago, Illinois, Fine Tune partners with companies to source, negotiate, manage and audit certain complex indirect expense programs. Led by executive-level industry insiders, Fine Tune has also developed proprietary auditing software which monitors client invoices to ensure adherence with the implemented agreements. Several of the world’s most recognizable brands have chosen Fine Tune, including Cargill, Pep Boys, Siemens, Advance Auto Parts, Caterpillar, and MilliporeSigma. For more information, visit [www.FineTuneUS.com](http://www.FineTuneUS.com).

Richard Young

Fine Tune

[ryoung@finetuneus.com](mailto:ryoung@finetuneus.com)

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