

Saint-Gobain Transforms Rebate Process with Icertis

Saint-Gobain digitizes and streamlines rebate tracking to reduce supply chain leakage.



Global construction materials leader with 180,000 employees and €41.8 billion in 2018 revenue across operations in 68 countries.

Contract Intelligence Objective

Streamline supplier rebate process to reduce leakage and improve visibility.

Solution Highlights

- Gained full visibility into 2.4 million rebate rates from 700 suppliers governing the purchase of 125,000 products
- Rebate income expected to improve by £3 million
- Accelerated contract generation cycle times
- Ensured that all supplier relationships are governed by contracts before transacting materials or services
- Improved forecasting of annual and quarterly revenue generated from rebates



Business Challenge

Saint-Gobain UK earns most of its business through wholesaling construction materials to small, privately-owned contractors. To earn a profit from retail sales, Saint-Gobain must meet contractual sales targets built into every agreement with suppliers, which triggers a rebate or set of rebates.

Saint-Gobain had a manual, inefficient rebate contracting process that limited visibility into specific and holistic rebate cash flow. Agreements took too long to draft and execute: In 2018, fewer than 50 percent of Saint-Gobain UK's contracts governing that year were signed by the halfway point of the fiscal year.

Executing a contract took weeks or months, as paper contracts needed to be signed and were

often misplaced. To locate a specific agreement, or all agreements that contained a given clause or set of terms or conditions, a Saint-Gobain employee would be obliged to read a large number of contracts and sort them by hand. Important rebates could remain unclaimed for months or missed completely.

For example, as of May 2019, over £1.1 million in 2018 rebates were still withheld because of unsigned contracts.

This had significant consequences for Saint-Gobain's business. The company's rebate earnings total is typically five times larger than its end-of-year profit. Saint-Gobain's business model requires strong rebate recovery in order to stay in the black.



The Solution

Saint-Gobain selected the Icertis Contract Intelligence (ICI) platform after an extensive evaluation process. The company will use the platform to digitize all of its paper contracts, which will allow it to access all of its contracts in a centralized cloud repository accessible from anywhere in the world.

ICI surfaces all rebate rates across the organization using natural language-search and artificial-intelligence tools. Contract data, rebate data and insights appear on configurable dashboards, which

users can customize to display actionable information specific to their role or division.

Contract origination is simplified, automated and standardized using ICI's template and clause library. Vendors can negotiate and redline contracts using ICI's third-party portal, which also offers SLA reporting and RFX proposal and auction functionality. Agreements are executed faster than ever, as users can e-Sign agreements as soon as they are alerted that a new agreement is ready using configurable, automated notifications.



The Results

With ICI, Saint-Gobain UK will accelerate revenue recognition from rebates. Supplier disputes will be reduced significantly, as ICI automatically provides a comprehensive audit chain documenting every event in the contract lifecycle, and transactions will no longer take place prior to the execution of a governing agreement.

Revenue withholding and other execution-related challenges will be prevented in the future by

dramatically accelerating contract origination and execution cycles. Agreements meeting legal and commercial standards will be drafted, reviewed and executed faster than ever.

With ICI in place, Saint-Gobain will have unprecedented visibility and insight into its commercial rebates, ensuring that a foundational revenue stream can be fully documented and parsed.

“By taking advantage of all the data that Icertis will produce for us, we’ll be able to improve processes and make better decisions.”

Andrew Hughes,
Senior Finance Analyst,
Saint-Gobain UK



With unmatched technology and category-defining innovation, Icertis pushes the boundaries of what's possible with contract lifecycle management (CLM). The AI-powered, analyst-validated Icertis Contract Intelligence (ICI) platform turns contracts from static documents into strategic advantage by structuring and connecting the critical contract information that defines how an organization runs. Today, the world's most iconic brands and disruptive innovators trust Icertis to fully realize the intent of their combined 7.5 million+ contracts worth more than \$1 trillion, in 40+ languages and 90+ countries.