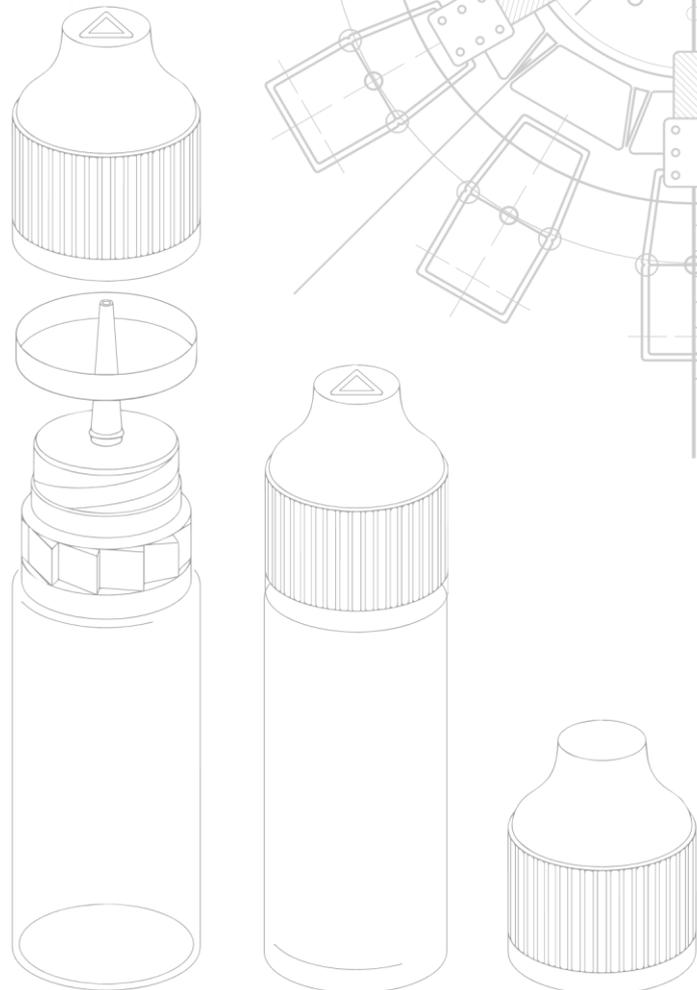


Rejuice

LEADING THE WAY IN

INNOVATION & PRODUCT DEVELOPMENT

# The National **PROCUREMENT** Awards 2022



## Organisation Background:

Rejuice Laboratories Ltd. was established in Carlow, Ireland in 2014. Our objective was to source local Irish and European ingredients to create new and unique flavours for the European vaping community. It currently employs 16 staff at its Begenalstown location. Annual turnover is approximately three million.

The foundation of company Rejuice is built on values, which differentiate us and guide our actions. We operate in ethical and socially responsible manner. We benefit the communities where we work. Our mission is to drive sustainability by engaging with suppliers, stakeholders, and related sectors on impactful activities. Sustainability brings together vendors and suppliers to commit to improve performance, supply chain by integrating values in the overall procurement process. Our tradition (practice) of giving back to society, invokes trust among community, vendors, suppliers, employees, shareholders, and the consumers.

Key members in Rejuice's procurement division include:

### **Ann Plotka, Procurement specialist**

Ann is head of Rejuice's logistics and procurement division, with 12 years of experience in business development and supply chain and holds a degree in Specialist in Intercultural Communication from Minsk State Linguistic University and a Master of Business from The Institute of Technology Carlow. Other relevant qualifications include Effective People Management, Project Management, Customs Clearance, Dangerous Goods by Air.

### **Michael Seger: Head of New Business**

Michael has over 35 years in the retail, wholesale sector and is a seasoned campaigner in the Import / Export business. Michael was an early adopter into researching and sourcing quality vaping products in to Ireland. Michael is responsible for researching and overseeing the onboarding process for new suppliers.

### **Kieran Raleigh: Head of ISO & Quality control**

Kieran has a degree in Industrial Design from The Institute of Technology Carlow and designed and implemented the Rejuice ISO management system standards which helped improve our performance by specifying repeatable steps that Rejuice consciously implement to achieve our goals and objectives, and to create an organisational culture that reflexively engages in a continuous cycle of self-evaluation, correction and improvement of operations and processes.

### **James Moran: Customer Relationship Manager & Head of Sustainability**

James is responsible for building and maintaining profitable and sustainable relationships with key customers and keeping those customers updated on the latest products to increase sales. James is also responsible for evaluating the efficacy of Rejuice's sustainability programs. James holds a degree in Information Systems from the University of Liverpool and a Master's degree in Global Financial Information Systems from The Institute of Technology Waterford.

## Project Background

### OUR PROCUREMENT PROCESS

Rejuice use a **Hybrid project management methodology** in relation to procurement.

It is a combination of the Waterfall and Agile practices and takes the best components of both, incorporates them in a flexible, yet structured concept that can be used across different procurement projects. This approach focuses on gathering and analysing requirements initially, and then it takes the flexibility with an accent on rapid iterations. The method gives a significantly increased resilience and if the requirements don't change significantly,

the adjustments can be made as they are requested. Any decisions that are made must comply with the budgeting and scheduling restrictions set up front.

The Supply chain is seen as a standalone project where the stakeholders and scope are clearly identified.

The choice of practice determines how procurement team works and communicates. The decision depends on the type of project, and the scope. Five phases/processes help to achieve certain objectives and are autonomous of project phases and indicate a very detailed sequences of process groups that should be accomplished. These are referred to as Initiating, Planning, Executing, Monitoring and Controlling, and Closing.



**Initiating.** This process also includes identification of stakeholders and developing project charter.

**Planning.** The scope along with risks, milestones, summary, and budget are outlined in initiation stage at a high level. In planning stage, however more detailed planning technique are used in project documents at a much more detailed level over time. The requirements are to establish and plan the scope, work on objectives, define and sequence activities required to achieve the objectives, estimate their duration, and develop schedule, estimate, and manage costs, plan quality and resource management, plan communication, risk, management and engage with stockholders. The team can strategize the whole project through in advance and consider all the things that might be at risk and how they might respond to them.

**Executing.** Keep the team on track, create deliverables, acquire, and coordinate resources, manage work and stakeholders' communication and engagement.

**Monitoring and controlling.** Regulating development and performance of the project and identifying the areas that require change and driving it.

**Closing.** During this phase the project is closed officially. "Lessons learned" along with other historical data are recorded to be used as input to future projects to prevent future mistakes.

The culture and values of the company cascade down and allow to create interconnected workplace for procurement, where the team is working closely, creatively, and productively. It helps to drive organizational and personal effectiveness.

Project management methodology that has been embedded in the procurement concept helped to reduce errors and increase supply chain quality scores, especially in the new product development process.

## Execution & Challenges:

### Project is continuing to produce a regulated safe, consistent, and well-regulated product

To add strategic value, Rejuice implements People Management in a way that it enables the company to execute every element of business strategy cohesively. **Rejuice treats human capital as the core resource**, and for this reason the company is managed efficiently to obtain and sustain competitive advantage. Management of the company created a process through which they built the workforce and created human performances that the organization needs.

The objectives are to be strategic and plan how the team can achieve the established goal, and make sure that every employee and the team are growing in line with the goals of the Rejuice. Leadership makes sure the individuals are motivated, challenged, that all skills areas are sufficiently covered, and they are working to their strengths. This approach is very efficient when introducing a new equipment, technology, or a new production line.

### The importance of compliance

The Rejuice procurement team makes sure all ingredients and packaging are fully TPD compliant. TPD (Tobacco Products Directive) is a directive of the European Union which regulates the sale and merchandising of tobacco and tobacco related products in the EU. Vaping currently falls within this category also. TPD also aims to improve the functioning of the internal market for tobacco and related products, while ensuring a high level of health protection for European citizens.

As such Rejuice work closely with HSE (Health Service Executive) and to the highest ISO 9001 quality management standards. Our products and packaging were set as an example by the HSE inspectors and ISO authorities.

The choice of the suppliers and vendors is strongly interdependent on ISO 9001 standard. The process involves evaluation and classification of every supplier depending on their weight in Rejuice production chain.

The team does an overview on the production chain on every supplier and vendor, evaluate weak and risky spots. This gives an opportunity to improve the service Rejuice provides. An example of our evaluation criteria can be seen below:

SUPPLIER A			SUPPLIER B			SUPPLIER C		
CATEGORY	SCORE	WEIGHTING	CATEGORY	SCORE	WEIGHTING	CATEGORY	SCORE	WEIGHTING
Price			Price			Price		
Performance			Performance			Performance		
Service			Service			Service		
Innovation Potential			Innovation Potential			Innovation Potential		
Quality			Quality			Quality		
Delivery Reliability			Delivery Reliability			Delivery Reliability		
Risk Potential			Risk Potential			Risk Potential		
Compliance Rate			Compliance Rate			Compliance Rate		

One of the objectives for Rejuice when working with suppliers is to create **synergies** that help all companies in the chain work together in a harmonious and congruent manner.

Our suppliers have previously indicated that they felt continuously supported during the work process, as per a testimonial provided below by one our leading packaging suppliers:



*“We have been partners with Rejuice for more than 5 years and have always been extremely happy with our working relationship. The last few years were challenging, especially with dealing with Brexit and Covid factors. Rejuice have been extremely helpful and accommodating throughout unprecedented times. We have worked together in mitigating risks, identifying opportunities and industry forces by analysing the operating environment. Rejuice took a proactive approach in all aspects of the supply chain. We always felt that having an ISO system was important and working with our partner we saw why using the project management approach can help overcome all obstacles if they are identified in a timely manner.” Steve Mallett, Sales Director*

**Our key suppliers:****Bottles tips and caps:**

Awards: national contract-honoring, credit-respecting enterprise, high-tech enterprise, clean production enterprise, low carbon benchmark enterprise. Raw material comes from recycling Pet bottles and industrial waste Pet.

**Carton packaging, labels:**

Paperboard sourced from sustainable European forests. Member of the World Land Trust, Carbon balanced carton.

Water and vegetable soluble based inks and coating, adhesives- coldest curable or water-soluble adhesives. Film and laminates less than 3% by weight, removable, peelable by the customer preferred. ISO 14001 certified, FSC C139200 certified.

**How we overcame Brexit, (new supply chains sought as back-up), Covid (Factory never closed and pivoted to making hand sanitiser) & recent war escalation in Ukraine (Pressure on PG & VG supply chains – testing rape seed as alternative, eco-friendly source).**

Rejuice started working on Brexit solution in 2020. We identified opportunities and threats of the Brexit and made few changes in each supplier's charter, including lead time, customs clearance procedures and extra costs involved. Customs Clearance knowledge helps to liaise with clearance team and to prepare the documents correctly for the customs clearance.

During Covid, Rejuice followed all the WHO and HSE guidelines, introduced new procedures and practises, including remote work, which helped up to stay open through the whole pandemic. In 2020 we started the production of hand sanitiser in 10 ml bottles and successfully completed the project in 2021. Our products were sold to hospitals, pharmacies, and retail stores.

Prior the pandemic we initiated the plan “Remote work with China”. Rejuice agents working on behalf of the company and protect our interests in China. It helps us to keep an eye on recent trends, identify the opportunities and threats and be proactive in making strategic decisions.

The uncertainty with the supply chain that was caused by recent war escalation in Ukraine made us look for the alternative sources of glycerine. We are currently testing Rapeseed Glycerine, which is also the sustainable product. New rail route for products delivery from China was successfully tested.

**All started communicating via ZOOM & Teams to keep communication with each other & existing suppliers.**

These unprecedented times have created challenges for Rejuice. We are fully committed to supporting our suppliers and continuing established relationships but to maximise our ability to do this Rejuice sent an email to all vendor and suppliers where we asked them for:

- Adequate notice of any price increase, to allow us to explore other possible contingences.
- Advance warnings of material shortages that will affect our orders.

- Advance warnings of extended production times.

We received positive feedback from all our suppliers and offer to support us in our innovative way to deal with challenges. We initiate Zoom calls every 3 months to review our account with suppliers.

## Innovation:

To sum up the unique efforts and processes we have implemented within the last few years include:

- 1) the hybrid project management methodology implemented in the procurement process;
- 2) synergy is used as a concept in business networks;
- 3) Brexit, Covid and war escalation response;

**We have also taken a pro-active approach on sustainability & being a CSR (corporate social responsibility) organisation.**

As of early 2024 all Rejuice 10 ml will be produced from 100% recycled plastic. Our packaging suppliers have taken proactive approach on sustainability and social responsibility, which means 6,5-ton reduction in CO<sub>2</sub> trace from forest to finish product, 93.45% packaging solutions sold as Chain of Custody certified in 2021. 69 awards across the globe in areas such as packaging innovation, sustainability design and print. Rapeseed glycerine is on our agenda.

**We are working on traceability improvement**, which includes tracking the supply chain for the end customer. We are planning to implement new technology component in the process.

We invested in the proactive approach and embedded the sustainability in the company strategy.

We are committed to support our retailers to be sustainable. We measure the results, support the local community, and choose the vendors near us if possible. We think that it is impossible to expect from people to choose sustainable if it not offered and doing our best to be the one who could offer it to the retailers.

**5 forces – Observing other industries & analyse how they operate their supply chains.**

Procurement team always keep an eye on the industry trends and structure, competitive forces. Knowledge of these primary sources provides the foundation for a strategic agenda for action. Identifying critical strengths and weaknesses of the company helps to clarify the areas where strategic changes may be needed.

Understanding these causes also proves to be of help in considering areas for diversification. We research these new trends, analyse them internally and then identify our own gaps and then implement a solution to fill those gaps.

## Outcomes & Results:

We are not aware of any SME company using structured approach in procurement process. We found it valuable and not only it reduced costs, but increased efficiency. The proactive approach with key stakeholders helped to keep them conscious and aware of the challenges and the importance of maintaining the supply chain and prices competitive. Having close relationships with suppliers makes us aware of new trends that are developing across industries.

By being proactive, efficient, compliant, and doing big step forward to sustainability, we add value to the business. Rejuice is aware that to succeed we must have a clear vision derived from a strategic planning process, that is possible only from stakeholder engagement. Key stakeholders' insights are extremely valuable, especially in early stages of the planning process. Effective engagement helps Rejuice to translate the needs into organizational objectives.