Hearthside Coaching

Procurement Book

November 29, 2026

The period on this page. PGOS, from the company file.

The 80/20 Institute

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Sourcing versus the plan

Sample company. These aren't your numbers.

The same standard as the board pack, for July 2026–September 2026.

Board pack. Earnings are $1,401 behind plan. −$1,401. July 2026–September 2026. File period Jan 15–Dec 15, 2025. The pages in this pack use this quarter. They are not added again. Quads come from the invoice file. The profit and loss statement is the sum of those invoices.

Watch. Direct materials, wave 1. Actual $15,000 against forecast $20,000.

On track. Indirect, facilities and services. Actual $10,000 against forecast $10,000.

45% of the annual save is in. The plan is 100% by year-end.

External cost paid $3,000. Refunds still pending $800.

A blank stays off. Nothing here posts.

How to read this page

Procurement. Purchased spend $264.0K. Core share 80%. Planned saves $3.2K. Actual $3.2K. Variance $0. Price leak $642. Cash from payment terms $30.3K. The 25% figure is not a sourcing save. Payment-term cash is not a P&L dollar. Jan 15–Dec 15, 2025. Quads come from the invoice file. The profit and loss statement is the sum of those invoices.

A blank stays off. Nothing here posts.

Executive summary

Purchased spend is $264.0K across 24 suppliers. 5 of them are Core and hold 80%. Negotiation pages cover the largest Core suppliers.

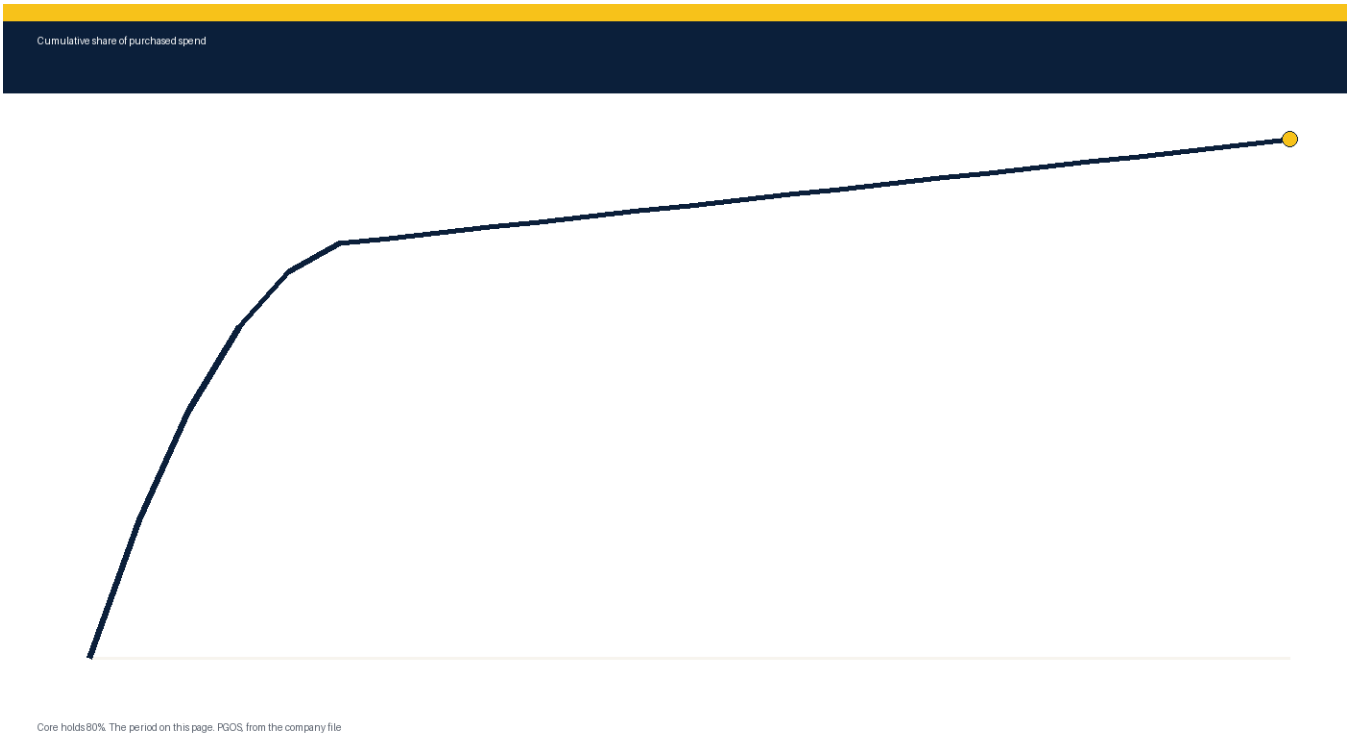
Approved saves posted to the Profit Bridge: $3.2K. Each one is a named dollar inside a known spend. It is counted once.

Price leak $642 and payment-terms cash $30.3K stay off the bridge. They are not a second Cost Reduction cut. Consolidation and should-cost stay off it too. Should-cost on Hearth Travel Desk family is $9.8M. It does not post.

- Unapproved saves on the list: 9. They do not post.
- Should-cost, the ask, and the walk-away are preparation. They do not post.
- A buy runs request, then order, then receipt, then invoice. A dollar that repeats a Cost Reduction saving or a Lean Operations saving is refused.
- PGOS does not print or mail this book.

80/20 spend curve

Ranked by known spend. The curve is the cumulative share. 5 suppliers are Core and hold 80%. 19 are Tail.



Core holds 80%. The period on this page. PGOS, from the company file

Core and Tail

Supplier	Spend	Share	Cumulative	Segment
Hearth Travel Desk	$70.4K	27%	27%	Core
Pellam Workshop Rooms	$56.3K	21%	48%	Core
Northline Software Seats	$42.2K	16%	64%	Core
Calder Print	$28.1K	11%	75%	Core
Vesper Insurance Desk	$14.1K	5%	80%	Core

Vendor spend by category

Last 12 months. Spend by vendor in each category. Each bar is one vendor in one category. A supplier with no category stays off. A blank spend stays off. A loss stays off. The longest bar holds the most. Nothing here posts.

Each bar is one vendor inside one category. When the invoices have dates, the dollar is that vendor's spend in the latest months, up to twelve, and only when that vendor has one category. A line with no category stays off, even when another line for that vendor has a category. Two categories for one vendor stay two bars when the chart reads the supplier lines. A blank spend stays off. It is not stored as zero. A loss stays off. A known zero stays on the chart. The same vendor is one bar in a category when only the capital letters differ. The longest bar holds the most. The chart shows the eight largest. The rest stay on the file. Nothing posts.

16 more stay on the page.

Vendor in each category

Vendor in category	Spend
Travel · Hearth Travel Desk	$34.5K
Rooms · Pellam Workshop Rooms	$28.2K
Software · Northline Software Seats	$21.1K
Print · Calder Print	$14.1K
Insurance · Vesper Insurance Desk	$5.7K
Print · Plainfield Print	$1.4K
Research · Yarrow Research	$1.4K
Software · Harborside Software	$1.4K

Who holds the spend

Jan 15–Dec 15, 2025. The largest suppliers by known spend. Each bar is one supplier. A blank spend stays off. The longest bar is the highest spend.

Each bar is one supplier. The length is that supplier's spend beside the largest on this chart. A blank spend stays off. The chart shows the eight largest. The rest stay on the spend file. Nothing posts.

Nothing here posts.

16 more suppliers are on the spend file.

Largest suppliers

Supplier	Spend
Hearth Travel Desk	$70.4K
Pellam Workshop Rooms	$56.3K
Northline Software Seats	$42.2K
Calder Print	$28.1K
Vesper Insurance Desk	$14.1K
Cedar Rooms	$2.8K
Harborside Software	$2.8K
North Mill Travel	$2.8K

Spend by month

2024-11 to 2026-10 · purchased spend · one total per month.

Purchased spend is the invoice dollars in that month. An invoice with no month stays off. A spend of zero or less stays off. It is not a posted saving.

Nothing here posts.

Purchased spend

Month	Purchased spend
2024-11	$15.5K
2024-12	$10.8K
2025-01	$10.8K
2025-02	$10.8K
2025-03	$10.8K
2025-04	$10.8K
2025-05	$10.8K
2025-06	$10.8K
2025-07	$10.8K
2025-08	$10.8K
2025-09	$10.8K
2025-10	$10.8K
2025-11	$10.8K
2025-12	$10.8K
2026-01	$10.8K
2026-02	$10.8K
2026-03	$10.8K
2026-04	$10.8K
2026-05	$10.8K
2026-06	$10.8K
2026-07	$10.8K

Month	Purchased spend
2026-08	$10.8K
2026-09	$10.8K
2026-10	$11.3K

Landed price

The invoice price held. No landed saving is on these months.

Each point is the invoice unit price already on that month. A blank price stays off. It is not drawn as zero. A later lower price is the landed change on the quantity after the first month. An approved saving on the supplier line is not added to this price. Nothing here posts.

Invoice unit price

Item	First month	First price	Last month	Last price	Landed change
Case	2024-12	$2	2026-09	$2	$0
Lot	2025-01	$5	2026-10	$5	$0
Unit	2024-11	$1	2026-08	$1	$0

Price leaks

The same item was paid at more than one unit price. The leak is $642. It is not a posted save.

Unit price leak

Item	Lowest unit price	Dollar leak	Suppliers
Corrugated shipper	$1	$396	Vesper Insurance D esk
Hot rolled coil	$1	$174	Hearth Travel Desk
Shop towel case	$42	$38	Highline Travel
Hydraulic hose	$6	$23	Lake Research
LTL hundredweight	$18	$11	Cedar Rooms

Payment-terms cash

Cash from paying on the stated days, plus an early-pay discount, is $30.3K. This is cash, not a P&L dollar, and it does not post. Showing 8 of 24 suppliers.

Cash, not a Profit Bridge dollar

Supplier	Days payable	Cash on terms	Early-pay cash
Hearth Travel Desk	30	$5.8K	$1.4K
Northline Software S eats	60	$6.9K	Unknown
Pellam Workshop R ooms	45	$6.9K	Unknown
Calder Print	15	$1.2K	$281
Vesper Insurance D esk	30	$1.2K	Unknown
Yarrow Research	75	$575	Unknown
Lake Research	75	$570	Unknown
Riverbend Research	75	$570	Unknown

Single-source risks

A single source that also holds a high share of spend. The flag does not post a dollar.

Single source, high share

Supplier	Spend	Share	Flag
Hearth Travel Desk	$70.4K	27%	Single source, high share
Pellam Workshop Rooms	$56.3K	21%	Single source, high share

Tail cleanup

19 suppliers are under the tail line. Showing the largest 19. The list is a consolidation aim. It does not post.

Largest suppliers under the tail line

Supplier	Spend	Share
Yarrow Research	$2.8K	1%
North Mill Travel	$2.8K	1%
Cedar Rooms	$2.8K	1%
Harborside Software	$2.8K	1%
Plainfield Print	$2.8K	1%
Red Oak Insurance	$2.8K	1%
Lake Research	$2.8K	1%
Summit Travel	$2.8K	1%
Iron Gate Rooms	$2.8K	1%
West Fork Software	$2.8K	1%
Maple Print	$2.8K	1%
Quarry Insurance	$2.8K	1%
Riverbend Research	$2.8K	1%
Highline Travel	$2.8K	1%
Oak Rooms	$2.8K	1%
Pine Software	$2.8K	1%
Cinder Print	$2.8K	1%
Field Insurance	$2.8K	1%
Stone Research	$2.8K	1%

Contract calendar

24 contracts are dated. Nothing is sent.

Contract end dates

Supplier	Contract end
Hearth Travel Desk	2026-11-20
Pellam Workshop Rooms	2026-11-30
Northline Software Seats	2026-12-10
Calder Print	2026-12-20
Vesper Insurance Desk	2026-12-30
Yarrow Research	2027-01-09
North Mill Travel	2027-01-19
Cedar Rooms	2027-01-29
Harborside Software	2027-02-08
Plainfield Print	2027-02-18
Red Oak Insurance	2027-02-28
Lake Research	2027-03-10
Summit Travel	2027-03-20
Iron Gate Rooms	2027-03-30
West Fork Software	2027-04-09
Maple Print	2027-04-19
Quarry Insurance	2027-04-29
Riverbend Research	2027-05-09
Highline Travel	2027-05-19
Oak Rooms	2027-05-29
Pine Software	2027-06-08
Cinder Print	2027-06-18
Field Insurance	2027-06-28
Stone Research	2027-07-08

Negotiation: Hearth Travel Desk

Spend $70.4K. Share of wallet 27%. Segment Core.

Spend history: Hot rolled coil $420; Hot rolled coil $776; Hot rolled coil $280; Unit $2.9K.

Should-cost is blank.

The ask: Hold the coil extras.

The walk-away: Walk if the premium stays above the low price.

Alternatives: Two regional mills.

Owner Pat Buyer. Date 2026-12-15.

Open questions: What is on the next invoice, and who else can ship it?.

PGOS does not email this sheet. The ask and the walk-away do not post.

Negotiation: Pellam Workshop Rooms

Spend $56.3K. Share of wallet 21%. Segment Core.

Spend history: Unit $2.3K; Case $2.3K; Lot $2.3K; Unit $2.3K.

Should-cost is blank.

The ask: Cut the service retainer.

The walk-away: Walk if the crew cannot name a backup.

Alternatives: One in-house crew.

Owner Pat Buyer. Date 2026-12-15.

Open questions: What is on the next invoice, and who else can ship it?.

PGOS does not email this sheet. The ask and the walk-away do not post.

Negotiation: Northline Software Seats

Spend $42.2K. Share of wallet 16%. Segment Core.

Spend history: Unit $1.8K; Case $1.8K; Lot $1.8K; Unit $1.8K.

Should-cost is blank.

The ask: Reset the lane rate.

The walk-away: Walk the long haul to the second carrier.

Alternatives: One regional carrier.

Owner Pat Buyer. Date 2026-12-15.

Open questions: What is on the next invoice, and who else can ship it?.

PGOS does not email this sheet. The ask and the walk-away do not post.

Events and plan versus actual

Plan $3.2K. Actual $3.2K. Plan is the sum of approved sourcing saves. Actual is the later drop, and never more than the named save. Approved saves of $3.2K post once on Procurement. Cost Reduction is not added again.

An unapproved save stays off the Profit Bridge.

Sourcing events

Supplier	Spend	Event	Save
Hearth Travel Desk	$70.4K	renegotiate	$186.4K
Pellam Workshop R ooms	$56.3K	bid	$92.4K
Northline Software S eats	$42.2K	renegotiate	$41.8K
Calder Print	$28.1K	renegotiate	$2.4K
Vesper Insurance D esk	$14.1K	consolidate	$12.9K

Approved saves posted to the Profit Bridge

Supplier	Save	Assumption
Calder Print	$2.4K	The save was measured aga inst the prior invoice on this supplier.
Yarrow Research	$243	The save was measured aga inst the prior invoice on this supplier.
Cedar Rooms	$243	The save was measured aga inst the prior invoice on this supplier.
Plainfield Print	$243	The save was measured aga inst the prior invoice on this supplier.