

Reducing Total Cost of Ownership

Consider the following factors



Dustbane is not only committed to providing quality products, but we strive to bring down the cost of cleaning and maintenance. Providing you with a tailored cleaning solution to fit your needs starts with a site survey. When reviewing our recommendations, important factors are to be considered. We often get caught up in the general cost of products instead of the actual cost of ownership – but at Dustbane, we try to give you a different perspective. It might take a few extra steps, but the results will be well worth it. Reducing your cost of cleaning is our main objective. Before making your next cleaning supply purchase, consider the following factors.



Cost Reduction vs. Cost Savings

There is a big difference between cost savings and cost reduction. Suppliers can provide you with numbers that look great on paper, but what do they actually mean for your premises in the long run?

Fully understanding the tactics behind your maintenance estimates can mean the difference between saving thousands or exceeding your budget.

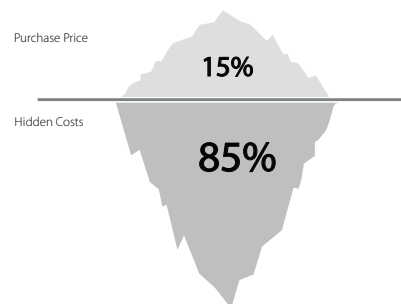


Cost reduction's objective is to cut back on unnecessary expenses by opting for "cheaper" products and reducing the frequency of cleaning. Overall, this option will have a negative impact in the end as your premise maintenance will be reduced and quality will be sacrificed for price. The image of your business might be impacted in order to cut costs.

Cost savings takes a different approach. Instead of cutting back on expenses, it focuses on finding ways to save on cleaning expenses while maintaining your same objectives and without compromising the specification, quality, and purpose. One way to achieve this is by streamlining your suppliers and taking a look at the total cost of ownership (TCO).

Total Cost of Ownership

Total cost of ownership (TCO) is an analysis of all costs of a certain asset incurred from acquisition through disposal, at the end of its life. It uncovers the "hidden" costs that we sometimes forget to consider. Total cost of ownership is like an iceberg. Suppliers present "initial costs", often referred as the "tip of the iceberg", which only represent 13-15% of your ownership cost. It's so easy to get caught up in comparing upfront costs that we tend to ignore the long-term and hidden costs under the waterline. A better price is not always the wisest solution. The cost of ownership includes every phase of ownership: acquisition, operation, and the softer costs that flow down from acquisition such as documentation and training.





Ways to Optimize Your Cost of Ownership

Simplifying your cleaning solution is key. You can optimize your cost of ownership in several ways:

- **Streamlining Suppliers:** By streamlining your suppliers, your whole purchasing process is simplified. Placing separate orders means paying each supplier for transportation while waiting for separate shipments. The time and efforts that the employee dedicates to fulfill the orders and to ensure they are delivered on time also needs to be accounted for. Using one supplier to provide you with all the products and equipment you need will allow you to only incur the costs of a single purchase order.
- **Fewer SKUs:** Product optimization is key. Using the same chemical concentrate at multiple dilution rates in order to handle various cleaning tasks will greatly reduce your cost of ownership. Reducing your SKUs also means less storage space, less training, fewer SDS, fewer suppliers, and much more.
- **Performance:** Reducing your cost of ownership starts by reducing your costs linked to accomplishing a cleaning task. The quicker you get the job done, the lower your cost of cleaning will be. Cleaning equipment, for instance, might seem like a big purchase initially but in the long run, it will be an investment that will allow you to accomplish your cleaning task so much faster.

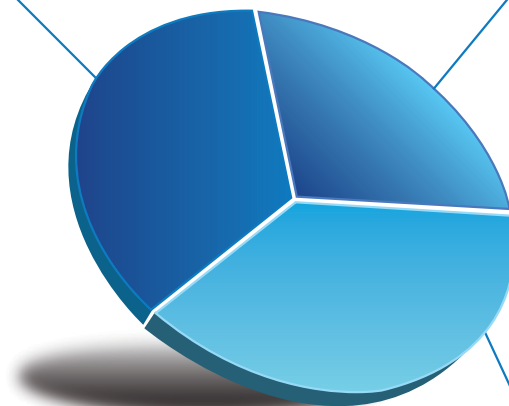
Our site surveys enable us to provide you with the most comprehensive cleaning program based on your needs. This ensures your full satisfaction and a premise you can be proud of.

Cost of Inventory 37%

- Storage space/cost
- Insurance
- Building and inventory

Cost of Procurement 22%

- Product research
- Quotes
- Approvals on purchase orders
- Receivables and accounts payable



To request a free, no obligation site survey, please email us at info@dustbane.ca or call us at 1-800-387-8226.

