

NECKER ISLAND ACHIEVE SUBSTANTIAL SAVINGS IN FIRST SIX MONTHS



Background

Described by Sir Richard Branson as, *"My home – and favourite hideaway"*, Necker Island – all 74 acres of it - not only offers its guests perfection in terms of its paradise location in the British Virgin Islands, but also opulence across every aspect of their stay, including the ultimate experience in fine dining.

Spending over US\$100,000 per month on ingredients, Managing Director of Virgin Limited Edition (portfolio of luxury retreats within Virgin Hotels Group), **Jon Brown** said, *"I brought PSL in to work with Necker Island to support the management efforts of reducing food and beverage costs whilst ensuring our superior quality standards are consistently being met."* To meet expectation levels of the guests who stay there, there is absolutely no room for compromise.

Jon added, *"I first worked with PSL back in 1991 – at that time it had more of a dictator attitude, imposing suppliers on its clients leading to chefs and staff being aggravated. The approach is now very different – its staff work as consultants who help and support – by working together, PSL was soon able to make a considerable impact on our business."*

Substantial savings in 6 months

PSL had proved its capability to Virgin Limited Edition by working with The Roof Gardens in Kensington High Street, London, for six months prior to carrying out a benchmark on pricing with Necker Island's existing suppliers.

Buying locally within the British Virgin Islands is key to them, hence why 80% of all imported produce comes from there.

Jon continued, *"PSL has the experience to benchmark as it knows what the market prices should be on a daily basis. Once the benchmark was complete and PSL demonstrated the savings it could offer, we awarded them a contract to start working with us in November 2009."*

Using their knowledge and experience, PSL then approached our existing suppliers and negotiated prices on our behalf. This has resulted in substantial savings in the first six months alone.

In short they ensure we are not paying inflated prices and drive costs down. They have sharpened awareness of our supply chain, made them more open and keep their prices in check."



Reducing freight costs

Having had international experience in Dubai, Canary Islands and Bali, PSL was well aware of the difficulties importing produce can pose. When reviewing costings for Necker Island they looked at all aspects to ensure they were maximising every opportunity. Jon explained, *“The fact that they have even reduced our freight costs is tremendous. It says a lot about PSL’s skill – it is generic and can be utilised across the whole food chain, it’s not solely related to food.”*

“PSL’s knowledge of ingredients is incredible! We are achieving good results across the board because of their extensive expertise. They have even reduced the cost of flamingo feed (we have 200 on the island), - how many other food consultants can say they’ve done that?!”



Improving guest experience

Necker Island constantly strives to improve its guests’ experience and PSL is assisting them to achieve this whilst ensuring they are buying at competitive prices. The systems and procedures PSL has introduced for the island’s food and beverage cost control have had a tremendous impact and cover everything from purchasing and stock management through to menu costings, bar stocking and wine list management.

Two of PSL’s Directors, Daniel Wilson and Matt Tough, spent two weeks on the Island to assist in the implementation of new systems and controls to ensure guest perception was not affected and that all staff were fully trained and confident. Jon concluded, *“There is a very positive feeling towards PSL across everyone both at Necker Island itself and the management team here in the UK. We work well together and are achieving great results.”*

Matt Tough, Sales & Marketing Director of PSL said, *“Working with Necker Island is very exciting for us and we were delighted to be selected by them. Through weekly communication and fortnightly conference calls all parties are able to keep on track and focused, and ensure objectives are being met. We look forward to further improving cost savings both for Necker Island and other resorts in the British Virgin Islands.”*