

Sotheby's

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Sotheby's is a British founded, American multi-national corporation, headquartered in New York City. It is of the world's largest brokers of fine and decorative art, jewellery, real estate and collectables. Sotheby's is the world's fourth oldest auction house in continuous operation, with 90 locations in 40 countries. As of December 2011, the company had 1,446 employees worldwide.

Background

Litmus has been working with the Head of Facilities at Sotheby's, New Bond Street Complex, for over seven years. During that time, Litmus has tendered the cleaning services and the staff catering twice.

The catering operation at Sotheby's New Bond Street Complex is split into various component parts.

- ▶ The Staff Café has been contracted, whereas a further two are managed and run in-house with the catering teams directly employed by Sotheby's;
- ▶ Sotheby's Restaurant which serves breakfast, lunch and afternoon tea to members of the public, Sotheby's staff and clients (this is contracted out);
- ▶ Boardroom catering, which provides bespoke and private dining to Sotheby's clients and staff (this is operated in-house);
- ▶ Event catering, for gallery events, exhibits etc. This element is managed by Sotheby's directly, through a well-known network of specialist event companies that over time have applied their knowledge and experience in providing catering services and staff, to compliment the various events that take place throughout each year.

Brief

Litmus was engaged to conduct a catering benchmarking exercise on the in-house catering departments. This had to be done very discreetly so as not to alarm the current team. The benchmarking exercise was to look at the current costs and ensure the set-up was returning value for money.

Approach

Mike Yarnold, the Litmus Partnership, said: "Our benchmarking exercise revealed that the current labour costs were excessive in relation to the level of business (the total cost to Sotheby's was \$2m) and that there was little or no synergy of operation.

We presented our findings to the CEO with a recommendation that we tender all the catering operations with the objective of saving \$400,000."

Outcomes

The catering tender project is due to commence early 2019.



For more information about Litmus get in touch:

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