



Case Study

Firm Reduces Storage Maintenance Costs; Funds Critical Project with Savings

Scenario: An IT organization had a transactional relationship with their storage provider. Once the warranty expired on their storage hardware it was added to individual annual maintenance contracts. The client was renewing 10-15 separate maintenance contracts each month, spread over three locations. The client's departmental renewal process masked their ability to leverage aggregate spend and resulted in countless hours spent managing a reactive process.

Solution: A TGA advisor led a consolidation effort to aggregate the client's total storage maintenance spend. After analyzing all of the storage maintenance renewals the advisor developed a negotiation strategy that leveraged and linked all of the hardware maintenance within the client's enterprise. The advisor determined that the incumbent storage provider offered the most effective maintenance alternative and led the negotiations with the supplier.

Results: Maintenance discounts increased from 5% to 35% resulting in a savings of \$2.3 million over the term of the agreement. The client used this savings to fund a critical, unbudgeted compliance initiative. The new, low prices were locked in with a 3-year contract. In addition to the hard dollar savings, the new contract saved countless hours of paperwork by reducing 120 separate renewals / year down to 1 renewal every 3 years.

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