

Van Ru Credit Corp. Charges Ahead with Telecom Savings

Avotus Advantages

Saved \$2 million on annual telecom costs

Managed bidding between 11 carriers

Completed auction in 2 weeks

Van Ru is one of the nation's largest privately held receivables management companies, employing over 1,400 debt collection professionals, working from multiple national and international call centers. Remaining competitive in an ever growing industry, Van Ru maintains its lead by employing state-of-the-art technology and consistently seeking to reduce indirect costs.

One major cost center for Van Ru was their \$6 million communications budget. Despite spending a great deal of money on call centers, global wide area networks, voice and data communications services, Van Ru was simply not getting the pricing nor the respect it deserved from its incumbent carrier. Dissatisfied, the company turned to Avotus e-Procurement to help reduce costs and gain more favorable contract terms.

Avotus' web-based, automated best practices driven system enables customers to eliminate the cumbersome paper-based RFP process. Using our online step-by-step questionnaire to determine needs, we shorten the entire RFP process from months to weeks. We can even provide a prediction of the actual savings outcome of a simulated RFP based on market data and qualitative ranking of service requirements. Predicted savings are highly accurate - within a percentage.

"In a business climate where efficiencies must increase and indirect costs must be cut as much as possible to help strengthen profitability, Van Ru decided to focus on gaining more control over its telecom expense," said Chris Boisubin, Van Ru's Chief Information Officer. "Avotus was able to help us predict within one-half of one percent what we would be able to save on our telecommunications spend. Through the WebAuction, we were able to gain a new, superior carrier partner while obtaining much improved pricing and terms."

Avotus invited 11 carriers (including the incumbent) to participate in a WebAuction. Within 2 weeks, the auction was winding down and although substantial savings were available from all carriers, including the incumbent, Van Ru felt a smaller carrier would be a better fit. Upon completion, Van Ru had recognized more than 33 percent savings — almost \$2 million — on its overall telecommunications services.

