



Leading Software Company Turns to Avotus for Worldwide Solution

eProcurement Success Highlights

Industry: Software

Auctioned Services: Voice, Data, Audio and Web Conferencing services

Spend Before Auction: \$23.2M

Spend After Auction: \$11.5M

Savings: \$11.7M (over 36 months)

Auction Duration: 14 days

Executive overview: A leading provider of enterprise management software solutions headquartered in Texas with offices worldwide has approximately 6,000 employees. Its communications needs are complex since it relies heavily on Voice, Data and Conferencing to meet the fast-paced demands of its international high-tech business environment. The company turned to Avotus for a comprehensive eProcurement project that crossed all of its office locations.

Background: The company assembled a team of ten to work with Avotus on an **ICM eProcurement WebAuction™ covering domestic and international Voice, Data, Audio and Web Conferencing services.** Their goal was to lower pricing on existing services, receive better SLAs and Ts&Cs, and obtain pricing for alternative technologies per location. They were also interested in a “No Commitment” contract, but **Avotus recommended bidding a 36-month contract to produce better pricing.**

Due to the breadth of technologies and geographies covered, as well as the wide-ranging information that the company wanted to discover, a voluminous ICM eProcurement **WebAuction was developed with 793 questions and 1,487 bid items.** Because of the complexity, it would have been virtually **impossible to conduct a procurement of this scope through a traditional paper-based process.**

Auction process: The **WebAuction ran over the course of 14 days and involved 15 suppliers** that bid on portions of the RFP. **A total of 157 bids was committed.** In addition, references were solicited and supplied. The bids, answers to questions, references and other criteria were evaluated according to a pre-established weighting scale. The result was a manageable auction that could proceed to the RFC (Request for Clarification) and contract stages.

Auction results: The auction was successful. Staying at current levels with **the incumbents that participated would deliver 35% savings.** Overall, **Avotus had predicted a savings of \$10.7M; however, the auction delivered \$11.7M on the company’s current 36-month spend of over \$23.2M – a savings of 50.6%.** Based on the overall financial and weighted-question responses, Avotus recommended three pricing/carrier combinations that included a manageable number of incumbents and new suppliers for further consideration:

	# of Carriers	Total Savings	Savings %
Combination #1	7	\$11.7M	50.6%
Combination #2	4	\$11.6M	50.0%
Combination #3	3	\$11.1M	47.9%



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