



## *Case Study – Fortune® 100 Retail Company Strategic Sourcing*

### **The Client**

A very well-known Fortune® 100 retailer with over 8,600 stores globally with over \$154M annual spend in telecom. They operate three large call centers. Their last two major telecom initiatives resulted in sole-sourced contracts with multiple telecom providers. The customer is active in mergers and acquisitions. The customer had not conducted a formal RFP for telecom services in over six years.

### **The Challenges**

The customer had less than twelve months before major telecom contracts expired. Launching a strategic telecom RFP with the number of internal stakeholders involved typically took over a year and then another six months to work through major global contracts once services were awarded to a vendor. Customer did not have a current database of rates in which to benchmark any RFP responses. Multiple stakeholders (IT, Finance, Sourcing, etc.) all had differing agendas and objectives. Customer was launching new technologies in targeted markets. Internal subject matter expertise for telecom contracts did not exist. The company had a new CIO and procurement/supply chain had not been historically involved in the firm's telecom contract environment. Adding to the complexity was mutual Board of Director relationships in non-profits and other ventures with executives from a major U.S. telecom provider.

### **Goals & Objectives**

1. Launch a formal RFP within three (3) months
2. Obtain World-Class terms & pricing
3. Reduce the number of telecom vendors
4. Recover the cost of a TEM initiative due to telecom carriers' poor billing practices
5. Reduce the impact of any reciprocity or the Board of Director relationships
6. Reduce internal tasks by using a proven RFP format
7. Complete all round of negotiations within thirty days of RFP close
8. Produce instant financial analysis and scoring of the RFP responses

9. Allow for enough time to convert networks even if the incumbent didn't win

### **The Result**

1. Launched a paperless Telibid™ RFP from scratch in less than ninety days
2. Obtained “World Class” terms and pricing (top 1%)
3. Reduced telecom vendors to less than six
4. Vendors pay for customer's TEM costs
5. Negated the impact of reciprocity and external Board member influence
6. Telibid™ tool managed 143,000 rate entries from sixteen telecom carriers
7. Completed all contract negotiation within sixty days.
8. Down selected vendors within days of RFP closeout
9. Network was converted in six months
10. Saved \$51M per year while increasing capacity (nearly 33%)

### **The Solution**

Founded in 1997, Teligistics is the leading provider of Telecom Lifecycle Management solutions for large and mid-market Enterprise-level clients. Teligistics pioneered the methodology for determining TCO (total cost of ownership) in telecom rate plans and was awarded a U.S. Patent. Solutions include Telibid™, a patent-pending web-based eProcurement tool specifically designed for the strategic sourcing of telecommunications. TEAM™, is an industry-best telecom expense management platform for telecom contracts, audit compliance and invoice processing. The eMobilegistics™ application provides full Enterprise Mobility Management Solutions. [www.teligistics.com](http://www.teligistics.com)

