

## THE CHALLENGE

Healthcare Corp. was negotiating with Oracle on an unlimited license agreement. The scope of the agreement included unlimited deployment for two years along with five years of fixed maintenance and support. Healthcare Corp. had existing Oracle technology installed. Healthcare Corp. also had an application ready to be deployed and needed the licenses for it right away. Healthcare Corp. had reached a point with Oracle where they felt that negotiations had reached an end point and no further leverage was likely.

It was at that point that Software Contract Solutions (SCS) was asked to review the agreement. SCS responded within 48 hours that the offer from Oracle could likely be improved.

Healthcare Corp. needed market visibility into what discount levels were fair when compared to the same or similar Oracle solutions. Part of SCS's value is that its negotiators know not only what a competitive license fee or maintenance rate should be relative to the unit requirements, but SCS also understands the pressure points and vendor nuances that can lead to a quick and effective negotiation: revenue recognition strategies, compensation structures, how hard to push for exception-based concessions, etc.

Healthcare Corp. was at a disadvantage because Oracle knew that 1) Healthcare Corp. needed the licenses for their application; and 2) Healthcare Corp. wasn't going to shop vendors at this point. That is why the peer comparisons are so important.

## THE SOLUTION

A comprehensive six month program was executed to enable business ready systems on the desktops of 18,000 employees. The program was accomplished on time within budget, and netted our customer \$900,000.00 in residual equipment value. (An independent evaluation of services was performed, finding a \$5,000,000.00 savings on the enterprise refresh



from the prior year's efforts). All processes were executed in compliance with HIPAA & DOD Security Requirements and EPA Recycling mandates.

## THE RESULT

Healthcare Corp's license fees were reduced an additional 18.5% or \$661,000, and its maintenance costs were reduced an additional \$397,100.

## TIME TO SAVINGS = 3 CALENDAR DAYS

One of the major reasons why SCS has such a rapid performance record is due to its negotiation methodology. SCS rarely asks a vendor to do something that is hasn't already done before. It is this notion of precedence data and a knowledge-driven process that allows for a quick, professional and highly successful negotiation.