

## **Leading Biotechnology Company saves with Avotus Intelli-Sourcing**

### **Executive Overview**

The customer is a leading biotechnology company with 10,000 employees, involved in research and develops and commercializes multiple biotechnology products and licenses products to other companies. Based in California, with major remote manufacturing facilities, the company relies heavily on wireless voice and data communications.

### **Business Need**

The company contracted with Avotus to run Avotus Intelli-Sourcing for its wireless voice and data services in order to reduce costs and drive better Service Level Agreement (SLA) terms. The company put together a team of seven, including staff and management from operations, engineering and sourcing departments, to oversee the process.

### **Background**

The Avotus team coordinated with the customer team to construct the Intelli-Sourcing SLA questions and specify the financial bid items. Avotus identified costs, volume and other service items specific to the company network for review and inclusion in the sourcing event. The company also took advantage of Avotus' staff expertise and their substantial library of template questions to define, narrow down and weigh the questions.

Avotus projected savings of 32.4% (before savings on reduced taxes) on the company's nearly \$5M current spend (over 24 months).

### **Sourcing Process**

Since Intelli-Sourcing was highly focused on only wireless voice and data, a limited number of vendors were invited to participate. Four vendors responded to the 19 bid items and 231 SLA-related questions. The sourcing event took an unusual turn when each of the vendors bid on the entire voice and data package.

### **Intelli-Sourcing Success Highlights**

**Industry:**  
Biotechnology

**Sourced Services:** Wireless voice and data services

**Spend before Sourcing:** \$4.88M

**Savings Identified through Intelli-Sourcing:** \$1.63M over 24 months; Single vendor solution; Multiple vendor solutions also considered

**Sourcing Duration:** 11 days

Avotus provided the company with daily updates and sent tips to the bidders to facilitate the sourcing process. One vendor, in particular, significantly dropped their price and improved their SLA terms over the 11 days of the sourcing event.

### Sourcing Results

Based on the small universe of bidders, it was clear that two were most interested in winning the business as evidenced in the pricing terms and in the answers to the weighted questions. One of the primary incumbents offered significant pricing reductions and also agreed to eliminate Early Termination Fees (ETF) for corporate users.

The most attractive bidder—an international carrier with an excellent reputation—came in with the lowest prices for both voice and data, offering savings of \$692K and \$940K, respectively, over the length of the contract period. This resulted in an unusual single-vendor solution that offered 33.4% savings.

Other vendor combinations would deliver slightly lower savings but would diversify the services over a wider base to give the company flexibility and added leverage in its vendor relations. As a result, Avotus recommended that multi-vendor sourcing may be more advantageous for the company.

### About Avotus

Founded in 1981, Avotus is an award-winning provider of intelligent enterprise Call Accounting solutions. Since its inception, Avotus has worked with corporate telecom administrators to help them tackle the challenges associated with managing their complex enterprise communications assets, which increasingly include a growing number of mobile phones, tablets and other smart devices. Avotus serves customers across 41 global destinations, many of which are industry-leading Fortune 2000 customers.

For more information, please visit [www.avotus.com](http://www.avotus.com).