

## *Avotus Generates Savings for Global Energy Company*

A leading global independent energy company engaged in exploration, production, refining, and marketing of refined petroleum products, natural gas, and electricity, turned to Avotus for help with winning competitive negotiations using Avotus' award-winning product, Intelli-Sourcing. The customer's communications network ranges from remote, offshore production platforms serviced by satellite communications to 1,250 neighborhood gas/convenience stores.

### Background

ICM Intelli-Sourcing covered an \$8M current spend for domestic (US) and international inbound and outbound voice, calling card, conferencing services, and legacy data network services. The customer team included the CIO and telecommunications, networking, procurement, and infrastructure representatives. The team set several goals, including reducing costs and negotiating better service level agreements (SLAs) for voice and moving to an MPLS data network.

The Avotus team worked with the customer team to adjust template questions to fit the unique situation, and developed a set of 525 questions and a list of 532 bid items. At the start of the project, Avotus projected 52% savings on voice. Since the move to MPLS was a technology change, Avotus did not make an estimate for those services.

### Sourcing Process

Seventeen suppliers participated. Over the course of the 14-day auction, 114 bids were submitted. Around that time, bidders moved on to address both the financial and SLA terms of their proposals. They provided a total of 29 references, each of which was asked to complete an online questionnaire giving greater insight into bidders' service levels. Avotus managed the sourcing event by working closely with both the client and the bidders, answering the bidder questions, and stimulating the bidding process. The financial, SLA, and reference responses were scored against a weighting system to assign total, service, and grouped service scores to the individual bidders. All findings were graphically presented to facilitate result analysis by the customer team.

#### Avotus Advantages

**Industry:** Energy  
Exploration &  
Marketing

**Sourcing Services:**  
Voice, calling cards,  
conferencing – move  
from data networks to  
MPLS

**Spend before  
sourcing:** \$8M

**Spend After  
sourcing:** \$ 3M  
onvoice services  
(from \$4.8M) – 62%.  
Move to MPLS – cost  
neutral

**Sourcing Duration:**  
14 days

## Sourcing Results

Intelli-Sourcing delivered 62% savings in voice services alone. Direct comparisons are not possible between the data network and MPLS systems; however, as a result of the auction, the move to the new MPLS system proved to be cost neutral.

Avotus also presented an analysis of contract commitments and bonuses. Further, it supported the company's contract negotiations by providing a contract based on the auction results, called out some issues that required further negotiation, and suggested a roadmap and timeline for negotiations.

## 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).