



# Software Vendor Negotiation

---

## Service Description

Our Software Vendor Negotiation Service is designed to quickly deliver real, quantifiable software cost savings and contractual protection for our clients' future business needs. ISAM reviews your existing IBM or Independent Software Vendors (ISV) contracts, specific software needs, and the terms and conditions. A series of strategies are developed to aid in the direct negotiation with your vendors, and we manage the negotiations for you. Effective software vendor negotiations provide cost savings that can be redeployed to fund other strategic business initiatives.



## Key Benefits

- ISAM's Software Vendor Negotiation service helps you reduce and control mainframe and distributed software costs.
- Our service also helps you obtain contract terms and conditions favorable to your short- and long-term operational goals.
- Our service helps you understand and implement SAM best practices.
- Our Software Vendor Negotiation service elevates your company toward "best in class" status among data centers of similar size for software pricing.

## Collecting Your Data for Analysis

We begin by helping you collect software pricing and contract data and load it into GreenBook<sup>SM</sup>, our Software Intelligence Database. Specific company information is kept in the strictest confidence. GreenBook<sup>SM</sup> has software pricing data from data centers of various sizes (total MIPS or MSU) and which represent all industries. Our database is the largest and most comprehensive in the software asset management industry, and we have developed multiple applications to help clients reduce expenses and manage software assets.

---

**Why guess when you can know.**

---

## Our Process

- ISAM provides a software data collection package with easy instructions.
- We review unit software cost and total software cost on each contract.
- We review product lists for functional redundancy and replacement alternatives.
- ISAM prepares a “Business As Usual (BAU)” analysis of software costs.
- The BAU Analysis is presented to the client for review and discussion.
- ISAM negotiates directly with the ISVs to improve terms and drive savings.

## Service Deliverables

- ISAM prepares a benchmark of your contract with contracts of similar sized data centers for analysis and discussion. Unit cost and total cost are reviewed and compared against other companies in the benchmark.
- A BAU Analysis is prepared to identify redundancies and replacement alternatives to aid in the negotiation process. The BAU Analysis is presented for review and discussion to develop negotiating strategies. Our BAU Analysis includes data for ISVs for the next five years.
- ISAM meets directly with the ISVs to discuss pricing (based on industry data) and terms and conditions (based on industry best practices).
- ISAM stays at the center of negotiation until the contracts are signed.

## Project Timeline

Once the contracts and data are received, it generally takes about four to eight weeks to complete the Software Vendor Negotiation service.

## Our Experts

The ISAM team is made up of professionals with unique experience and success in negotiating software contracts. Our team members have financial, software pricing, database, and data center management expertise, and they all provide excellent customer service.

## Additional Information

Our clients see the greatest savings when their SAM teams openly share information about other changes planned to the environment. For example, when we are made aware of plans for data center consolidation, migration plans, or capacity change plans, we are able to push for pricing and terms that are helpful to your current and future plans. Check out the Software Vendor Negotiation case study on our website to see a specific example on how we helped a client produce additional savings based on the legal goals that they provided before we entered negotiations with the vendor.

