



Gaining efficiency, visibility, and resources with cost containment

The Situation

If you think managing your company's telecommunications bills and contracts is nothing short of a nightmare, talk to Scott Alsup, Chief Information Officer of Louisville's Steel Technologies.

"We have 15 locations in the US," he states. "Each location was getting local and long distance phone bills and then forwarding them to a clerical person at our corporate headquarters. That person was then gathering them together and sending them in for payment. We were constantly incurring late charges and it was next to impossible to get a feel for what our total spend was."

Steel Technologies processes flat-rolled steel products for a number of industries, including automotive and appliance manufacturers, HVAC companies, and others. The company has corporate offices in Louisville spread over three separate buildings, 15 processing plants in the US, seven additional plants in Canada and Mexico, and 1,100 employees, including sales teams spread across the country.

For a company whose products most of the nation's industries (and consumers) rely on, keeping their lines of communication open became awkward, confusing, and expensive. And when contract renewal time came up with their telecom providers, Alsup claimed they were just as lost.

"I had no idea what the marketplace was or what a competitive number was," Alsup admitted. "Each location was negotiating for itself individually. Everyone was just trying to get their numbers down."

The Solution

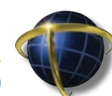
To gain control of this myriad of bills and vendors, Steel Technologies called on the expertise of Tellennium. Using their proven Integrated Telecom Management® process, Tellennium helped Alsup design and implement a three phase plan. The plan included: 1) get the bills organized and caught up, 2) inventory services and consolidate payables, and 3) select vendors and negotiate central contracts company-wide.

To catch up on payables processing, Tellennium worked with Alsup to accurately inventory existing contracts and circuits.



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– Scott Alsup, Chief Information Officer,
Louisville Steel Technologies





They incorporated this into Tellennium's software management system (TIMS). This gave real-time visibility to charges, usage and billing information company wide.

"It took about three months to have the TIMS solution implemented," Alsup said. "But, that was mostly on our side, trying to get our arms around who all of our vendors were. We had 14 vendors, each with multiple sub-accounts. Getting the bill paying together was the first part of it. Once we got it all consolidated, we could negotiate with these vendors as one large entity, instead of as several individual and smaller entities."

With bills and payables current, and consolidated visibility achieved, the company moved to renegotiate contracts and slim down the vendor list.

Tellennium prepared RFPs (Request for Proposals) for multiple vendors, clearly articulating Steel Technology needs. Since Tellennium is not tied to service providers or equipment manufacturers, they objectively leveraged their knowledge and expertise to craft non-biased proposals. They recommended consolidating services, including wireless, to better serve the company.

Tellennium also designed and managed the RFP process for an enterprise-level, Unified Communications VoIP solution for Steel Technologies encompassing their corporate headquarters, annex and sales offices, and manufacturing plants across the US and Canada. The fully meshed, seamlessly transparent solution incorporated "best in class" functionality including redundancy, contact center (ACD) software, UC/presence, unified messaging, audio conferencing capabilities and more.

"At first, our outside sales group negotiated their cell phone deals independently," Alsup said. "Now, we have consolidated well over 400 users into a single corporate account. We can now see where the accounts are and consolidating all of our airtime minutes into a single corporate plan enabled us to get significant discounts and cost reductions.

The Results

Single entity billing, consolidated contract negotiations, and telecom problem solving saved the company significant time and money. This frees up capital on resources for continued growth.

The project included:

- Centralizing billing and catching up on expenses
- Adding granular reporting visibility to expenses and circuits
- Preparing RFPs and managing the processes to fruition

Ongoing invoice management via TIMS also allows for billing dispute expertise. "When we get into disputes with vendors, we have access to someone who knows the lingo and who we can go to and help solve our issues." said Alsup.

Steel Technologies now pays its bills through Tellennium, with two wire transfers per month. "I now spend an hour-and-a half each month reviewing bills," Alsup said. "Tellennium's detailed reports allow me to view the data any way I want. It's consolidated. It's all there. I ask a question, I get a quick answer back "

For Scott Alsup and Steel Technologies, the cost and time efficiencies, billing consolidation, and centralized negotiation benefits are just the "nuts and bolts" part of their relationship with Tellennium. There's also a deeper human aspect as well.

"We've been working with them for over six years now," he stated. "They have a fantastic set of systems that allow me to analyze my business's telecom expenses and make decisions quickly. Their people are really the tremendous part. They are easy to work with. We've got a long-term rapport – and a trust. They know the marketplace. They know the vendors. And, they are our advocate."

