

Case Study

Technology Company

Exec Summary

Livingstone helps major British tech firm mitigate multi-million-dollar audit risk

This Livingstone client is one of Britain's leading technology companies. With revenues approaching \$1billion, it employs more than 2,000 people all across the country and provides a multitude of services to major media organizations, utilities firms and public sector bodies.

Over recent years, the company has faced a largescale Oracle audit as well as undergoing a period of rapid and substantial change, including a major divestment project. All of this activity has had considerable ramifications for its software licensing, particularly for its exposure to commercial risk.

Here is how Livingstone has successfully guided this client through this time of change.



Establishing an Effective Licensing Position

Livingstone was initially recommended to this client by its strategic IT infrastructure partner which was spearheading a program to establish the client's Effective Licensing Position (ELP) in relation to its key software vendors.

The Livingstone team was brought on board to manage the Oracle ELP project. Both the client and its technology partner were acutely aware of the complex rules surrounding Oracle licensing and deployments, so recognized the need for specialist help.

Livingstone was chosen for its deep expertise in data center environments, particularly with Oracle usage.



Pivoting to an Oracle audit

A matter of months into this engagement the company received an audit notification from Oracle. The Livingstone team had to change tack fast, shifting its focus from the ELP to audit defense.

The Livingstone team collected, normalized and interrogated the vast quantity of data relating to the client's Oracle deployments and usage, and compared these findings against its licensing entitlements to identify any potential areas of contention. If gaps were identified, the Livingstone team provided strategic advice on what action the client should take to minimize its exposure to risk.

Livingstone was also on hand to help the client respond to questions and clarifications from the Oracle auditors, ensuring that – what can become tricky negotiations – achieved the optimal result.

In this instance, Livingstone was able to drive down the audit risk by millions of dollars.



Optimizing licensing in complex environments

Following the successful outcome of the audit, Livingstone was once again contracted by the client, this time on a managed service basis in order to assist with a complex divestment project. This involved part of the company's infrastructure being split into separate environments, each with its own Oracle licensing requirements.

For example, while the technology company had sold off part of its infrastructure, it was committed to providing specialized managed services to the acquiring organization during a transitional period. This part of the system was one of the areas that needed to be ringfenced from the wider corporate network, with its Oracle licenses managed separately. Maintaining these different environments in parallel not only added considerable complexity to the client's Oracle estate, it also presented new commercial risks. These included the danger of overspending on licenses as well as the risks of multiple audits.

Livingstone advised the client on how to optimize its licensing across these disparate estates, in particular on how to keep costs down in the hived-off networks, while at the same time maximize the value of the licenses deployed on the wider corporate infrastructure.



Teamwork drives success

The continued success of this engagement is largely thanks to Livingstone's close working relationship with the client's in-house IT and procurement teams, as well as its IT partner.

This collaborative way of working means that the Livingstone team has deep insight into how the organization utilizes its infrastructure and software, so can provide the right advice to help it achieve its business objectives.

"This has been a complex and ever-evolving engagement. Our team has needed to adapt swiftly to the client's changing needs; from a routine ELP, to a potentially difficult audit, to a highly intricate divestment project. This illustrates the value of appointing a managed service provider to oversee an ITAM strategy."

By forging a long-term, trusted relationship with an adviser who truly understands your operations & objectives, you can reduce risk, lower costs, fuel transformation programs, as well navigate any unexpected issues that crop up along the way."

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