**CorDimension**

## THIRD-PARTY MAINTENANCE PRODUCT FEATURES

**Senior technicians:** Top-tier technicians with years of training and experience working with major hardware OEMs (Cisco, Dell, EMC, HP, IBM, NetApp, etc.). These tier-three technicians are employees, not contractors or third parties, and answer inbound calls directly. The result: shorter resolution times.

**Abundant parts stocking locations:** Warehouses located in approximately 50 cities across the US. If there is a need to support a customer with 4-hour support a new location can be added.

**Customer portal:** The portal provides quick, easy access to open a support call. It also provides an overview of all supported assets. This enables customers and partners to open tickets and follow in real time. They can also view contracts, covered products, locations, and external assets.

**Product breadth:** We can add additional OEM equipment to support any mission-critical hardware for as long as required. This enables our customers to re-allocate a portion of their IT budget for other projects. The estimated savings to end users is 60% to 80% off OEM support fees.

# FAQ

**For customer that have systems from multiple manufacturers.** Our third-party option offers the ability to consolidate disparate systems and support terms into one maintenance contract.

**For customer that have specific requirements they need addressed.** Our third-party option is designed for flexible customized contract terms to fit customers' specific business requirements and to reduce their overall IT hardware maintenance costs significantly over the long term.

**For customers wanting to receive personalized service.** Our third-party maintenance can provide a dedicated Technical Account Manager to ensure the highest level of customer service. We include a web-based customer portal providing quick and easy access for customers to open a support call. It also provides an overview of all their supported assets.

**For customers concerned about receiving support when they need it.** Our third-party maintenance option guarantees response times ranging from 24x7x4 (hour) to the next business day. We can also develop customer specific SLAs.

**For customers needing after hours or weekend support.** Our third-party maintenance option offers a 24x7x365 technical support help desk which is included with all SLAs, even next business day.

**For customers that need to receive same day parts repair even if they have multiple data center locations?** Parts are stocked within 50 miles, regardless of location. Our third-party option provides technicians located within 50 miles of the client to expedite response times. Spare parts can also be stocked at the customer's location if needed.

**For customers concerned about the level of technicians they will be working with.** Our third party maintenance option offers senior engineers with in-depth expertise gained through servicing a wide variety of equipment from multiple manufacturers. They each have an average of 7+ years of experience working for a hardware OEM and are crossed trained from numerous OEMs. All support calls are answered by a senior engineer, eliminating the need to escalate to senior engineer level.

**For customers concerned about the average wait time for an engineer to call back.** Our third-party maintenance option only has senior engineers responding to calls (starting with the first call) and will troubleshoot your problem immediately.

**Advantages to using our third-party option.** A partnership frees the IT department to focus on meeting its goals and on new initiatives. We focus solely on ensuring the customer's IT infrastructure is sound and running at all times—adding further value to the business.

When companies depend on original equipment manufacturers (OEMs) warranties for extended support, the costs have sometimes proven to be prohibitive. As a result, they have turned to IT hardware refresh, making the maintenance process an uncomplicated and unimportant task; consequently, IT managers had to find a simple, inexpensive maintenance plan. Therefore, third-party options became increasingly attractive as they were a cost-effective option to the expensive warranties provided by the OEMs.

This rather hit and miss approach costs money and takes time. To ensure efficient and cost-effective IT operations, organizations need to create comprehensive and consistent IT hardware maintenance strategies—whether in-house or third party. They are vital to ensure that the value inherent in IT hardware enhances the efficiency and effectiveness of IT operations.

These strategies are also essential to cover legacy, end-of-life (EOL), and end-of service (EOS) equipment that OEMs no longer support. With a flexible strategic plan, not only are unexpected issues avoided, but also paying for an expensive OEM maintenance plan. To commence creating an IT hardware maintenance strategy, these six factors are key to finding the right alternative to an expensive OEM extended warranty.

## 1. Develop and maintain an IT asset inventory

This first step is one of the most important. Organizations need to develop and maintain an IT asset inventory of all its equipment—across the whole enterprise—not just by department. Such a comprehensive inventory will provide data that is helpful for daily system management, asset tracking, and security incident response. It is also valuable as a record for accounting purposes, as a tool to identify areas of potential risk, as a means of expediting technical support, and as a source for key information for business continuity purposes. Identifying critical assets is essential for effective business continuity planning, as well as conducting IT risk assessments. The IT asset inventory should contain not only what systems, devices and networks warrant coverage and what level of coverage, but also where IT assets are housed: in-house (including all company locations), warehoused, sitting on shelves as a backup for critical systems. In addition, each asset requires a description; for example, who is responsible for the asset, what information is stored on the asset, how critical or essential to the business is the asset.

## 2. Track warranties

With a mountain of equipment, comes corresponding warranties. Each warranty guarantees that the IT asset will meet certain specifications. With IT hardware, it is usually a guarantee for how long the parts last. When the hardware is specialized, the guarantee can include both software feature functionality and part longevity. It can get confusing and time consuming to keep track and to ensure the organization's IT assets have full and comprehensive coverage over their lifecycles.

**The list of warranties should include:**
• IT hardware covered on initial OEM warranty and what is included
• OEM extended warranties and length of coverage
• Expiry dates for IT hardware supported by OEMs
• Expiry dates for IT hardware supported by a third-party
• Costs and level of coverage of an OEM warranty versus a third-party warranty
(including special features or services that provide value beyond fulfillment)


With a comprehensive warranty list, IT managers can create a strategic plan for the next support contract, which ensures continuity of coverage at a level appropriate to the lifecycle stage of the equipment. Even though managing warranties can be overwhelming, with an up-to-date list of warranties and the required information organizations can reduce warranty spend and maximize efficiency.

### 3. Explore third-party support options

Moving to third-party hardware maintenance services is still a relatively new option. This means that many IT managers do not have experience with third-party services that offer support benefits not provided by the OEMs. For instance, instead of juggling service contracts and warranties from many OEMs, IT managers have a single point of contact and simplified administration. Third-party service agreements offer incredible flexibility. Options include guaranteed response times; fixed service schedules at a fixed fee; a 24/7/365 technical support help desk; customized support packages with parts stocked within 50 miles of the customer's site; and comparable maintenance costs for legacy equipment and current-generation equipment. Furthermore, third-party technicians develop in-depth expertise through extensive experience servicing a wide variety of equipment from multiple manufacturers. With a flexible third-party IT hardware support solution, equipment is consistently well maintained and therefore always in optimal condition. Over the long term, expenses are cut and the bottom line enhanced.

### 4. Manage IT budget effectively

If an organization decides not to support systems and refresh hardware, it faces rising costs through capital acquisition. With most IT budgets split between operating expenditure (OpEx) and capital expenditure (CapEx), it is important to understand how maintenance services, which touch on both, affect the CapEx-to-OpEx ratio. OpEx flows through the income statement while CapEx is either capitalized or booked as an asset; therefore, CapEx represents a greater investment in long-term value for the organization. It is highly complex: accounting rules govern the capitalization of costs and differ from organization to organization. Even so, an IT executive must have a clear understanding of the CapEx-to-OpEx ratio and how the rules apply to both the organization and IT budget. It is essential to understand how decisions on maintenance services, considered uncomplicated and unimportant, continually impact every phase of the budget. Without an awareness of the "where" and "why," then it is just meaningless numbers on a page, and it will be tough to manage an IT budget effectively.

## 5. Manage IT hardware lifecycle

The dynamic IT infrastructure of today requires a hardware lifecycle management plan to track IT assets as they advance through their lifecycles: Assessment, Deployment/Migration, Management and Retirement. Knowing when to repair or replace is critical to cut costs and increase efficiency. Retaining an asset beyond its useful lifespan usually results in problems such as unexpected downtime, lowered productivity, and increased support costs. A hardware lifecycle management plan helps to extend the useful life of IT hardware and to avoid problems resulting from inoperative or obsolete equipment. Capturing the financial information related to the hardware lifecycle helps the organization generate measurable financial objectives and provides a solid foundation for IT budgets. The benefits of this are twofold: it delivers justification for maintenance support contracts and provides financial transparency to IT stakeholders. Actively managing the total useful life of IT hardware maximizes return on the IT hardware investment.

## 6. Find value in retired IT assets

The hardware lifecycle management plan should define when the cost of maintaining the equipment is more than its usefulness. That it has reach its end of life (EOL). The plan should include the inherent value in the equipment deemed EOL. Refurbishing the equipment and selling it through the secondary market is an option that not just makes money, but also saves money. These assets still show book value; therefore, the company is paying tax on an unused asset. Selling the asset and writing it off, reduces taxes. As well, the costs associated with managing and storing these unused assets are also saved. Today, many businesses are moving from OEMs to the secondary market for their replacement equipment. Secondary market resellers provide used or refurbished equipment at a fraction of the cost of new equipment. As well, many secondary-market resellers can provide new equipment they purchased from a manufacturer's overstock. Many of these resellers test, refurbish and certify the equipment before reselling. When retiring IT assets, it is an opportunity to explore the cost of new versus refurbished equipment.

**Why third-party support is more critical today**

For more than ten years, IT hardware has consolidated around virtual machines. While servers have become increasingly powerful, their usefulness has increased exponentially. In other words, fewer devices run more services that are an integral part of the business. As load can easily be distributed horizontally rather than upgraded continuously, these devices are retired less frequently. IT hardware, therefore, is in production longer and carries more critical loads. The trend towards fewer devices running mission-critical services, makes third-party IT hardware support plans indispensable to the enterprise.