

Worldcom Exchange offers smart technology choices

Portfolio of new and remanufactured hardware ensures customers meet performance, capacity, budget goals



“The remanufactured equipment offered through HP Renew delivers the same quality and functionality of new products, and is backed by the same warranty and support. It’s an intelligent choice for both performance and value.”

—Belisario Rosas, President, Worldcom Exchange Inc.



HP customer case study: HP Renew remanufactured hardware allows companies to meet performance and capacity needs while stretching budget dollars

Industry: Technology

Objective:

Configure technology solutions that meet clients’ performance, capacity, and budgetary requirements

Approach:

Offer portfolio that includes system management solutions, choice of new or remanufactured hardware

IT improvements:

- Customers’ performance requirements met
- Customers’ capacity requirements met

Business outcomes:

- Customers’ budget requirements met
- Enhanced ROI by optimizing ratio of price to performance
- Leasing option adds additional funding flexibility



Founded in 1989, Worldcom Exchange, Inc. (WEI) is not the average value-added-reseller (VAR).

For one thing, the company maintains a 20,000 square foot warehouse which houses an extensive inventory of servers and storage hardware. When prospective customers visit WEI, its technical services staff begin the visit with a tour of the warehouse, allowing customers a first-hand look at the systems WEI can configure and implement on their behalf. As prospective customers narrow down their list of possible hardware, the next step is knowledge transfer. Moving to the facility’s state-of-the-art demo room, WEI—during demo/training sessions—rolls hardware in and reviews the components with each customer.

Should prospects want to see the systems in action, WEI sets up on-site demonstrations of hardware

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running the customers' chosen software operating systems and applications.

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It's an in-depth and high-touch sales process—clients, on average, make 8-10 on-site visits before a deal is finalized—but it works, enabling WEI to build solid relationships with its customers. Clients deepen their understanding of available systems, along with adjunct technologies like virtualization. And WEI guides customers through their hardware choices—choices that include not only new HP hardware but also systems offered through the HP Renew portfolio.

Helping customers stretch their budgets

Throughout this process, WEI engineers gather information about their customers' needs. "Our first step is always the same: understand what problem our customers are trying to solve," explains John Vitiello, Director of Technical Services, WEI.

One of these considerations customers inevitably raise is budget. As an HP channel partner, WEI positions HP's brand strengths during customers' evaluation of available systems; then, depending on a customer's budget, WEI recommends purchasing either new HP equipment or equipment from HP Renew. The HP Renew Program offers an extensive portfolio of quality HP products, fully remanufactured in factories owned and managed by HP, and backed by the original HP warranty. Products are sourced from the HP Demo pool, factory loaner equipment, factory excess, customer returns and trade-ins. The returned equipment is broken down to the component level and

built to custom configuration. All Renew products are built with the same engineering standards as new HP solutions with current revisions of firmware, software/OS, and licenses.

Selecting HP Renew hardware is often a compelling option, Vitiello notes, because it doesn't require customers to sacrifice quality or reliability. "HP Renew products come with the same HP warranty and support as new HP products," he says. The difference: it allows customers to stretch their budgets. "Customers don't have to compromise on things like processor speed or memory to hit their price point." Customers who are planning upgrades can achieve greater technology gains at a price point better than or equal to less robust offerings from other hardware vendors.

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John Vitiello, Director of Technical Services, WEI

Because HP Renew products are fully remanufactured by HP, processes associated with developing quotes, placing orders, and fulfillment are no different than those associated with purchasing new HP equipment. No extra cycles are required. This, in turn, allows WEI to respond quickly to customer requests and support their implementation schedules.

WEI also helps its customers better define their needs from a technology perspective. "Customers often have pre-conceived ideas about what systems they need," Vitiello notes. Focusing on the problem instead of the technology ensures those preconceptions won't lead

customers into sub-optimal platforms or configurations. Typically, the solutions developed by the staff—many of whom worked as data center engineers before joining WEI—address a range of issues, from processing power and bandwidth to environmental issues such as power and cooling requirements.

Additionally, WEI looks for other ways to leverage HP technology to help its customers, notes Bill Burke, Sales, Business Development and Marketing, WEI. “In today’s economic environment, companies need to do more with less,” he says. “We have customers dealing with 10-20 percent cuts in their IT budgets. At the same time they’re seeing 10-20 percent increases in the number of IT projects.” HP Renew allows the customer to stretch their budget to meet their business technology needs.

To help customers address this challenge, WEI recommends HP system management tools, such as HP ProLiant Essentials software, HP Systems Insight Manager, and HP Integrated Lights-Out (iLO) technology. With HP ProLiant Essentials Rapid Deployment Pack, for instance, customers can deploy system images across multiple servers at a time. Systems Insight Manager offers functions like a “phone home” capability, which enables system alerts to be routed directly to HP support. HP iLO supports remote management and diagnostics.

Another tool WEI often bundles with HP hardware is HP Storage Essentials software. “Storage Essentials helps our customers monitor their EVA system performance and trend capacity utilization,” Burke notes.

Vigorous standards, hands-on support

Once a customer orders from the HP Renew portfolio, WEI puts the hardware through the same pre-implementation tests that it does with other

hardware products. “We bring the equipment into our integration lab and burn it in for 24 hours,” Vitiello says. “We install the operating system and run inventory reports. Then we erase the hard drives, shut the systems down, box them up, and ship them.”

Next, as a value-add to the customer, WEI goes on-site to rack and wire the HP systems. “We virtually eliminate the risk of failure to the customer,” Vitiello says. “We are right there up to when the systems power on.”

As yet another value-add, WEI also periodically refreshes its warehouse inventory to ensure it has at least one duplicate of every piece of HP hardware deployed at a customer site. “If a customer buys a particular HP server, we keep one in our inventory for break-fix,” Vitiello says, noting that WEI is also an authorized HP repair facility. This strategy provides an extra measure of support for any HP system—whether it was new or came from the HP Renew portfolio. “Customers know that if a component does fail, we can take the replacement part we need right out of our break-fix inventory and be on site to make the repair within 24 hours.” WEI can also open support tickets directly with HP if needed. “Customers perceive it as a huge benefit when they don’t have to worry about handling hardware problems,” Vitiello notes.

WEI’s confidence in the reliability of HP Renew hardware is more than just talk—the company uses Renew hardware within its own infrastructure. Its production environment runs on HP ProLiant BL460c server blades and HP StorageWorks 4400 Enterprise Virtual Arrays from the HP Renew portfolio. “They are dynamite products,” Vitiello says. “We’ve never had so much as a hiccup with any of the HP Renew solutions.” And, by “practicing what we preach,” Vitiello

Customer solution at a glance

Primary applications

- VAR hardware, software sales

Primary hardware (WEI Production Environment)

- HP Renew program servers, including HP ProLiant BL460c server blades, HP ProLiant xw460c blade workstations and HP ProLiant DL360 servers
- HP BladeSystem c3000 enclosure
- HP StorageWorks 4100 Enterprise Virtual Arrays (EVAs)

Primary hardware (WEI On-Site Demo Center)

- HP Renew program servers, including HP ProLiant DL140, DL320, DL360, DL380, DL385, DL580, DL585 and ML350 servers
- HP ProLiant BL460c, BL465c and BL680c server blades
- HP Integrity BL860c and BL870c server blades
- HP ProLiant xw460c blade workstations
- HP Integrity rx1600, rx2620, rx2660 and rx4640 servers
- HP 9000 rp3400 and rp8420 servers

HP BladeSystem c7000 enclosure

HP StorageWorks Enterprise Virtual Arrays (EVAs) including EVA4000, EVA4100, EVA4400, EVA5000 and EVA8000s

Primary software

- HP ProLiant Essentials software
- HP Systems Insight Manager
- HP Integrated Lights-Out (iLO) technology

HP Services

- HP warranty and support programs
- HP Financial Services

adds, "we raise our clients' comfort level with HP Renew products. It shows we trust the products and HP."

To add additional flexibility to a customer's options from a budget standpoint, WEI may also suggest customers consult with HP Financial Services. "Leasing can allow a customer to stretch their dollars even further," Vitiello notes. In addition, funding purchases through HP Financial Services can allow companies to smooth out the peaks and valleys in their technology development schedules. "They can space their purchases out, instead of doing everything at the end of the quarter," he says. "It helps companies keep their IT staff working at a steady pace."

Value and best practices

No matter which HP solution WEI presents to its customers, the emphasis is on relationship-building and knowledge-transfer. "Our best customer is the educated customer," Vitiello says. "We want our clients to know what they are purchasing." The approach has worked. In recent years, WEI has doubled its sales of HP equipment annually.

Even in today's economic climate, the company's emphasis on value and best practices gives it a

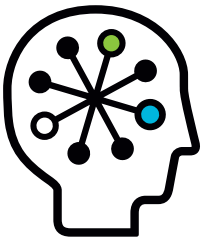
significant competitive edge. "We continually seek ways to both solve our customers' problems and enhance their return on investment," Burke notes. The result: WEI configures robust, high-quality technology solutions while staying within customers' budget requirements.

"In this industry, you can always find cheap hardware," Burke says. "But if you focus on price without also looking at quality and support, you can end up with hardware that doesn't meet your needs from a reliability or performance standpoint."

"Our first step is always the same: understand what problem our customers are trying to solve."

John Vitiello, Director of Technical Services, WEI

"With HP Renew, you have the confidence of knowing the hardware is backed by HP warranties and support," he concludes. "You can trust the integrity of the technology."



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