

## CASE STUDY

---

# How Samtec Used Outsourced Telecom Management to Grow Their Business



## PROBLEM OVERVIEW

A leader in the electronic interconnect industry, Samtec has more than 40 locations around the world, and they keep growing.



Working with Digital Direction, Samtec was able to increase their domestic and international locations.

However, five years ago - when Samtec had just 30 locations - the company realized they had a serious problem with telecom, from carrier billing errors to never-ending trouble tickets. If Samtec wanted their growth to continue, they had to find a telecom solution.

### *A Need for Central Management*

"Everything about our telecom seemed to be disorganized," said Samtec's Global IT Operations Director Bryan Proctor. "Despite having great people taking care of IT, everything was all over the place. There was no central management for bills and contracts." While mismanaged telecom is so common that many companies accept it as part of doing business, Samtec decided to do something about it.

"We had two employees working on our telecom services, but without connections and inside carrier knowledge, they didn't get very far," Proctor explained. "It was difficult just to get a trouble ticket resolved. We needed a better solution."

Samtec's telecom was a gray area, and the company had no concrete idea of how this gray area was affecting the company's bottom line. Billing confusion, constricting contracts, unresolved problem tickets, and unsatisfactory responses from carriers were interfering with business and eating up profits. Samtec realized that even when their in-house team was performing at its best, carrier processes, procedures, and billing made it impossible to untangle and resolve issues.

They knew they were wasting dollars, but Samtec had no perspective on exactly how many. "One of our consulting partners told us to consider Outsourced Telecom Management," Proctor said.

**"Once we learned about Outsourced Telecom Management (OTM), we saw all the ways it could help us. It sounded like exactly what we needed to eliminate the barriers we kept hitting."**

Bryan Proctor  
Global IT Operations Director, Samtec

## SOLUTION

Having industry experts to discover, diagnose, treat, and manage all telecom sounded like a smart choice. It became clear that using Digital Direction's Outsourced Telecom Management (OTM) was a logical step For Samtec. "Once we learned about OTM, we saw all the ways it could help us," Proctor explained. "It sounded like exactly what we needed to eliminate the barriers we kept hitting." The company engaged with Digital Direction to sort out their telecom issues.



With OTM, Digital Direction manages every aspect of the telecom lifecycle - from ongoing inventory and project management to service procurement and contract negotiation.

### *The Important First Steps*

The first step Digital Direction took was the most crucial: Quickly becoming Samtec experts. The Digital Direction team immersed themselves in Samtec's business and industry, inside and out. This discovery process gave Digital Direction a driver's-seat view of problem areas and savings opportunities.

"They know us well, and got to know us so fast," Proctor said. "Almost right away, we felt like we had an expert team on our staff." A healthy, transparent partnership with Samtec gave Digital Direction the information they needed to start the quickly growing company on the road to a better-managed, cost-saving telecom experience.

**"They know us well, and got to know us so fast. Almost right away, we felt like we had an expert team on our staff."**

## The Right Experts with the Right Connections

Digital Direction's expert OTM team needed to deconstruct all of Samtec's telecom contracts and billing to identify and fix cost-eating issues. Such issues included paying for services at closed locations and for services that weren't working - or even available.

Resolving telecom problems requires people with the right know-how *and* carrier connections. **Digital Direction's team includes industry experts who average more than 20 years of back-office carrier experience.** These experts had the inside industry knowledge to negotiate and re-negotiate contracts, identify billing errors, and finally get satisfactory resolution for trouble tickets.

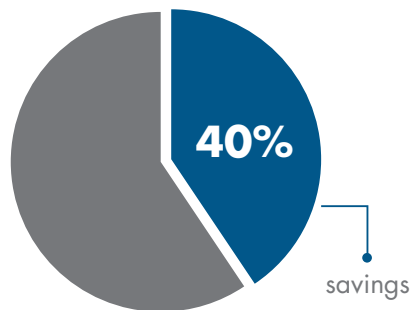
"They have so much experience and so many carrier connections, it would be impossible for our in-house staff to be as effective," Proctor said. "The inside information and executive-level contacts that come with Digital Direction's OTM cannot be matched."

## RESULTS

### The First Year

Samtec had high expectations. They were confident that their Digital Direction OTM team could help save costs, but they were pleasantly surprised at what happened in only 12 months. After re-negotiating contracts and identifying billing errors, **Digital Direction's OTM team saved Samtec nearly a million dollars - 40 percent of their telecom spend.** "I knew we were going to see savings," Proctor said, "but I had no idea it would be that much. It was incredible."

"I knew we were going to see savings, but I had no idea it would be that much. It was incredible."



Digital Direction saved Samtec 40 percent of their telecom spend - nearly one million dollars in the first year.

**"We haven't dealt with a bill in years. Saving costs is great, but it's even better when it comes with eliminating stress."**

## The Next Four Years

That first year set up the Samtec and Digital Direction relationship for perpetually saving costs and eliminating headaches. One of Samtec's biggest headaches was interpreting complicated carrier billing. Now, Digital Direction analyzes bills to ensure Samtec is *only* paying for what they are getting, and that they are getting the best rates. "We haven't dealt with a bill in years," Proctor said. "Saving costs is great, but it's even better when it comes with eliminating stress."

In addition to interpreting complicated billing, Samtec was also having issues with unresolved trouble tickets. Now, Digital Direction takes care of resolving trouble tickets, which saves Samtec both stress and dollars. Because of Digital Direction's intervention, **in a two-year period, Samtec realized \$60,000 in trouble ticket credits.** To accomplish this, Digital Direction's OTM experts used their deep industry experience, knowledge, and connections to escalate the tickets to an executive level to find a fast and fair resolution.



Over a two-year period, Digital Direction's interventions allowed Samtec to realize \$60,000 in trouble ticket credits.

## Fulfilling Growth Potential

Digital Direction has made it easier for Samtec to maximize their growth. **The company has added 10 new locations - both domestic and international - in the five years they've used Digital Direction's OTM services.** "The more we grow, the more complicated our telecom services get," Proctor said. "Digital Direction has given us the freedom to focus on growth and profit and not worry about our telecom. They treat our company like it is theirs."

A prime example of Digital Direction's OTM value is when Samtec opened a location in Scotland. While everything else was moving along as scheduled, Samtec discovered that their telecom was going to take 90 days when they were scheduled to open in 20 days. "Obviously, it was a big problem," Proctor said. "In our experience, before Digital Direction, the carrier always held the cards, and we had to work around them instead of *with* them."



Without Digital Direction, Samtec's location in Scotland would have opened 70 days behind schedule. Instead, the Digital Direction team was able to make sure it opened on time.

When Samtec was alerted to the halt in the schedule, Digital Direction immediately took action. The OTM team used their international carrier expertise and connections to make sure that Samtec had the telecom services they needed when they needed them. Samtec's Scotland location opened on time, with all telecom services working. "If it had not been for Digital Direction's industry know-how and insight, our plans would have been delayed," Proctor explained. "They were able to connect with British Telecom on an executive level to speed up the process, which we could not have done on our own."

### *Immeasurable Savings*

Samtec's massive first-year savings after engaging with Digital Direction were easy to measure. Since then, Samtec believes that there's no way to measure the total savings over the past five years. Without the telecom intervention from Digital Direction's OTM services, Samtec would have continued to lose countless dollars to billing errors, missed thousands in trouble ticket credits, and have locations not open on time - or at all. "The savings opportunities over the past five years are so vast that they're immeasurable," Proctor added. "I don't believe we could have grown as much as we have without our engagement with Digital Direction."

### *Continued Savings*

To continue to save and get the best, most innovative services, **Digital Direction keeps Samtec connected to new telecom carriers while coordinating and negotiating renewal contracts.** The goal for everything Digital Direction does for

"The **savings opportunities** over the past five years are so vast that they're **immeasurable**. I don't believe we could have grown as much as we have without our engagement with Digital Direction."

Samtec is to get the most value, whether it's getting more bandwidth for the same price or negotiating for a more competitive rate.

"Digital Direction came to us recently with a new service that could get us more bandwidth for the same price," Proctor said. "Knowing about these options before we go into contract renewals helps us to know that we are choosing the best option for the next three years."

**"Digital Direction takes very good care of us. They are now part of our team, no question. They're excellent to work with, and we trust them completely. Trust is vital."**

## LOOKING FORWARD

Pleased with Digital Direction's OTM results and service, Samtec looks forward to continuing their partnership. "Digital Direction takes very good care of us," Proctor said. "They are now part of our team, no question. They're excellent to work with, and we trust them completely. Trust is *vital*."

To keep telecom running as smooth as possible, Digital Direction has a weekly check-in with Samtec, and continually advocates on their behalf. Even when it seems like a problem is insurmountable, Digital Direction always finds the best solution. "They win every time," Proctor concluded. "Our Digital Direction team is at their best in situations when everyone else would have given up."

## ABOUT SAMTEC

Samtec, Inc., is an international supplier of interconnects, cable assemblies, and design solutions. Products include high speed board level interconnects, high speed cable assemblies, optical systems, IC packaging and microelectronics expertise, the industry's largest variety of board-to-board interconnect, rugged and power systems, micro rugged interconnects, and sealed products. Samtec provides full channel system support, streamlining and optimizing the signal path, from the IC to the board and beyond.

Samtec is the recognized service leader in the interconnect industry, consistently winning the Bishop and Associates' Customer Service Survey of the Interconnect Industry in North America, Europe, and Asia. Samtec's approximately 4,000 worldwide associates are located at four primary manufacturing centers, six support offices, and sales and support offices on every continent.