

# Measuring Software helps Saving

**A sustainable and legally compliant Software License Management is neglected by many companies. However, due to the more and more complex conditions of the software manufacturers, the strategic License Management is gaining importance. Anyone who exactly takes inventory of the software in use can avoid significant costs and can be relaxed about an external license check. The Heidelberger Druckmaschinen AG has recognised this and has optimised its software licenses.**

## Measuring Software helps Saving

These days, companies are mapping their business processes and finally their entire economic and logistic procedures by means of software. The company-wide deployment of IT solutions thus is a central operational resource. Hence, it is not surprising that companies invest a lot of time and money for optimally aligning their IT landscape and for operating it efficiently.

It is, however, often a different story with the management of systems and applications and the related licenses. Even that companies pay attention to the strategic importance of their IT and deploy it daily, they usually deal inadequately with an efficient management of their software, the so-called Software Asset Management. Licenses and individual clients can only be efficiently managed if companies exactly know which software is really needed and which applications and versions are already in use.

The Heidelberger Druckmaschinen AG (Heidelberg) has as well recognised the necessity of a detailed analysis of the entire license management and thus the development of a sustainable strategy for an optimal usage of the company software throughout all major software providers.

"Our company software is of capital importance for a smoothless operation of our worldwide business", explains Michael Neff, CIO at Heidelberg. "This is why we have been looking for an appropriate procedure and a reliable partner with whom we can optimally record and transparently manage out software, thus reducing costs."

## Optimising Licenses

The market leader in the field of sheetfed offset printing was looking for an external consultancy with regard to all questions related to license measurement and optimisation. In doing so, the company paid great attention to a manufacturer-independent consultancy.

Finally, the IT consulting company Devoteam Danet won the project. Besides the technical know-how, the comprehensive and personal assistance through experienced IT consultants onsite was crucial. "We could get a detailed picture of the operational organisation and the IT infrastructure", explains Timo Weirauch, Senior Consultant for Software Asset Management at Devoteam Danet. To get an overview of the overall software and license situation at Heidelberg, the IT consultants performed a complete analysis of the license inventory and the related software applications in a sixmonth project.

## About Heidelberger Druckmaschinen AG

With a global market share of over 40 percent in the sheetfed offset press market, Heidelberger Druckmaschinen AG (Heidelberg) is the world's leading solution provider for the print media industry. The core business of this technology group covers the whole value-added and process chain for the common format classes in the field of sheetfed offset print and flexo print. The company develops and produces precision printing presses, units for imaging printing plates, post press equipment, and software for integrating all the print shop processes. It also provides general and consulting services ranging from spare parts and consumables to the sale of remarketed equipment, and training at the Print Media Academy.

Based in Heidelberg, Germany, with sites in six countries and around 250 sales offices across the globe, the company supports over 200,000 customers worldwide in the OECD industrial regions and in growth markets such as Asia and Eastern Europe. Its export share is over 80 percent. All Heidelberg presses destined for the world market are assembled at the Wiesloch-Walldorf site in line with strict quality standards. Standardized presses in small and medium formats and folders for the Chinese market are produced by Heidelberg in Qingpu near Shanghai (China).

# Strategic License and Software Management



*Software Asset Management as a permanent process in Heidelberg.*

In a first project step, the software products in use and the related licenses that have been purchased were listed. In a second step, the consultants performed an analysis to determine how many users respectively how many computers use which software and whether there is a license surplus or shortage. For this situation analysis, the market offers diverse license tools that provide transparency within shortest time. The third project step was the actual consolidation of the licenses. To this aim, all standard role profiles and user privileges that give information on which client is allowed to use which software were analysed.

Moreover, the IT consultants performed a company-wide evaluation of the usage frequency of an application. Based on this, they wrote recommended courses of action for continuously improving the license management, focusing on a centralised license management and purchase. A reallocation of unused licenses, the so-called

safe inventory, could be identified as further optimisation potential. Moreover, superfluous costs could be excluded by identifying superfluous licenses. The consultants checked as well the existing maintenance contracts for their necessity. Furthermore, cost savings could be achieved through a targeted selection of the most efficient license model of the respective software manufacturer. Considering that the purchase of software products and licenses accounts for about 30 percent of the overall IT costs, the saving potential of a strategic Software Asset Management is obvious. CIO Michael Neff confirms this opinion: "Through the active management of our licenses, we could reach significant savings in the license purchase and maintenance duties."

## Audit-compliant through Reporting and Consulting

Apart from cost savings, the company as well benefits from a seamless audit trail of all closed license agreements and thus of the related inventory transparency. To keep the overview of the used software up-to-date, ongoing process consulting is indispensable. Based on this, Heidelberg can minimise legal risks and ensure the legal and efficient handling of its company software. "Through an immediate identification of a potential license shortage and a gapless monitoring of company-internal compliance guidelines, we ensure an audit-compliant license management and can be relaxed about an external license check", affirms Devoteam Danet Consultant Weirauch. Devoteam Danet's consulting services are completed by a close inspection and structuring of the licenses as part of the contract management.

"By closing the right software agreement we have a variety of possibilities for flexibly adjusting our licenses to our needs", explains Tom Oelsner, Vice President Enterprise Architecture & Services at Heidelberg. "Devotam Danet supports us with the price comparisons and provides us with exhaustive advice on all questions regarding product and contract analysis up to the purchase of applications from alternative software providers."

Heidelberg could successfully complete the project, because besides the legal issues, cost benefit aspects were as well integrated into the License Management Model, with the reliable contract management and the exact analysis of the deployed software being the main constants. Thanks to them, Heidelberg could optimise its license inventory and reduce costs. "An integral part of the project with Devoteam Danet was not only the one-time optimisation, but the development of an ongoing Software Asset Management process that we can run ourselves", explains Oelsner. "Software Asset Management is no one-time task, but requires permanent commitment." This continuity pays off in long term.

## About Devoteam

Devoteam is a leading IT consulting group in Europe and was created in 1995. Combining consulting and technical solutions offers enables Devoteam to provide its customers with independent advisory services and effective solutions that meet their industrial objectives. Headquartered in Levallois-Perret (Paris, France), the Group counts more than 4,500 employees in 23 countries. Devoteam achieved in 2008 a turnover of 460M Euro.

In January 2009 Devoteam Danet was integrated into Devoteam. The company offers business and IT consulting, IT solutions and IT services – especially in the sectors automotive industry, financial services, telecommunications & medias and transport & logistics. Devoteam Danet counts 390 employees and achieved in 2008 a turnover of 42.5 M Euro in Germany.