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# Supporting Rapid Growth through Digital Procurement

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**INFOR500**

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## Procuring Digital Commodities for accelerated Growth

### The Challenge

Qualys, Inc. is a leading provider of information security and compliance cloud solutions. With a rapidly growing customer footprint providing world-class cloud security products and services, Qualys has more than 10,300 customers more than 130 countries around the world. In order to support their customer base the infrastructure required to handle ~30% annual growth on ~\$250M of revenue, Qualys realized the need to invest in digital infrastructure, including eliminating catch-up costs like overconsumption of certain commodities at non-optimal prices, software licenses, hosted data center capacity virtualization, code analysis, compliance and business intelligence technologies.

Qualys required access to digital assets inclusive of cloud-based infrastructure, software technologies and data center solutions in new geographies, numerous other digital assets to build, run, and scale their business, and were challenged by tight timelines due to rapidly approaching new products, the testing and compliance windows of these products, and pressure to go-live on their new product offerings. Current contracts for similar technologies were done by prior business owners or former employees no longer at the company. Numerous contracts were non-competitive as compared to industry benchmarks and not optimal due to financially constraining catch-up costs. These challenges resulted in our client historically paying above-market pricing and purchasing inadequate/incorrect licensing to run both their customer-facing and internal infrastructure. Sponsored by the VP, Global Cloud Operations & DevOps at Qualys, InFor500 was challenged to leverage its industry relationships and apply commercially advantageous industry benchmarks, while removing accrued historic liabilities on core data center services, virtualization software, accidental overconsumption, and other critical digital technologies.

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***“Remove accrued historic liabilities while contractually renegotiating core digital growth solutions to keep up rapid growth.”***

## Our Approach

To get our arms immediately around the total size of the universe, InFor500 started with the latest fiscal year spend report on all consumed technologies, rank-ordered by spend. Creating an 80/20 rule based on environmental criticality, we secured contracts for the top 20 suppliers, providing a clear and current picture of the contractual obligations our client faced. In cases where no contract existed or could not be located, we reached out to suppliers, requesting the proper documentation.

Due to InFor500’s strong industry supplier relationships, we were able to immediately provide financial guidance and contractual terms for data center space with an industry-leading data center provider. The same held true for virtualization and other forms of required technology.

Taking our go-to-market strategy to the executive sponsor, InFor500 focused on the top suppliers capable of bringing immediate positive impact to the bottom line, while securing scalable technologies, and waiving outstanding incurred liabilities. With proper steering committee leadership on board and in agreement, we moved towards plan execution.

***“InFor500 provided the digital commodities subject matter expertise to meet rapid growth.”***

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## Results Achieved

InFor500 negotiated and recommended our client migrate to a newer technology data center on the same campus they were currently on, to defray risk and allow multiple current cages to be consolidated into one new site. In doing so, InFor500 secured a 43.5% increase in digital consumption scoped, at a 43.7% cost savings below our Qualys current baseline spend.

InFor500 negotiated full waiver of onetime costs related to sunseting certain commodities, and brought in funds from suppliers to offset capital investment costs related to recommissioning costs. Just as important was InFor500 negotiating full waiver of all historic virtualization software asset consumption overuse. Removing millions in contractual obligation liberated Qualys to reallocate those incumbered funds towards growth technology assets.

All in total, InFor500 negotiated & brought a \$2.11M cost savings per annum, at an amazing 43% discount on every dollar spent over our client's prior annual baseline spend. Catch-up costs were mitigated, growth technology strategies were created and deployed, and Qualys had a long-term series of contracts they could grow into as needed. Most importantly, Qualys was able to honor product delivery dates for new and existing customers.

***“Delivered \$2.11M (43%) of annual cost savings to current spend.”***

"InFor500 helped Qualys address their growth pains, they helped my team scale the cloud infrastructure in a timely manner by procuring the necessary digital commodities while reducing the current operation costs and avoiding catch-up costs."

**Shyamala Bandala**

VP Cloud Operations

Qualys Inc.