

Success Story: A.P. Møller-Mærsk

Customer Profile: A.P. Møller-Mærsk, based in Copenhagen Denmark, is a Global 500 multi-national corporation. With operations in 130 countries, more than 100,000 employees and over \$56 billion from operations.

Challenge: Maersk has many independently operated business units, making IT asset management (ITAM) a huge challenge. The goals were to reduce license compliance risk, more effectively manage IT assets and make Maersk audit ready. In 2010, Maersk brought its ITAM program back in-house to gain better visibility and control over its hardware and software assets in all of its lines of business. They were overpaying for some software and also at risk of vendor license audits. Maersk wanted to mitigate the financial and reputational risk associated with software license non-compliance.

Solution: Maersk signed a master services agreement with Flexera Software for a multi-year project to implement an internal IT Asset Management and license optimization program using the **FlexNet Manager Suite for Enterprises** solution. The company formed a Group-wide Asset Management team and put in place a project plan to focus on 5 key software vendors and deliver consistent quarterly results.

Benefits: Less than a year after partnering with Flexera Software and kicking off a new ITAM initiative, Maersk had realized multi-million dollar savings for two key software vendors. 95% of their IT assets are now managed and have corporate-wide business unit transparency. In addition, the ITAM program has become a trustworthy source of critical information and the team has met its deliverables every quarter to date.



"Our annual true-up with one of our key software vendors in 2011 was the proof point for our revamped ITAM program and investment in FlexNet Manager Suite. The zero dollar true-up cost, in sharp contrast to the millions of dollars paid each year previously, erased all doubts about the program and showed how powerful it is to have accurate asset information at your fingertips."

Luis Peluffo Johansen
Global Head of IT
Purchases & Assets
A.P. Møller-Mærsk



**MAERSK
LINE**

As a large global conglomerate, A.P. Møller-Mærsk had struggled for several years to gain control of its IT estate and in particular, its software licensing.

Its ITAM program had been outsourced to a managed service provider in 2008. The goals were to reduce license compliance risk, more effectively manage IT assets and make Maersk audit ready. In 2010 Maersk decided to bring its ITAM program back in-house to gain better visibility and control over its hardware and software assets at the corporate level, across all of its lines of business. At that time, Maersk merged all of its IT asset management activities into one group-wide ITAM program. It appointed Luis Peluffo Johansen to head up the corporate ITAM team, reporting to the Maersk Group CIO. A steering committee made up of the CIO executive sponsor, Maersk Line CIO and other business unit CIOs and directors was established to oversee the new ITAM program.

The ITAM Project Plan

The new team negotiated a master services agreement with Flexera Software to help implement a phased project for IT asset management at Maersk that includes both hardware asset management and software asset management components. Software Asset Management (SAM) and Enterprise License Optimization subject matter experts from Flexera Software's Consulting Services organization worked with the Maersk team to define processes, ensure valid data in the FlexNet Manager Suite for Enterprises system, and help meet project deliverables. The project plan incorporated 5 tracks with key deliverables each quarter (see Figure 1):

- **Policy, Governance and Processes**— Define IT asset management processes and governance structures within the organization.
- **Hardware Asset Inventory**— Define the data model for hardware asset information between the Configuration Management Database (CMDB) and asset management repository; create a register for all PC and server hardware.

- **Software Asset Inventory**—Collect inventory of software on all known detectable devices; accurate recognition of software titles, versions, editions and suites.
- **Verification and Compliance**—Reconcile software inventory against entitlements for key vendors.
- **Offshore Asset Inventory (ships and ocean oil rigs)**—collect accurate inventory of devices and software on offshore platforms.

The team is initially focusing on 5 software vendors that represent the majority of their total software spend: Microsoft, Adobe, IBM, Oracle, and VMware. They have tackled one at a time as part of the phased approach to implementation (see Figure 1 Deliverable Track 4).

Stakeholder Management

Another critical aspect of the Maersk ITAM program was management of stakeholders across the organization. It was important that each independently operated business unit participate in the program to allow corporate wide visibility and maximum leverage for global software license

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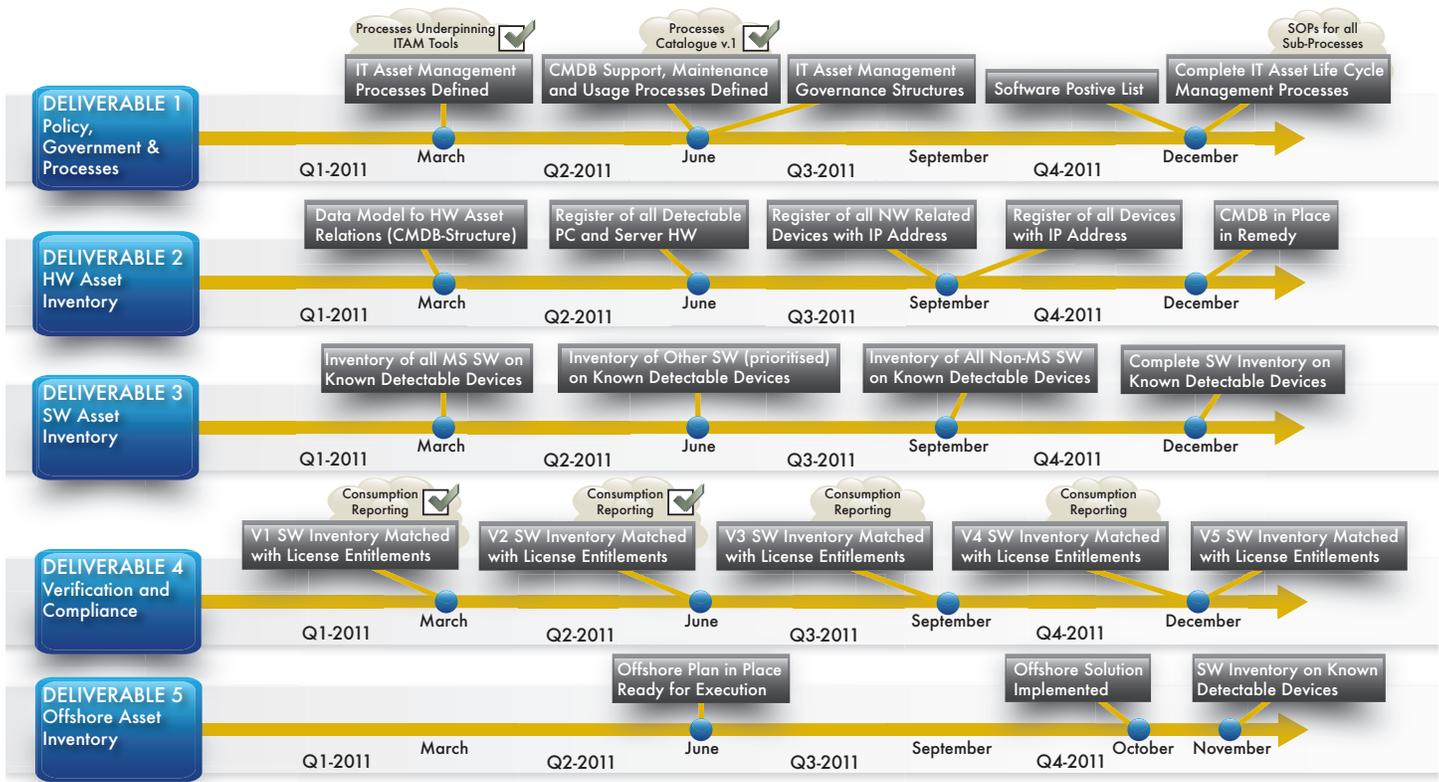


Figure 1: Maersk's Phased ITAM Project Plan

agreements. Each business unit has to pay for its portion of the software contracts and needed to be convinced that it would benefit through lower costs as the ITAM team achieved its goals.

Integration with Existing Systems

FlexNet Manager Platform, the foundation of Flexera Software's enterprise license optimization suite, is the central repository for all hardware, software, user/organizational, license entitlement, and contract data. At this point in the project, Maersk tracks and manages about 95% of all its IT assets in the system. FlexNet Manager Platform has been integrated with Maersk's HR and Active Directory systems to gain access to user information and match users to computers.

FlexNet Manager Platform has also been federated with the Remedy helpdesk product to provide accurate data to enable better change management and service management. FlexNet Manager Platform's asset management repository is the master source of data but feeds into other systems such as Remedy. A daily synchronization between Remedy and

FlexNet Manager Platform ensures that the data is always valid—Maersk's process is all about data quality.

Proof Points

1. The Maersk team first targeted their biggest (by software spend) and most critical software vendor. The subsequent license reconciliation process revealed that Maersk had been over-purchasing software from this vendor for many years. In addition, the vendor claimed that the company had 20,000 offshore assets, but with the FlexNet Manager Suite solution providing much more accurate data, Maersk was able to show that it only had about 3500 offshore assets. Maersk also leveraged the Product Use Rights Library built into the FlexNet Manager Suite for Enterprises license optimization solution to reduce its license consumption for these applications. Use rights, such as the right of second use, and virtual use can entitle the organization to multiple installations of the software under a single license. Understanding product use rights and deploying

an enterprise license optimization solution sophisticated enough to apply those rights, can significantly impact the organization's license position and reduce licensing costs.

"The November 2011 annual true-up resulted in the company having to pay nothing to this key vendor, instead of the millions paid in previous years. This true-up was the first proof point for the new ITAM program and its use of FlexNet Manager Suite for asset management and license optimization, allaying any doubts about the business justification for the project," said Mr. Johansen. "The return on investment from the first license reconciliation alone in the first 6 months of the implementation was enough to pay for the FlexNet Manager Suite for Enterprises product and Flexera Software consulting services many times over."

2. The second proof point was Maersk's ongoing audit with another key vendor. The company had been buying large quantities of products

from the vendor, but previously had not had a way to accurately track and manage its license entitlements (purchase orders and contracts). The vendor claimed that Maersk had a seven figure license liability, and in the past the company would have had to just pay up. Now they were able to use the FlexNet Manager Suite Product Use Rights Library and software license optimization capabilities to apply product use rights and reduce their license consumption. With accurate license entitlement and inventory data, Flexera Software's solution can report an accurate and optimized license position. The vendor accepted the data provided by Maersk and this reduced their license cost by 60%.

Forecasting Demand

With new asset management processes in place, the company can see new assets coming into inventory and can manage the full lifecycle, including retirement of those

assets. This gives Maersk visibility into how its asset inventory is growing and allows it to predict demand. Consequently, the company is able to better forecast future purchases.

Conclusion

With more than 95% of its assets now under management, group-wide visibility and two very significant early wins, the ITAM and license optimization program at Maersk has been a great success, with high expectations of much more to come.

"The Group-wide ITAM program has become a trustworthy source of business critical information and the team is an integrated department within the organization," said Mr. Johansen. "And, I'm happy to say that we have met all of our deliverables every quarter to date with the help of the Flexera Software consulting team and the FlexNet Manager Suite solution."

About Flexera Software

Flexera Software is the leading provider of strategic solutions for Application Usage Management; solutions delivering continuous compliance, optimized usage and maximized value to application producers and their customers. Flexera Software is trusted by more than 80,000 customers that depend on our comprehensive solutions - from installation and licensing, entitlement and compliance management to application readiness and software license optimization - to strategically manage application usage and achieve breakthrough results realized only through the systems-level approach we provide. For more information, please go to: www.flexerasoftware.com



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