

Kansas City Based Firm Improves Offsite Records Terms and Pricing

Opportunity: This law firm based in Kansas City, Missouri has an international practice with over 500 attorneys across all offices. In 2018, the firm approached Mattern to assist it with its offsite records storage services.

For its offsite records relationship, the firm was mostly pleased with its current provider and the services it was receiving. However, the firm saw room for improvement. Specifically, the firm wanted to reduce overall storage expenses and improve its contractual terms. In addition, the firm wanted to see where its offsite records agreement stood in comparison to the market place. Finally, the firm wanted to have its offsite records contract dovetail with its short and long-term inventory reduction goals.

Solution: Mattern did a comprehensive review of the firm's offsite records contracts and service provider relationships. In addition, Mattern did an on-site assessment at the Kansas City office to evaluate the firm's offsite records processes.

Based upon its assessment, and utilizing its industry knowledge, benchmarks, and long history with offsite records, Mattern was able to make key recommendations for the firm's consideration to improve its offsite records situation. This included ways to improve contractual terms and pricing, such as unbundling its storage and services from a single rate to an a la carte model as the firm was paying for more than it was using.

Mattern and the firm then collaborated to tailor a unique RFP which captured the learnings from the evaluation process and which suited the firm's objectives. Mattern was subsequently able to guide the firm through a successful RFP process, award and contract negotiations.

Result: Given the substantial permanent withdrawal fees the firm would have faced should it change providers, the RFP process was able to produce viable and competitive alternatives which still saved the firm money. In fact, the RFP processes yielded service providers who were willing to help the firm by absorbing the permanent withdrawal fees and spreading the cost to the firm out over the term of a new agreement. Even though there were options that saved the firm money by switching providers, the firm ultimately elected to remain with its current provider as they offered the firm the savings it was looking for without having to engage in a lengthy transfer process.

As part of the firm's new contract with its offsite records vendor, the firm received the following terms:

- Improved pricing for storage and services in line with market competitors.
- Migration from wasteful bundled pricing to a la carte pricing, ensuring the firm only paid for what it used.
- Reasonable retrieval, withdrawal and destruction rates to fit with the firm's short and long-term inventory reduction goals.
- Annual 5,000 c.f. allotments for free destruction to assist with inventory reduction goals.
- Fixed costs for first two years of the agreement. 3% fixed rate increases year over year thereafter.
- Agreement to penalty based service level agreements.

Through the Mattern process, the firm was able to enter into a firm-friendly contract that guaranteed the firm would see the savings it was anticipating and coincide with its short and long-term inventory reduction goals. Overall, between incentives and costs reductions, the Firm saved 11% over its current costs. In addition, the firm reduced its permanent withdrawal fees by 27%.

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