

Mattern Turns Offsite Records Contract Renewal Into Significant Win for Global 100/Am Law 100 Firm, Incumbent Pays Fees

Opportunity

This Global 100/Am Law 100 firm has 700 attorneys and 13 domestic offices and had previously engaged Mattern to negotiate the firm's offsite records contract, achieving solid results; however, when it came to renewal time, the firm's long-standing provider proposed an increase in storage and service costs of up to 13% each year of the new term—an offer leadership felt could be better. Based on the firm's previous success with Mattern, leadership again reached out and engaged Mattern to lead this new negotiation. In association with this negotiation, the firm also retained Mattern to develop their information governance policy and retention schedules.

The objectives of the project were as follows:

- Aggressively reduce offsite records storage destruction costs to place more focus on information governance objectives
- Improve the overall offsite records storage pricing and terms from the proposed 13% renewal increase
- Consolidate rates to a universal price structure rather than bi-furcated location-specific pricing broken down between New York City and the rest of the firm
- Make this the last offsite contract the firm signs

Process

Mattern performed a comprehensive review of the firm's offsite records operations and proposal from the incumbent provider. Based upon its evaluation and utilizing its industry knowledge and benchmarks, Mattern made key recommendations, which included:

- Open the renewal process up to multiple service providers in order to obtain the most competitive pricing for storage and services
- Negotiate destruction allowances and reasonable rates for both destruction and permanent withdrawal to align with Pillsbury's information governance initiative
- Retain all favorable terms and conditions from the current contract
- Improve upon minimum storage allowances

Mattern structured an open Request for Proposal (RFP) which captured the relevant recommendations from the evaluation process. The RFP was sent to three (3) service providers including the incumbent.

Mattern and firm leadership reviewed responses from the three service providers and held interviews with each provider, in addition to requesting numerous rounds of pricing.

Results

While the firm was presented with very competitive responses from the field of RFP respondents, firm leadership ultimately elected to remain with the incumbent provider on a new 10-year contract—but with significantly improved pricing and terms. This included a rate freeze that would save the firm 22% on costs over the life of the contract rather than the proposed 13% increase outlined in the renewal. Also included was the gradual elimination of permanent withdrawal fees which resulted in the firm saving an additional \$325,000.

As for the icing on the cake, the firm received reimbursement of the Mattern RFP fee and the management of the contract for the next ten (10) years by the winning, incumbent vendor.

Mattern

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As to the cherry on top of the icing, Mattern identified an invoicing error where the incumbent vendor charged an increased storage rate based on a daily rate rather than the contracted monthly rate. Mattern was able to achieve a credit of \$82,780.54 for the firm.

Leadership was pleased with the entire process and thrilled with the new contract that would better assist the firm in meeting its strategic and information governance goals.

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