

Winning Strategies in Telecom Contract Negotiations

David Michel, CIO, Burr & Forman LLP

Gary L. Berger, Director of Technology, Ogletree, Deakins, Nash, Smoak & Stewart,
P.C.

Paul D. Harlow, ICG Net Solutions, Inc.

Andrew Collier, Director of Information Technology, Polsinelli Shughart PC

Agenda

- Know your Bill
- Know your Vendor
- Know your Contract
- Know your Leverage
- Know your Usage
- Know what you don't know

Know Your Bill

- So...I'm paying what for this service?
 - What services are being ordered?
 - Tariff rates being charged
 - Administrative charges
- Recouping costs and overpayments
 - I've been overcharged and they won't refund my money
 - When to go for it and when to punt

Know Your Vendor

- But that region is run by BabyBell A and I'm buying my service from a CLEC
 - Who's really connecting the line?
 - Should I be worried?
- My AE isn't working for me
 - When to go over their head and engage the VP
 - Can I fire my AE? and when should I?

Know Your Contract

- Evergreen Clauses
 - Only green \$ seen is by the vendor
- I'm just buying an Internet connection, why are there references to MPLS services, International schedules and other products I am not getting?
- But I didn't know about that penalty.

Problems and Troubleshooting

- My service was down for a day. The vendor said it was not an “outage” in their definition....
 - What is an Outage?
 - Quantify the outage
 - “Probation” for the vendor

Know Your Leverage

- Renegotiating existing contracts and the magic of the competitive quote
- The office is moving, do I have any leverage in the middle of a contract?

Mergers and Acquisitions

- My firm acquired another firm. Do I have to use their vendor?
 - Survivability of agreements
 - Transfer of licenses
 - Same vendors, twice the fun

Know Your Usage

- Our business hasn't been so hot in this economy and we've had to down size...
- We've grown in capacity...now a DS3 is needed and will be cheaper than the six DS1 circuits we have...

MARC, AVC and MMC! Oh My!

- Sure I have a minimum commitment for the term; but if I hit the minimum in 9 months instead of 12 months?
 - What about on tariff contracts?
- What can I do if I don't make my commitment in the term?

Know what you don't know

- Knowledge eliminates fear & ignorance
- Phone company motto "divide and concur by confusion"
- Everything is Negotiable!
- Get it all in writing!

Questions

Thank you