

Sony case study

Pan European TFM Contract (42 sites – 26 countries)

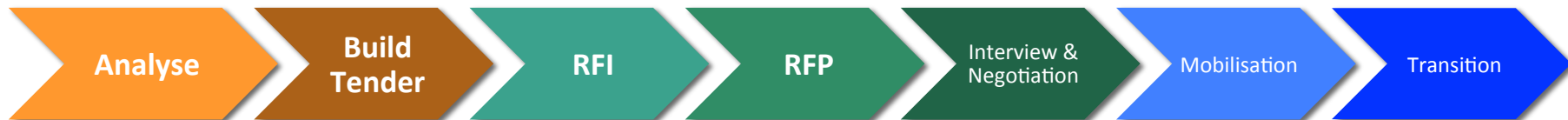
Background

We were approached in September 2013 by Sony Europe to offer Commercial Support and PMO services to cover a review of their FM delivery Contract which was suffering as a result of poorly conceived 1st generation outsourcing of FM services.

In essence, the FM Contract was restricting the delivery of an appropriate FM service and was not facilitating an optimum relationship between Client and Provider

Review Process & Key Milestones

- Analyse FM Contract strengths and weaknesses and develop future model with Sony
- Build tender combining Sony stakeholders (Legal, Tax, Finance, HR, Procurement, Ops etc)
- Run RFI, RFP and Interview process
- Oversee Contract Negotiations to conclusion (the Contract was signed by both parties prior to Mobilisation)
- Oversee Mobilisation and Transition with new provider



Review and Implementation Team

- Martin Bowdler – Project Lead
- Brian Morris – Contract Administrator
- Susan Dobinson – Mobilisation and Transition overseer / PMO
- John O’Sullivan – Engineering advisor



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Benefits of new Contract

- Pan-European TFM (including engineering) FM delivery with 3 year fixed price
 - Risk transfer to supplier with fixed price for fully comprehensive scheduled works
 - Supplier payment term increase to 60 days
 - Pass through costs at nil mark up
- 30% savings on previous Contract - €4M pa (€14.5pa > €10M pa), via RFI, RFP, strategic negotiation
- Robust Performance Management Model
 - KPIs driven by 20% Client satisfaction biased model
 - €250k supplier management fee at risk
- Energy optimization and consumption rationalization aligned with Sony's global Green Procurement guidelines (to be delivered during the Contract period)
- Successful outcome to challenging UK and European TUPE / ARD process
- Pan-European minimum standard for all services (previously not defined)
- Provision of new Pan-European helpdesk (previously non existent)
- Provision of sophisticated Maximo asset registration system (FMR to be delivered during transition)
- Implemented Pan-European Invoicing model encompassing individual country registration and taxation legislation

Engagement Status at 31 March 2015

- Fully mobilised / 6 weeks into transition

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Customer endorsement

I would like to share my thanks and gratitude for the smooth transition to Interserve as of midnight yesterday. Whilst it is early days the change has gone ahead in a well-managed and trouble free fashion.

It is noteworthy the time, effort and commitment that the entire procurement to transition stages have taken. The magnitude of the change will not be visible to most of us. That is a testament to the success of the programme and all the hard work that has gone into it. The change delivers a consolidated pan-European service with a comprehensive and standard model under a new and Sony authored contract with much tighter controls and KPI's. The value this delivers is significant too. Over 30% improvement!

David Stiglitz
European Head of Property & FM
Corporate Procurement Europe

Contact details

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