

Global Enterprises Drive Innovation with Hybrid IT Strategy

How 5 Rimini Street Clients Enabled Hybrid IT Solutions with Independent, Third-Party Support

Rimini Street[®]

What if you could . . .

Avoid ERP upgrades and unnecessary updates just to maintain full support and instead get expert, responsive support for your existing software release, including customizations, for a minimum of 15 years from the contract date?

Save up to 90% on total maintenance for your internally deployed or hybrid IT environment, freeing up scarce IT resources for strategic innovation?

Accelerate growth now, improving the speed and quality of IT's response to today's business needs and stop paying to wait for unknown value from the software vendor?

Many CEOs today are seeking new ways to fund business growth without reducing programs, services, or staff.

A proven and innovative strategy is to address one of the largest annual spends: maintenance and support for ERP software.

"Each year, support costs for legacy software increase, while the benefits gained from that support decrease."¹

Rimini Street independent, third-party support reduces the cost of total maintenance and support for enterprise software up to 90%, freeing up IT capacity to accelerate growth, enable a hybrid IT strategy, and help drive competitive advantage.

¹ Gartner Predicts 2020: Negotiate Software and Cloud Contracts to Manage Marketplace Growth and Reduce Legacy Costs, published 18 December 2019 - ID G00463732

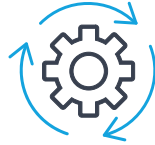


Why Rimini Street is a Smart Path to Hybrid IT Solutions



TAKE A MEASURED APPROACH TO THE CLOUD

Avoid vendor lock-in, set your own schedule, parse your move, and implement the cloud approach and sequencing that's best for your Business-Driven Roadmap: IaaS, PaaS, and/or SaaS



INNOVATE AROUND THE EDGES OF YOUR ERP

Get 15 years of support for your current ERP, avoid disruptive and unnecessary upgrades, and redirect excessive vendor support fees to best-of-breed hybrid IT solutions



GAIN MASSIVE SAVINGS

Optimize your IT budget and help fund innovation with up to 90% savings on total enterprise software maintenance and support



ACCELERATE GROWTH

Liberate IT resources to invest in more digital transformation initiatives, growing team skills and your business

Join the thousands of global enterprises that have been driving innovation with hybrid IT strategy and Rimini Street Support Services

Cloud is a dominant force in enterprise software today. Global market turbulence is causing some companies to accelerate moving parts of their IT to the cloud to adapt to new customer demands while causing other companies to pause their transformation. Both scenarios can enable a hybrid IT environment — a pragmatic, smart strategy that will be prevalent for a long time.

In most cases, companies are not foregoing all noncloud solutions, particularly where they are working well, and/or when moving them to the cloud won't improve the business. Instead, they are leveraging the benefits of the cloud while simultaneously optimizing the annual spend on — and continuing to gain value from — noncloud solutions in which they have already made significant investments.

As companies selectively move data or workloads to cloud-based environments while retaining other technology in a noncloud environment, the resulting hybrid IT model often includes a combination of installed core “systems of record” such as ERP and cloud-based “systems of engagement” such as CRM, with best-in-class technologies including IoT and mobile that can deliver innovation faster.

CIOs are using hybrid IT to reduce compute costs, manage data, provide a stable platform for innovation, establish a competitive advantage, and power growth. Rimini Street clients reduce the cost of total maintenance and support for their enterprise software up to 90% and free up IT capacity to accelerate growth and help drive differentiation. Many have also transitioned to a hybrid IT environment. This is proving to be a win/win strategy.



This e-book features enterprise software licensees who are taking Rimini Street as their smart path to hybrid IT solutions. They have all avoided unnecessary upgrades and have saved 50% on annual maintenance fees, shifting resources to innovation. Enable your hybrid IT strategy with Rimini Street.



Enterprise software licensees who regained control of their IT roadmaps to innovate around the edges of the existing ERP, redirect scarce IT funds to growth initiatives, and enable hybrid IT strategy and benefits with Rimini Street Support Services.

Rimini Street helps enterprises extend the useful life of their IT investments with enhanced software support service quality; ultra-fast tax, legal, and regulatory updates; and full support for customized code. The 50 to 90% total savings in maintenance and application support, plus the liberation of IT teams, help drive innovation and fund cloud strategies.

Rimini Street Client	Core Systems	Cloud Systems	Benefits of the Hybrid IT Model
<u>CF INDUSTRIES</u>	<ul style="list-style-type: none"> ▪ SAP ECC 6.0 EHP4 ▪ SAP Business Warehouse ▪ Microsoft SQL Server 	<ul style="list-style-type: none"> ▪ S/4HANA (Public) Cloud ▪ SAP Fieldglass ▪ SAP Ariba ▪ SAP Concur ▪ Mobile Transportation Logistics Apps 	<ul style="list-style-type: none"> ▪ Avoided ERP upgrades ▪ Reallocated a portion of total global IT budget to growth initiatives
<u>GREEN CARGO</u>	<ul style="list-style-type: none"> ▪ SAP ECC6 EHP7 ▪ SAP BusinessObjects 4.1 	Agile, low-code IT model	<ul style="list-style-type: none"> ▪ Able to better address sustainability goals ▪ Freed up funds for digital transformation and to enable a Business-Driven IT Roadmap
<u>METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO (MWRD)</u>	<ul style="list-style-type: none"> ▪ SAP Business Suite 7/SAP ECC 6.0 ▪ SAP Business Warehouse ▪ SAP NWDI ▪ SAP BusinessObjects 	<ul style="list-style-type: none"> ▪ Cybersecurity ▪ Collaboration technologies 	<ul style="list-style-type: none"> ▪ Freed up budget to invest in modernizing IT skills and customer service ▪ Freed up resources to invest in endpoint computing
<u>TEMPEL STEEL</u>	<ul style="list-style-type: none"> ▪ Oracle EBS 11.5.10.2 ▪ Oracle Database 11g ▪ Oracle Fusion Middleware ▪ Rimini Street Advanced Database Security 	<ul style="list-style-type: none"> ▪ Internet App Server iAS 11.5.10.2 ▪ Demantra 7.3.2/12.2.4 ▪ EDI for e-commerce 	Enabled investment in initiatives that propelled innovation and growth
<u>WELCH'S</u>	<ul style="list-style-type: none"> ▪ Oracle EBS 11.5.10 including Payroll ▪ Oracle Database 11g, 12c ▪ Oracle Fusion Middleware 	<ul style="list-style-type: none"> ▪ Upgraded Java and browsers ▪ Avaya IX Workplace 	<ul style="list-style-type: none"> ▪ Avoided unnecessary upgrades ▪ Shifted IT teams to priority business initiatives



CF Industries

HYBRID IT POWERS A BUSINESS-DRIVEN ROADMAP

Manufacturer CF Industries was spending \$30 million annually on IT and wanted to look for ways to reduce ongoing operations and enhancement costs.

CF Industries moved to Rimini Street in 2016 to reduce the costs of support operations for its SAP environment and get a dedicated support team that understands the company's IT framework and business needs.

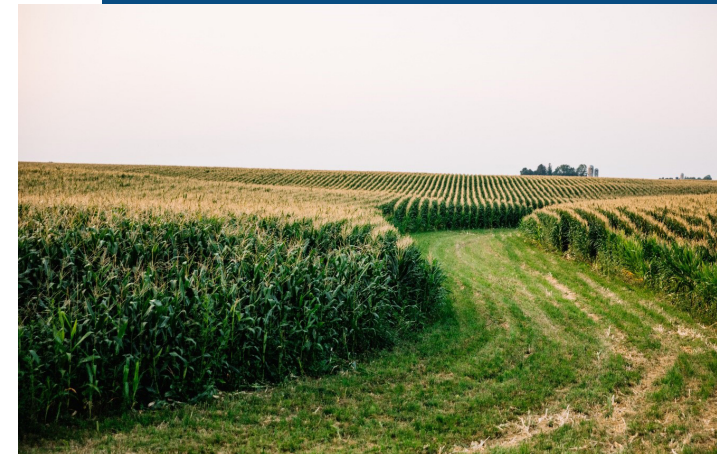
With the move, the firm has slashed annual maintenance costs by 79%, compared to the total cost of SAP application maintenance and support. This equates to more than \$25 million in total savings over seven years. Among the gains: a 50% reduction in annual SAP maintenance fees and the ability to avoid five major software upgrades over the next decade.

CF Industries needed to advance from an aging SAP ERP framework to a more agile and flexible hybrid IT platform that could handle digital requirements and believed that S/4HANA (Public) Cloud would provide a fresh start and a platform for growth. If it is successful, CF Industries plans to expand its S/4HANA Cloud footprint into logistics and plant maintenance.

CLIENT FACTS:

- CF Industries transformed itself from a member-owned cooperative to a global manufacturer and distributor of nitrogen fertilizer and other nitrogen products.
- CF Industries serves agricultural and industrial customers through its best-in-class distribution system.

Funding Hybrid IT Solutions through Third-Party Support



HEADQUARTERS:

Deerfield, IL



REVENUE:

\$3.4 Billion



INDUSTRY:

Manufacturing and Distribution



EMPLOYEES:

2,900

CORE SYSTEMS:

- SAP ECC 6.0 EHP4
- SAP Business Warehouse
- Microsoft SQL Server

CLOUD SYSTEMS:

- S/4HANA (Public) Cloud
- SAP Fieldglass
- SAP Ariba
- SAP Concur
- Mobile Transportation Logistics Apps

SAP STRATEGY:

- Continue to run existing ECC 6.0 platform while successfully subscribing to S/4HANA Cloud with Rimini Street support.
- Be treated as a new customer by SAP.

CONSIDERATIONS:

- Reduce total support costs for SAP solutions by 79% with Rimini Street.
- Free up 3.5 full-time employees for new IT projects.
- Gain significant leverage using Rimini Street support to subscribe to S/4HANA Cloud.

In this hybrid IT scenario, continuing to run the existing ECC 6.0 platform (noncloud) with third-party support allowed the CIO to reallocate a portion of total global IT budget and personnel to business-driven digital initiatives (including a parallel deployment of S/4HANA Cloud).

An added benefit was the ability to avoid costly, time-consuming upgrades, which resulted in even more resources available for innovation.



Green Cargo

HYBRID IT MODEL HELPS DELIVER OPERATIONAL IMPROVEMENTS

When eco-friendly transportation leader Green Cargo decided to remain with its existing mainframe and SAP ECC6 EHP 7 environment, CIO Ingo Paas knew he needed to add to his team of trusted strategic IT partners in implementing Green Cargo's agile, low-code IT model. Green Cargo chose Rimini Street for strategic guidance, independent, third-party support for SAP, and Strategic Support Services.

Rimini Street has helped secure, stabilize, and improve Green Cargo's vital SAP platform, identifying 24 possible activities to help enhance performance and mitigate significant risks. Rimini Street has also helped Green Cargo reduce a huge accumulated backlog of business development and compliance activities.

Data duplication across different systems had been challenging at Green Cargo due to highly fragmented business processes. Green Cargo found SAP integration tools difficult and costly to integrate and streamline data accessibility. Rimini Street has delivered engineered support for integration, critical incident resolution,

operational improvements, and hybrid IT at substantial savings.

Green Cargo has also engaged an available team of Rimini Street experts, including Strategic Support Services consultants, tax and regulation specialists, and dedicated account management to further refine the overall performance of its SAP environment. The partnership with Rimini Street has helped Green Cargo craft a Business-Driven IT Roadmap rather than follow a software vendor-dictated roadmap, extend the life of its ERP investment, and gain capacity and confidence to focus on its goals.

CLIENT FACTS:

- Green Cargo, headquartered in Sweden, is a government-owned organization and a sustainable logistics partner, transporting 22 million tons of freight annually.
- Green Cargo's electric trains carry more than 95% of its ton kilometrage, making its climate impact near to zero. Approximately 400 freight trains depart every 24 hours, replacing about 9,000 truckloads of on-the-road network traffic.

Hybrid IT with an Agile, Low-Code IT Model



A hybrid IT model was the catalyst for building highly responsive, real-time microservice-based applications in a low-code platform. The combination of a hybrid IT model and independent support for the noncloud part of an application portfolio allowed IT to digitalize the business with unprecedented speed and execute transformation and innovation initiatives in the cloud.



HEADQUARTERS:

Sweden and the Nordic Countries



REVENUE:

\$4.1 Billion SEK (US\$474 Million)



INDUSTRY:

Transportation and Logistics



EMPLOYEES:

1,700

CORE SYSTEMS:

- SAP ECC6 EHP7
- SAP BusinessObjects 4.1

CLOUD SYSTEMS:

- Agile, low-code IT model

SAP STRATEGY:

- Implement Green Cargo's agile, low-code IT model.
- Stabilize the SAP environment and improve performance.

- Integrate SAP Payroll and client systems with more modern low-code applications in the cloud and the annual adjustment of legal requirements for HR and tax regulations.

CONSIDERATIONS:

- Get strategic IT guidance for Green Cargo's agile, low-code IT model implementation.
- Gain access to a team of Strategic Support Services consultants, tax and regulation specialists, and a dedicated account manager.
- Address a number of critical incidents, such as the need to stabilize the flagging monthly salary run process.



MWRD

HYBRID IT ENVIRONMENT HELPS MWRD BECOME A ROLE MODEL FOR THE UTILITIES INDUSTRY

Tasked with revitalizing an aging and deeply entrenched environment, John Sudduth, director of information technology at water treatment enterprise MWRD, took inventory of MWRD’s entire IT infrastructure and executed a skills assessment of his team. IT support had scored around 60% in an internal customer satisfaction survey and, says Sudduth, “I was confident we could do better!”

Sudduth’s research revealed that SAP application maintenance and support consumed more than a quarter of MWRD’s multimillion-dollar software maintenance budget and that vendor support responsiveness was not strong. Says Sudduth, “It quickly became apparent that we couldn’t get what we needed from SAP support.”

MWRD switched to Rimini Street for independent, third-party support for SAP Business Suite, saving 50% on annual support fees and relieving MWRD of its huge annual financial commitment to SAP. Adds Sudduth, “With SAP announcing end-of-support for our version of the application, we wanted to partner with a company that was willing to take the time to understand our specific

issues and collaboratively figure out the optimal path forward.”

Sudduth invested a portion of the support savings into a cloud-based information technology service management (ITSM) application to formalize the design, delivery, and monitoring of MWRD’s complete portfolio of IT services. Says Sudduth, “I’m delighted to state that we’ve jumped our satisfaction scores by well over 30 percentage points.” And, according to Sudduth, the progress that the organization has made with Rimini Street support for hybrid IT has “helped position MWRD as a role model for the utilities industry.”

CLIENT FACTS:

- Created in 1889, the Metropolitan Water Reclamation District of Greater Chicago (MWRD) serves approximately 10.35 million people in the Chicago area with residential and commercial wastewater treatment and stormwater management.
- MWRD’s service area encompasses 882.1 square miles, including Chicago and 128 suburban communities throughout Cook County.

Third-Party Support Enables Cloud-Based ITSM and Improved Customer Satisfaction



Retaining SAP Business Suite in a noncloud mode with third-party support freed budget and resources to invest in a cloud-based information technology service management (ITSM) application. The resulting hybrid IT environment has helped position MWRD as a role model for the utilities industry.



HEADQUARTERS:
Chicago, IL



REVENUE:
\$1.1 Billion



INDUSTRY:
Energy and Utilities



EMPLOYEES:
~2,000

CORE SYSTEMS:

- SAP Business Suite 7/SAP ECC 6.0
- SAP Business Warehouse
- SAP NWDI
- SAP BusinessObjects

CLOUD SYSTEMS:

- Cybersecurity
- Collaboration technologies

SAP STRATEGY:

- Save on support for SAP
- Improve external software support service, response, and expertise
- Improve internal customer satisfaction scores for IT service

CONSIDERATIONS:

- Invest support savings in an IT service management (ITSM) system.
- Address a multiyear project backlog.



Tempel Steel

HYBRID IT ENVIRONMENT ACCELERATES THE BUSINESS-DRIVEN ROADMAP

Tempel Steel's IT team has evolved from a traditional support role into a strategic enabler for the entire company. A significant driver for innovation came from the burgeoning hybrid and electric vehicle (HEV) market sector where Tempel Steel was well positioned to be a front-runner in the manufacture of advanced chassis and electric motor components.

An announcement by Oracle that customers must upgrade from EBS R11 to R12 to continue receiving critical updates — such as patches and regulatory fixes — became a pivotal moment. Tempel Steel's R11 deployment was extensively customized to precisely meet all the company's complex manufacturing processes and diverse shop floor operational needs.

An essential component in the CIO's decision to chart his own course by dropping Oracle support was his partnership with Rimini Street, which resulted in an immediate 50% reduction in EBS support fees. The IT

department is now heavily focused on multiple initiatives that help expose the team to advanced technology experiences and a wealth of professional growth opportunities while on Rimini Street support for hybrid IT. These include:

- Roll-out of electronic data interchange (EDI) for e-commerce
- Implementation of new advanced database security
- Deployment of new third-party HCM SaaS solutions
- Successful upgrade of Oracle Database to 11g

CLIENT FACTS:

- Tempel Steel is the world's leading independent manufacturer of precision magnetic steel laminations for the automotive, motor, generator, transformer, and lighting industries.
- Tempel Steel avoided costly forced upgrades to fuel new cloud and analytics solutions.

Third-Party Support Facilitates Advanced Technology and SaaS Solutions



Deploying a hybrid IT model was the key to accelerating innovations that support the business strategy. A decision to retain and nurture EBS but drop Oracle support in favor of third-party support created budget availability for innovation and freed up resources in the IT department for advanced technology initiatives including SaaS solutions.



HEADQUARTERS:

Chicago, IL



REVENUE:

\$494 Million



INDUSTRY:

Manufacturing



EMPLOYEES:

1,900

CORE SYSTEMS:

- Oracle EBS 11.5.10.2
- Oracle Database 11g
- Oracle Fusion Middleware
- Rimini Street Advanced Database Security

CLOUD SYSTEMS:

- Internet App Server iAS 11.5.10.2
- Demantra 7.3.2/12.2.4
- EDI for e-commerce

ORACLE EBS STRATEGY:

- Avoid a forced upgrade simply to keep full support.
- Minimize business disruption during key business opportunity.

CONSIDERATIONS:

- Tempel Steel saw little benefit and significant disruption from upgrading EBS.
- The company was not receiving full support for customizations and integrations.
- New "data-driven" business imperatives needed to be funded.



Welch's

HYBRID IT FUELS INVESTMENT IN NEW MARKETING INITIATIVES AND APPLICATION EXTENSIONS

As leading grape juice brand Welch's recognized changes in consumer buying habits, the company's strategy shifted to cost containment, with a plan to reinvest savings in increased marketing initiatives.

Says Welch's CIO, "Don't get me wrong: our Oracle EBS system had indeed brought important efficiencies to our business operations — functionality we need to be competitive. What we were not getting as much value from was the maintenance contract: the substantial fee we were paying Oracle each year for support and software updates. The amount of the fee was equivalent to repurchasing the software every few years."

Welch's evaluated traditional Oracle upgrade paths, moving some of its enterprise applications to cloud-based applications. The company found that standard options neither reduced costs nor delivered significant new business value. By moving to Rimini Street independent, third-party support for hybrid IT, Welch's immediately saved 50% of its annual support and maintenance fees. The company also receives, at no additional cost, the tax, legal, and regulatory updates that are critical for managing payroll in eight U.S. states.

Improved service levels have freed up IT staff time, enabling the company to create new application extensions for the business. Additional benefits from Rimini Street support include:

- IT teams are doing less ticket tracking and are focused on new business and marketing initiatives.
- IT upgraded Java and browsers, projects it hesitated to undertake while on Oracle support.
- Rimini Street will develop workaround support as needed, enabling IT to take on more projects with confidence.
- Welch's archived the next two EBS releases and will upgrade only if it sees business value.

CLIENT FACTS:

- Welch's is a subsidiary of the National Grape Cooperative, which comprises more than 800 family farm owners who grow the famous purple Concord and Niagara grapes found in Welch's juices and jellies.
- Welch's Grape Juice made its debut in 1893 at the World's Fair in Chicago, becoming a household name.

Third-Party Support Creates IT Resource Availability for New Initiatives



This hybrid IT scenario included moving support for Oracle EBS and Oracle Database systems to independent, third-party support in order to create budget and resource availability for new marketing initiatives. In addition to facilitating investment in digital capabilities, the improved support and service levels also freed up IT staff time, enabling the company to create new application extensions that supported the business's growth goals.



HEADQUARTERS:

Concord, MA



REVENUE:

\$700 Million



INDUSTRY:

Consumer Packaged Goods



EMPLOYEES:

700

CORE SYSTEMS:

- Oracle EBS 11.5.10 including Payroll
- Oracle Database 11g, 12c
- Oracle Fusion Middleware

CLOUD SYSTEMS:

- Upgraded Java and browsers
- Avaya IX Workplace

ORACLE EBS STRATEGY:

- Extend useful life of current EBS software investment.

- Archive next EBS release for potential future use.

CONSIDERATIONS:

- Rebalance IT spend from ongoing maintenance and support.
- Ensure continued tax, legal, and regulatory updates for U.S. payroll.
- Reduce amount of ongoing Oracle support ticket management.
- Take on new IT projects with more confidence.

Why Hybrid IT could be a Smart Move for Your Organization

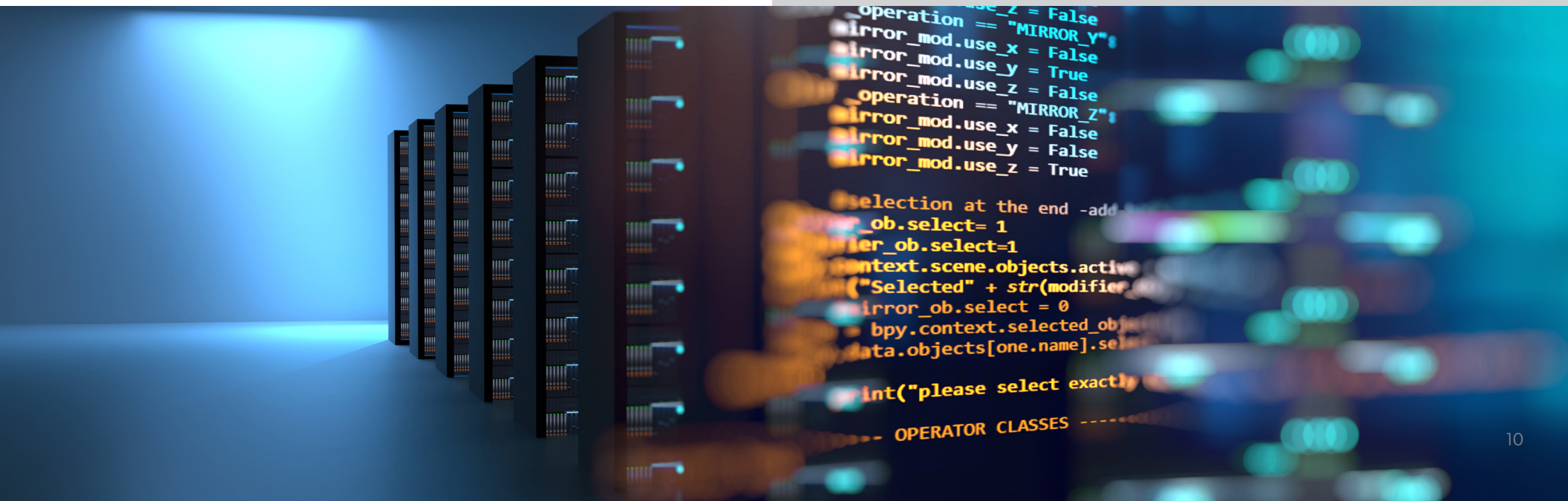
Hybrid IT is a pragmatic, smart, long-term IT strategy that helps CIOs reduce compute costs, manage data, and power growth. It has staying power that gives companies time to execute their cloud strategies.

Leverage the power of hybrid IT solutions to strategically enable and accelerate transformation, but don't lose sight of the noncloud elements of your IT portfolio. Let them provide a foundation for your transformation.

For more details on the hybrid IT model, see:

- [Leveraging Hybrid IT Now to Power Digital Transformation](#)
- [6 Best Practices for Hybrid IT Environment Success](#)
- [How Hybrid Should You Go? 3 Key Factors that Determine your Hybrid IT Model](#)

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