

Champion Solutions Group Consolidates Maintenance Contracts for Loews Corp. *Reduces Invoice Reconciliation by 75 Percent, Providing Thousands in Savings & Peace of Mind*



Highlights:

INDUSTRY

Largest U.S. Diversified Holding Company

CHALLENGE

Frustrated by an overwhelming number of manufacturer invoices and the need to charge-back individual properties, Loews Corporation wanted to consolidate more than 10 invoices per quarter into a single contract and receive invoicing broken down by location.

SOLUTION

Champion Solutions Group consolidated all invoices, segmented equipment by location and implemented process improvements to ensure equipment wasn't unknowingly exposed. Champion also provided Loews access to a 24x7 Web portal to view its equipment and contract line items.

RESULTS

Loews now receives one invoice per quarter segmented by location, reducing the time it takes to verify invoices and bill properties by 75 percent. Equally important, Loews has recognized a \$10,000 cost savings through the consolidation and can turn to a single point of contact at Champion to handle all contract and service-related requests, ensuring rapid issue resolution and peace of mind.

Loews Corporation is one of the largest diversified holding companies in the United States with five operating subsidiaries, including Loews Hotels, one of the top luxury lodging companies in the country. Challenged by the myriad of hardware invoices it received on a quarterly basis and the need to charge-back individual property locations, Loews turned to Champion Solutions Group to consolidate its maintenance contracts and provide a custom invoicing solution to reduce manual effort. Champion delivered, not only reducing the time it takes Loews to verify invoices and bill properties by 75 percent, but consolidating the company's contracts at a savings of \$10,000. With a streamlined process, a dedicated contract specialist and 24/7 Web portal now in place, Loews has all the resources it needs to ensure invoicing and maintenance never hamper productivity again.

A Convoluted Paper Trail

In conjunction with its fully-owned subsidiary, Loews Hotels, Loews Corporation maintains mission-critical server and storage equipment at 18 locations across North America. Until five years ago, managing all the invoices and maintenance contracts associated with that equipment was a convoluted process. On average, the company received more than ten invoices from its manufacturer each quarter. Whenever a new piece of equipment was purchased, the company automatically received a separate maintenance bill, further complicating the paper trail.

"Our equipment wasn't separated by location on invoices so our IT team spent hours sorting through the sea of paper to ensure the right equipment was billed back to the right properties," said Joe Coppa, IT operations manager for Loews Corporation. "We had to manually identify and total all the items for each location in order to charge them back. As we added more and more properties, the process became time-consuming."

In addition, the IT team didn't have a refined process for determining which equipment was and wasn't covered by maintenance. "It was easy to lose track of which equipment was covered, and in some instances, hotel properties were choosing not to pay for maintenance without our knowledge," explained Coppa. "We often didn't realize we had exposed equipment until we called and were denied for service – a frustrating and costly discovery."

Adding and removing equipment from contracts was challenging as well. "We might complete three or four billing cycles before we'd see changes reflected on the invoices," said Coppa. "We were constantly referencing emails, notes from phone conversations and past invoices to verify that the appropriate changes had been made. We simply couldn't inventory the items in an easy, logical fashion."

Eventually, the toll became too much to bear. Loews engaged Champion Solutions Group, a proponent of savvy contract management, to provide a solution that would allow Loews to consolidate all its equipment into a single contract and receive custom invoicing by location.

Consolidating the Multitude of Invoices

"Tracking equipment and maintenance is a major struggle for today's companies that isn't widely recognized," said president of Champion Solutions Group's Maintenance Consulting division. "Not only can lack of information and proper controls cost time and money, but having a seamless system can also produce significant rewards. That's exactly why Champion has refined a process and toolset to help our clients manage 'all things maintenance.'"

Champion Solutions Group immediately assigned a contract maintenance specialist to Loews Corporation. Using a time-tested, proven methodology, the first order of business was assessing the company's equipment inventory and consolidating the multitude of contracts.

"The Champion managed maintenance service is top notch. It may seem simple on the surface, but Champion took a cumbersome process and made it easily manageable for us. As a result, we're saving time, money and resources."

Joe Coppa, IT Operations Manager – Loews Corporation

"We consolidated all the individual contracts Loews was managing into one co-terminous contract with more than 280 line items," said Champion's managed maintenance advisor for Loews Corporation. "Through that consolidation, we were able to demonstrate the extent of the customer's business and leverage it for better pricing.

Champion was also able to customize its billing system to separate and group Loews equipment by location and/or brand, eliminating the need for Loews to manually sort and total individual line items. The proprietary system also allows Loews to "name" each server or storage device, making equipment easily identifiable for the organization on the invoice.

Champion and Loews implemented immediate process improvements as well. "Together, we determined that all equipment coming off warranty would be automatically renewed for 24/7 service," said Coppa.

As part of its service, Champion also provided Loews with access to a Web portal whereby Coppa and his team can view all of the company's equipment and its status online 24 hours a day, seven days a week.

Streamlined Invoicing, One Point of Contact Provide Peace of Mind

Since consolidating its contracts with Champion, Loews' invoice and contract maintenance process has improved dramatically. The company now receives one invoice each quarter, broken down by location. According to Coppa, it now takes 75 percent less time to verify invoices and bill properties than before. With clearly presented invoices, Coppa also receives less pushback from hotel management. "Before, managers were often reluctant to pay bills because they weren't certain the invoices were accurate. It's a much smoother process now all the way around."

Not only are the invoices clearly presented, but Coppa's team, as well as managers at the company's various hotel properties, can view all their equipment online via the Web portal at any time. "It's a quick and easy way to determine what level of maintenance support a piece of equipment has before placing a service call."

In addition, Loews can continue to leverage its dedicated contract specialist for both routine and unanticipated needs. "If I ever need to add or remove a piece of equipment from our contract, it's literally as easy as sending an email to our specialist," explained Coppa. "Champion handles all the backend legwork, sends a confirmation email, and our next invoice reflects the changes. Working directly with the manufacturer, we might have gone through three billing cycles before the updates were made."

The Champion specialist can also help expedite service requests and is a single point of contact for all of Loews' contract, service and invoicing needs. "When you work with a manufacturer, you're at the mercy of whoever happens to answer the phone, said Coppa. "It provides tremendous peace of mind to know that there's someone at Champion who is familiar with our business structure, who is dedicated to my account, who is committed to meeting our needs and who I can reach at any time."

"The Champion managed maintenance service is top notch," concluded Coppa. "It may seem simple on the surface, but Champion took a cumbersome process and made it easily manageable for us. As a result, we're saving time, money and resources."



For more information about this application brief or Champion Solutions Group's ability to architect a solution to meet your needs, please call 800.771.7000 and speak with a Champion Solutions Specialist.