

Vendigital helps Northgate cut over 50% off mobile phone bill

Swindon, UK – 30 March 2007: Northgate Information Systems (IS), a market leader in software applications and outsourcing solutions, has cut its mobile telephony costs by over 50% through an online auction managed by Vendigital, the sourcing and market purchasing experts.

Northgate IS had experienced a significant increase in its use of mobile telephony following a four year programme of major acquisitions and organic growth that quadrupled the company's turnover to £332 million.

With over 2,000 employee mobile devices, Northgate had varied usage ranging from simple voice calls through to specific software programmes required by engineers in the field. In addition, the phones carried a mix of legacy contracts across three major networks and Northgate IS was experiencing escalating call costs and increasing demands on resource to manage the accounts.

Mobile telephony was identified by the Northgate procurement team as a project that could deliver considerable savings to the company. The team invited Vendigital to utilise its latest tools and techniques to deliver the best possible supply option for their business.

Paul McGinnes, Procurement Director for Northgate explained: "We worked successfully with Vendigital in Dec '05, just after the Buncefield oil depot incident. At that time we had no permanent office but we were able to continue with the planned sourcing of office supplies using Vendigital's internet-based tools. The online auction event delivered savings of over 30% on our procurement of stationery, data storage products and IT consumables. When mobile telephony was identified as our next project, I was confident that Vendigital could deliver an excellent result again."

Vendigital has considerable experience in the field of mobile telephony. Together with Northgate, its team developed an RFP (Request for Proposal) that was structured specifically for Northgate's profile of mobile usage. The responses from the network providers were then analysed and an online auction was run to ensure Northgate achieved the best usage rates available in the market. ▶

“The auction was very successful,” continues Paul. “It delivered headline savings of over 50%, which was well above our expectations. T-Mobile was the chosen provider and in addition to the savings, we agreed considerable improvements in the level of service including a technology profile that meets current requirements yet gives room for expansion and a provision for replacement hardware.”

Neil Willson, IT & Telecoms Procurement Manager commented; “The whole project was very straightforward for us. Vendigital undertook all the background analysis, compiled the financial models and assisted in dealing with the suppliers. I have complete confidence that they will represent Northgate in a highly professional and capable manner out in the market.”

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About Vendigital: www.vendigital.com

Vendigital is a procurement organisation that delivers rapid business improvement. Its team of purchasing professionals works with leading industrial and business customers to deliver average cost savings of 26%. To sustain and improve on these gains, customers tap into Vendigital's experience to use the very latest technology and best practice purchasing techniques.

Vendigital enables customers to maximise their position in global supply markets. Cost reduction programmes individually tailored to a customer's needs utilise many of the techniques developed by Vendigital such as: savings optimisation analysis, global supplier headhunting, e-RFx platforms, online tendering, e-auctions, value auctions and results implementation.

Programme benefits are sustained through outsourcing the management of product categories to our specialist team as well as utilising Vendigital's e-RFx and online negotiation technology in house. Established in 2000, Vendigital has offices in the UK, US and Germany.

About Northgate IS

Northgate Information Solutions is a market leader of software applications and outsourcing solutions to the public safety, local government, education and human resources sectors and is also the largest HR and payroll application supplier in the UK. Northgate Information Solutions plc is listed on the London Stock Exchange and included in the FTSE 250 index. ➤

With more than 30 years' experience in the IT market, the company works closely with many corporate organisations, in addition to all of the UK's regional police forces, approximately 90% of UK local authorities and more than 50% of FTSE 100 companies. Headquartered in Hemel Hempstead, Northgate now employs more than 3,200 staff and has approximately 2,700 large/medium customers and approximately 7,000 SME customers across the UK and Ireland.