

Siemens Business Services and BBC partnership – case study

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Agenda

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Participants

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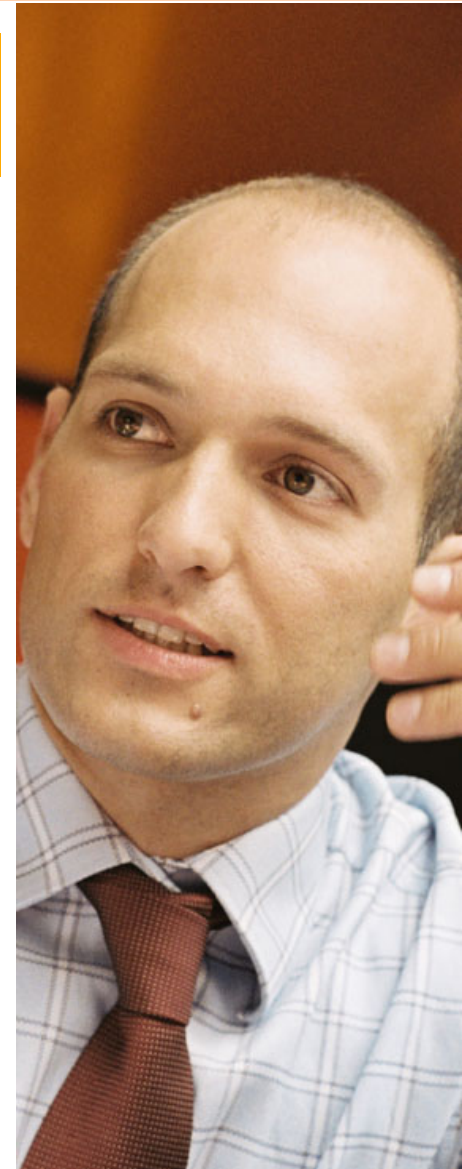
Deal Definition

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BBC procurement approach

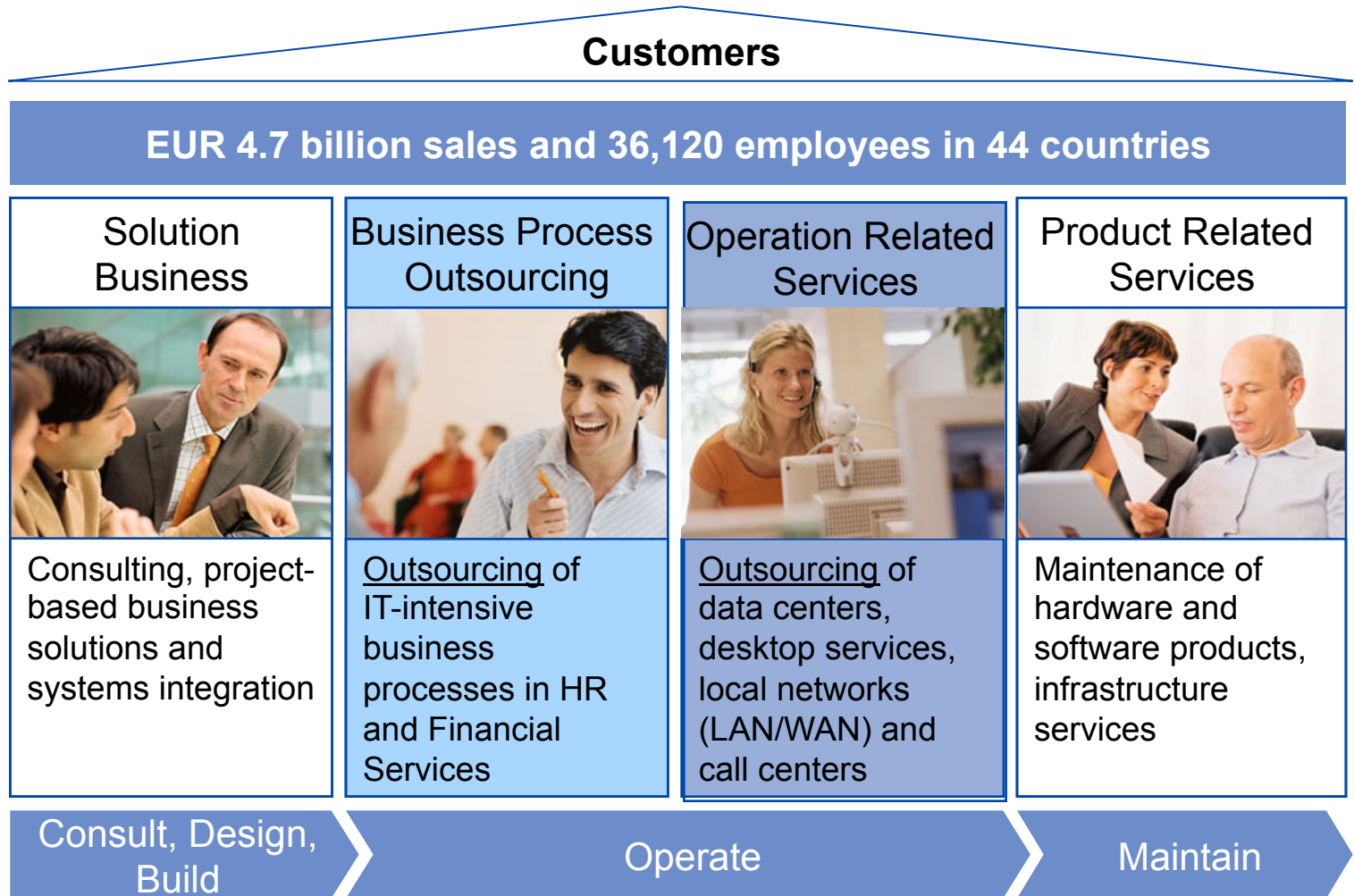
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Value for money



Global network
of innovation

Participants – Siemens Business Services



Siemens Business Services offers the complete range of IT services – about 50 % are outsourcing services

BBC Technology

Company profile

Name BBC Technology

BBC Technology founded in March 2001, was a commercial subsidiary of the BBC Corporation. BBC Technology provided IT, Telecoms and Broadcast systems services to the BBC channels and other media organisations including BSkyB and the US sports channel ESPN, helping its customers to create, manage, and distribute programs across platforms more efficiently.

No of Employees

1400

Market Sector

Media & Entertainment broadcasting

Service Offering

Cross Platform management of program content & media production, editing, and broadcasting processes

What is the deal

- 10 year technology services contract
 - Provision of all technology services for the BBC and it's subsidiaries
 - Convergence of broadcast, telecoms and IT to a single IT platform
 - New dedicated wide area network between UK sites
 - 20% savings
 - Maintenance or improvement of service levels
 - Commitment in principle to major infrastructure projects

- Acquisition of existing subsidiary BBC Technology
 - Take on of 1,463 BBC staff and integration into SBS
 - Maintenance of Trade Union relationships
 - Growth of external market opportunities
 - Amortisation of Goodwill during the first 10 years

We couldn't deliver the services without buying the company, and we wouldn't buy the company without the 10 year contract

The challenges

- Building a first class relationship
- Integrating two sizeable businesses
- Winning the 'minds' of our people
- Delivering an extensive transformation programme
- Managing numerous partners and suppliers
- Extending services into other BBC areas
- Growing the non BBC business

Operational scale

- 28,000 PCs
- 8,000 mobiles
- 1,600 applications
- 37,000 fixed handsets
- 15,000 miles of network
- 2,000+ managed servers
- 45,000 concurrent streams
- 70 broadcast channel streams
- **1.3 billion web page impressions monthly**
- 94,000,000 call minutes managed annually
- 238,000 calls from the public handled per month
- 25,000 broadcast feeds booked, managed every year
- 151 national and international sites managed on the BBC Network
- 29,000 hours of Digital TV output coded and multiplexed every month

BBC Procurement approach

- By 2000, outsourcing was firmly established as part of the BBC culture

The first step was to establish an approach to the procurement process that would meet the following objectives:

- Provide a flexible framework to ensure that the best solution is identified in the shortest time
- Get the best response from the market
- Create a confidential environment that encourages the flow of ideas
- Minimise costs for both the BBC and the bidders.

The approach adopted was as follows:

- Market testing – establishing market capability and interest in the opportunity
- Expectation setting – adoption of key messages that defined what the BBC wanted from their supplier(s)
- Knowledge sharing – making available accurate, appropriate and helpful information to the bidders throughout the procurement process
- Mentoring – provision of one-to-one support for shortlisted bidders
- “Real Life” testing – seeing how the bidders perform against a real life brief
- Vendor selection – selecting the preferred supplier(s)
- Contract negotiation to deal closure.

Approval process

announcement follows:

- a rigorous E.U. Procurement Process
- approval by the BBC's executive board
- approval of the BBC Governors
- approval of the Secretary of State for Culture, Media and Sport
- clearance by the European Commission under the terms of the EC Merger Regulation

Value for Money

Based on Service and Technology Transformation Update linked to the Customer Service Requirements (CSRs) defined across 13 Major areas of the TFC and aims to contribute towards the 20% savings over the life of the contract in absolute value £20m to £30m per year

- **A 2-3 year programme that delivers key technology enablers for business transformation within the BBC**
- **It represents major change for both the BBC and Siemens**
- **It will refresh the technology and infrastructure on which the BBC is based**
- **It will enable cost savings for both the BBC and Siemens**
- **It will deliver significant service improvements**

Value for Money - Service and Technology transformation Update Exemples

Collaborative Conferencing

Expand and improve conferencing services, and encourage their use across the BBC by offering a higher quality service In the next few years, this is the availability of conferencing services in meeting rooms in key BBC offices; improved Messaging services from the BBC desktop; Data Conferencing where users can see, edit and discuss the same document

• **Impact – MEDIUM/HIGH**

- Will impact most BBC staff by providing enhanced communication tools
- Upgrades the live communications server.

• **Benefits**

- Reduces cost of people needing to physically travel for meetings
- Improves office productivity and efficiency
- Improved ability for people to communicate regardless of their locations
- Reliability, manageability and ability to share presence and instant messages with partners, customers and suppliers
- Paves the way for other collaborative facilities.

Value for Money - Service and Technology transformation Update Exemples

Information Management

The Core is a secure information and document management system which helps the BBC to manage its information in a consistent manner across the organisation. The service will be securely accessed through the Siemens portal.

- ***Impact – HIGH***

- Affects how all users save, share & access information, and how they collaborate with colleagues across the BBC
- Will mean new ways of working for all staff.

- ***Benefits***

- Information sharing & active collaboration
- Cost reductions through; time saving, economies of scale, volume reductions, reduced duplication
- Enables corporate compliance, for example Freedom of Information Act
- Powerful search facility enabling quick, accurate access
- Combined with myConnect Portal, users can easily access the Core through a secure remote connection.

Thank you