LEGAL CASE STUDY

An estimated $1.6MM in savings for the client.

RIC
Delivering The New Standard

THE CLIENT

A West Coast-based law firm founded more than 60 years ago, with offices all over the world, had a long-standing relationship with two large records storage vendors and three different contractual agreements for their 60,000 cubic feet of storage.

With a growing box inventory, price increases, unnecessary fees, outdated contracts, and an unreasonably high contingent liability cost, the firm engaged RIC to analyze and solve the issues with their records storage program.

KEY CONTRACT OBSERVATIONS

1. RIC discovered that between 2003 and 2018, one of the firm's vendor's minimum storage requirement of $2,600 increased by 240% to $8,900.
2. The same vendor had an accrued contingent liability cost at $85K in 2003 and by 2018, the cost increased by 658% to $644K.

THE RESULTS

After a careful professional assessment, RIC went to market with a Request for Proposal (RFP) and was able to renegotiate with one of the firm's current records vendors. The vendor's renegotiated proposal generated $1.6mm (57%) in savings, which included a reduction of the minimum storage charge by 20% for the first three years and a reduction of 10% after year three.

Furthermore, RIC negotiated a lower accrued contingent liability cost for the firm by eliminating the permanent withdrawal fee of over $400K and the dock access charge of over $100K. These favorable contract terms helped consolidate the firm's pricing structure and contracts to a single vendor.

Additionally, RIC was able to obtain a low annual average spend, 5 years of fixed pricing, elimination of transfer costs, and the waiving of a termination fee on the new contract. By the end of engagement, RIC had exceeded the goals established during the strategic planning, assessment, and analytics process.