Achieving A Real Return On Investment using RAIN

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CONNECTIONS SUMMIT

USPTO RAIN Enabled IT Asset Management

- Background

- Goals & Requirements

- Implementation

- Return on Investment

Summary

- How the USPTO achieved real ROI using RAIN to track IT assets.

- The use case, implementation and integrator are keys to ROI in labor saving and asset visibility

Background

- The USPTO is a fee funded performance-based federal government agency.

- Our mission is to administer the laws and regulations related to patents and trademarks in order to promote industrial and technical progress throughout the world.

- We carry out this mission by examining patent and trademark applications, issuing patents and registering trademarks.

- We have nearly 13,000 employees, plus 2,000 contractor support personnel. Our main campus is located in Alexandria, VA, and consists of eight buildings housed on approximately 2.5 million square feet of office space.

- We also have four regional offices located in Detroit, MI; Denver, CO; Dallas, TX and San Jose, CA as well as an underground storage facility in Boyers, PA.

Background

- Over 800 Property Custodians (PC) and 100 Property Accountability Officers (PAO)
- Labor intensive manual process
- Vulnerable to error due to heavy reliance on human interaction
- Asset Information:
  - 121,100 assets tracked
  - $122,600,00 total value
  - Includes laptops, servers, routers, PDAs, etc.
- June 2012, a budget initiative was approved and included in the FY 2014 President's Budget
- September 2014, a contract was awarded to:
  - Perform site surveys
  - Procure software
  - Purchase/install the hardware

Goals & Requirements

- Goals
  - Reduce number of PAOs and PCs
  - Reduce inventory cycle time
  - Increase accuracy
  - Increase asset visibility
  - Reduce asset shrink
- Requirements
  - Minimally invasive
  - Cost effective
  - Integrate with ITSM-Remedy
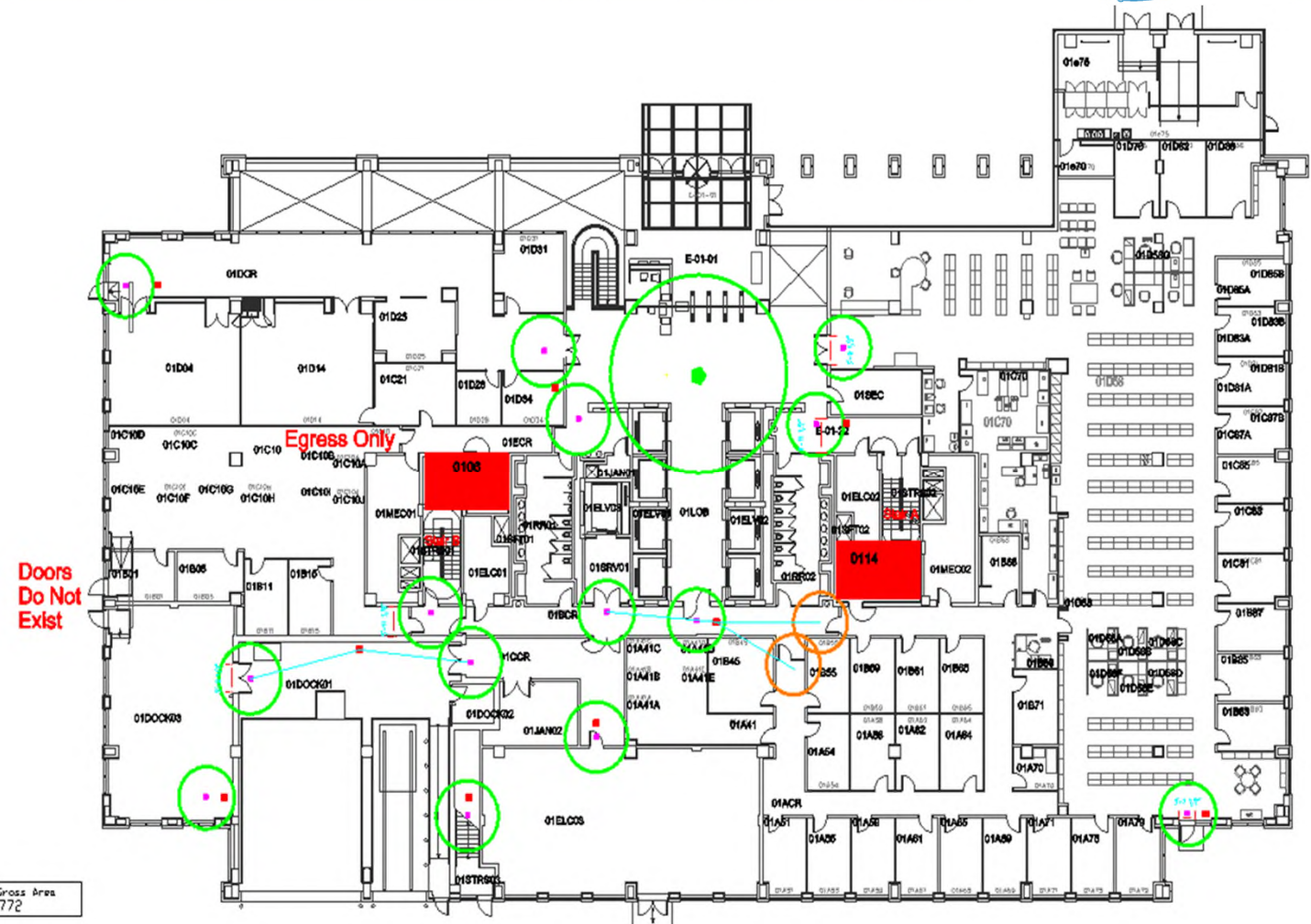
Implementation

- Process Overview
  - Define specific business needs
  - Define expected business benefits
  - Conduct and document a RF site survey
  - Define and document projects requirements
  - Define and document processes ("As-Is" and "To-Be")
  - Design the solution (Where the magic happens)
  - Implementation & integration
  - On-going Support

Implementation

- Engineering is the key
  - Environmental Conditions
  - Physics of Radio Frequency
  - Asset Characteristics
  - Hardware and Tags/label performance
- 20 Buildings
- 181 floors
- 6 states

Return on Investment – Original Estimate

- Approximate Cost: $3M

- Annual Savings: $1.1M

- ROI: 2.75 years

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Category	Annual Cost	Annual Savings	Notes
PC Labor	$501,311.20	$451,180.08	Expect 90% reduction
Asst Mgmt ~ Labor	$365,367.83	$274,025.87	Expect 75% reduction
Loss Prevention	$377,629.39	$366,300.51	Expect 97% reduction
Total	$1,244,308.42	$1,091,506.46	Expect 88% cost reduction

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Intelligent Tracking – Powerful Results

Return on Investment – Results

Goals

- Reduce number of PAOs and PCs

  Current status: presented plan to reduce PCs to 150 and PAOs to 40

- Reduce inventory cycle time

  Current status: Reduced monthly cycle from 10 to 5 work days

- Increase accuracy

  Current Status: 100% improvement due to data from RFID

- Increase asset visibility

  Current Status: Our contractors are on notice that we can better monitor their performance and our users (PCs and PAOs) greatly appreciate the reduced workload

- Reduce asset shrink

  Current status: Reduced to zero on campus

Return on Investment – Results

- Approximate Cost: $3M
- Annual Savings: $1.1M
- ROI: 2.75 years

U.S. Department of Commerce

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Category	Original Estimated Annual Cost	Current Annual Cost	Original Estimated Annual Savings	Current Annual Savings	Expected Outcome	Current Outcome
PC Labor	$501,311.20	$551,442.32	$451,180.08	$435,639.43	90% reduction	79% reduction
Asst Mgmt ~ Labor	$365,367.83	$401,904.61	$274,025.87	$233,104.67	75% reduction	58% reduction
Loss Prevention	$377,629.39	$415,392.33	$366,300.51	$414,976.94	97% reduction	99.9% reduction
Total	$1,244,308.42	$1,368,739.26	$1,091,506.46	$1,083,721.04	88% cost reduction	79% cost reduction

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Intelligent Tracking – Powerful Results

Future Activities

- Implement automatic check/flag for location data

- Increased automation (i.e. auto assign location and user data)

- Deploy newest release of the ItemAware in our supply warehouse to increase efficiency

- Migrate current RFID system to the latest ItemAware release

- Potentially migrate all inventory functions from ITSM-Remedy to ItemAware

Thanks

Questions?