



### Business challenge

Silverstring Limited made the switch from a product-led to a services-led business model. The company sought a software licensing financing solution that would help it build its business.

### Transformation

Silverstring knows firsthand what it takes to transform a business. Now, with a custom pricing solution from IBM® Global Financing, the company builds value while helping other businesses transform with industrial-grade data protection solutions built with IBM Spectrum® Protect and IBM Spectrum Protect Plus solutions on IBM Cloud®.

## Results

### Financial protection

as the company only pays out what it receives in revenue

### Superior value

by aligning business strategy and IT solutions with tailored financing

### Business growth

with financing that drives innovation while building value

# Silverstring Limited

## New approach to financing levels the data-protection playing field

Silverstring is a specialist provider of data protection and data management solutions headquartered in Bloxham, Oxfordshire. For 16 years, the company has used its deep expertise to help organizations protect their data and solve their challenges across security, availability and preservation. Predatar is a smart, lightweight and easy-to-use solution that embeds IBM Spectrum Protect and IBM Spectrum Protect Plus solutions into an automated data protection platform for customizable private and hybrid cloud services.

*“The support from IBM Global Financing was a huge value in our transition from a value-added reseller to a managed services provider.”*

— Graeme Titchener, CFO, Silverstring Limited

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## From reseller to managed services

Silverstring, an IBM Business Partner, realized early on that it needed to transform its business model if the company was going to stay competitive. Founded in 2002, the data protection specialist began as a value-added reseller (VAR), building the business with hardware and software delivery and integration services. But as the IT services landscape began to shift toward consumption-based delivery—which frees up time and eliminates substantive upfront costs for businesses—Silverstring saw an opportunity to put its deep expertise with Spectrum Protect and Spectrum Protect Plus solutions to work as a managed services provider (MSP).

“We occupy a niche space,” says Graeme Titchener, Chief Financial Officer (CFO) at Silverstring. “We specialized in the IBM Spectrum Protect portfolio and are very embedded in the data protection area of business. We are passionate about continual innovation and best practice in data protection, backup and recovery and have not allowed ourselves to become distracted by other areas.”

Silverstring created Alchemis Protect, a managed data backup and availability service built on Spectrum Protect and Spectrum

Protect Plus solutions. The pay-monthly service supports enterprise-grade protection without the costs of owning hardware and software and retaining skills in-house. The company’s flagship product, Predatar, is a cost-effective and intuitive solution that embeds Spectrum Protect and Protect Plus solutions into an automated data protection platform for customizable private and hybrid cloud services. Predatar provides new revenue streams for Silverstring customers through the delivery of remote management, on-premises backup as a service (BaaS), cloud backup, and disaster recovery as a service (DRaaS) offerings—converting transactional buyers into long-term customers.

With a managed services business model, Silverstring incurs all the costs of developing and maintaining its enterprise-grade software platforms, enabling its customers to consume IT services in a flexible way that allows them to save time and resources. As an IBM Business Partner, Silverstring benefits from flexible terms and reduced pricing for licenses as the company buys in high volume. Generally, licensing and subscription and support maintenance costs are paid for on a quarterly basis. But for many companies transitioning to the MSP business model, the upfront capital costs of new licenses and maintenance can be significant. Silverstring sought an innovative financing solution that would allow it

to continue to grow its managed services customer base while building value in its business.

## Financing that builds business value

Silverstring worked with IBM Global Financing to custom tailor a financing solution that fit the needs of its growing managed services business. With monthly rather than annual payments, the company can spread the Spectrum Protect and Spectrum Protect Plus solutions’ licensing and renewal costs over time, so payments align with its customers’ payments.

“As a company, Silverstring doesn’t have a stockpile of excess cash sitting idly in the bank doing nothing,” says Titchener. “We needed a commercial model that allowed us to adjust our costs so they were in line with the revenue we hoped to generate from those licenses. IBM Global Financing enabled us to do just that.”

IBM Global Financing provides financial service excellence to help customers around the world gain value from technology and grow their businesses. The organization offers customizable financing solutions designed to help businesses navigate roadblocks and achieve growth and long-term goals.

As a long-standing IBM Business Partner, Silverstring has deep ties with IBM Global Financing. Previously, when the company was a VAR offering project management and professional services, IBM Global Financing provided financing solutions for its end-users. But as the company transitioned to managed services, delivering IBM products to its customers through its comprehensive portfolio, Silverstring has become the IBM customer, and the relationship with IBM Global Financing has grown to be an even tighter partnership.

“We’ve worked with IBM Global Financing for a good number of years now,” says Titchener. “And this was a way of addressing a change in the market to enable business partners to be able to acquire and deliver components of a service in a manner that works with their own working capital and cash flow constraints.”

## Licensing costs aligned with revenue

Silverstring’s transition to an MSP business model has added substantive value to the business by creating subscription annuity revenue and fostering long-term customer loyalty. With a tailored financing solution from IBM Global Financing, Silverstring was able to build

additional value in the company with monthly payments that align with revenue from customers.

“IBM Global Financing is a huge value to us as we continue our transition,” says Titchener. “The support enables Silverstring to take transactional sale of licensing from IBM and manage the conversion to an operational monthly offering to our customers. This was key.”

## Solution components

- IBM® Cloud®
- IBM Global Financing
- IBM Spectrum® Protect
- IBM Spectrum Protect Plus

### Take the next step

To learn more about the IBM solutions featured in this story, please contact your IBM representative or IBM Business Partner.

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