Success Stories of clients using IBM Global Financing
Stories that give you a glimpse into how YOU can be the change agent in getting early access to breakthrough technology..

A large bank in Asia Pacific

Who better than a bank to realize the value of free cash flow and liquidity!

Read how IGF helped them with their technology purchase plans..

An Indian homegrown retail conglomerate

The balancing act between strategic growth and a healthy cashflow posture!

Read how IGF helped convert CAPEX investments to OPEX payments..

A partner-led engagement for an ICT major in India

Consumption-based procurement in datacenters – A preferred option

Read how IGF assisted the client using a managed service provider partner..

IBM Global Financing

No better validation than success from using your own solutions!

Read how IGF implemented Blockchain technology to address dispute management..
Success Story 1

A large bank in Asia Pacific needs to innovate and get ahead of the curve, and at the same time utilize technology to optimize their cost structure. Being a bank, this client fully appreciates the importance of freeing up cash flow and maintain a healthy liquidity status – which is critical for business sustainability in any industry.

IBM Global Financing (IGF) was requested to propose an approach to support, drive these key goals for the client and to consolidate their technology spending into a single payment. IGF’s tailored financial structuring addressed the bank’s financial imperatives and created headroom for other key technology projects thereby improving the overall competitive standing of the bank.

IGF extended flexible financing terms on existing agreements from three-and-a-half years remaining to six years, which not only optimized cash flow for the bank, but also opened up funding sources for other strategic projects. In addition, IGF consolidated 20 existing leases and hundreds of software, hardware and maintenance bills into a single quarterly payment plan – thus provided a simplified single solution for financing with interest-rate protection.

In the bank’s success story, IGF played a leading role as the lead financier and payment consolidator for one of IBM’s top banking clients in the region. Being financiers themselves, banks see the benefits of financing and tap on the expertise of IGF as the world’s largest IT financier; to embark on innovation without delay. **IGF is the unit of IBM that understands CFOs’ needs for funding technology innovation, and facilitates by lowering acquisition price barriers, providing early access to new technologies and aligning cash outflows to value as the solution matures.**
Success Story 2

An Indian homegrown retail group with complementary businesses across three sectors – retail, allied services and finance – has been working with IBM Global Financing (IGF) to strategically grow their group of businesses while continuing to maintain healthy cashflow posture.

IGF partnered with this client and help their group of companies to convert their CAPEX investments into OPEX payment plans. This approach has enabled the group to further invest in their core business core.

To date, IGF has provided US$44 million of financing solutions to the client’s group of companies. In addition to payment plans for end-user technology assets, IGF also funded technology requirements at the retail stores for billing and monitoring purposes.

A business partnership that spans more than 6 years, the client recognized IGF as their key leasing and financing valued partner and an instrumental support to their business growth and expansion.
Success Story 3

International Data Corporation (IDC) predicts that by 2020, consumption-based procurement in datacenters will eclipse traditional procurement - accounting for as much as 40% of worldwide enterprises IT infrastructure spending. Additionally 35% of businesses say that they would like to consume hyper/converged solutions on premise as-a-service.

In this user case, IBM Global Financing (IGF) assisted a client who wanted pure service-based storage, instead of procuring storage hardware. Together with a business partner, IGF provided a flexible storage consumption model that allowed the client to pay for on-premise infrastructure as a service over 5 years.

Besides the added flexibility of streamed payment, the client was attracted to the benefit of listing these expenses as operating expense instead of capital expense. This also allowed the client to free up cash for other investments.

To make this happen, IGF explored Managed Service Provider (MSP) model with the business partner. Many partners are unwilling to invest in pure service based infrastructure as they would have to produce substantial capital outlay. In this case, the business partner provided the right to draw services required by the client, while IGF in turn provided a flexible leasing solution to the business partner.

This demonstrated a forward looking approach (Pay-As-You-Go for infrastructure financing) that helped our both client and business partner to attain their growth objectives.

Source: Enterprise Customers View of Pay per Use Offerings, IDC WW Hyper/converged services study 2017, IDC’s Enterprise Datacenter Edge Survey, March 2018
Success Story 4

Addressing dispute management in IBM Global Financing

Blockchain technology is an emerging platform for transaction services and has the potential to radically transform multiparty business networks, enabling significantly faster, less expensive, lower risk transactions and innovative new business models.

IBM Global Financing (IGF) – the world’s largest technology financier that provides clients early access to technology innovation while optimizing their investments and cashflow – operates a line of business that provides working capital to IT suppliers, distributors and partners through financing of inventory and accounts receivables.

With over 4,000 suppliers and partners worldwide, IGF handles more than 25,000 disputes every year, with approximately $100 million tied up at any given time, an average of 44 days for resolution and an $31,000 average disputed invoice value.

With blockchain implemented, resolution time for common disputes have been significantly improved. Blockchain not only provides all stakeholders with trust and visibility. It also established an immutable, non-repudiable record of events, shared between partners, suppliers and IGF – thus enabling a comprehensive view across the entire transaction lifecycle with enhanced visibility to prevent or speed the resolution of disputes.

The benefits derived are notable: reduction in dispute resolution from 40+ days to under 10, achieve 40% capital efficiency in disputes, and realized material administrative expense savings.

With continued enhancement and new applications, IGF’s blockchain solution is a strategic platform which will provide competitive advantage to IGF and the clients we serve.