The Total Economic Impact™ Of IBM And Red Hat For Transportation

Forrester found the following five-year financial impact of IBM and Red Hat by aggregating data from 15 customer interviews, 18 prior TEI studies, and industry annual reports.

FINANCIAL SUMMARY

Five-year risk-adjusted

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total costs</td>
<td>-$100M</td>
<td>-$50M</td>
<td>-$50M</td>
<td>$50M</td>
<td>$100M</td>
<td>$150M</td>
<td>$200M</td>
</tr>
<tr>
<td>Technology savings</td>
<td></td>
<td>$162M</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$15M</td>
</tr>
<tr>
<td>Workforce efficiency</td>
<td></td>
<td></td>
<td>$105M</td>
<td></td>
<td></td>
<td></td>
<td>$81M</td>
</tr>
<tr>
<td>Growth</td>
<td></td>
<td></td>
<td></td>
<td>$81M</td>
<td>$162M</td>
<td>$105M</td>
<td>$363M</td>
</tr>
<tr>
<td>Continuity</td>
<td>-$15M</td>
<td>$50M</td>
<td>$15M</td>
<td>$105M</td>
<td>$105M</td>
<td>$15M</td>
<td>$15M</td>
</tr>
</tbody>
</table>

BENEFITS TOTALED $363M

Five-year risk-adjusted

- Technology savings: $162M
- Workforce efficiency: $105M
- Growth: $81M
- Continuity: $15M

NPV: $111M

ROI: 44%

PAYBACK: 30 months

VOICE OF THE CUSTOMER

“We’re expecting to grow 10% this year, and having the IBM Cloud with Red Hat OpenShift makes it possible to scale for the growth.”

IT director, logistics and multimodal shipping

“We are setting up our on-premises environment with Red Hat Enterprise Linux and using OpenShift to connect it with IBM Cloud . . . and [other cloud providers]. We can let apps run anywhere and everywhere. We can use open source. We can virtualize environments and automate tasks.”

Director of IT, logistics and multimodal shipping

This document is an abridged version of a case study commissioned by IBM, titled: “The Total Economic Impact™ Of IBM And Red Hat For Transportation,” June 2020.


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