

Program from Teradata Helps Companies Cut Hidden IT Costs

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Separate data warehouses for each department are costly; companies lose their competitive edge while missing "the big picture"

Teradata, a division of NCR Corporation (NYSE: NCR), today launched a program called Data Mart Consolidation designed to help companies save millions by tackling a common problem hidden in their information technology (IT) infrastructures -- too many data warehouses, not enough information. By combining these departmental data warehouses (called data marts) into an integrated system, organizations can increase the amount of knowledge they have about the state of their business while saving millions -- a win-win situation in these tough economic times.

To help companies smoothly and seamlessly consolidate their data marts, Teradata's Data Mart Consolidation program includes assessment services, migration tools and customer education, in addition to business impact models that calculate return on investment (ROI).

By taking the information from disparate systems and combining it into a central, enterprise-wide Teradata(R) warehouse, companies can eliminate their redundant data mart costs, estimated at \$1.5 to \$2 million each annually, while enjoying an increase in system performance and a "big picture" view of the business. This big picture will allow a company to integrate its Web data with its store-by-store purchasing data or connect its supply chain to its sales activity, for example. With 61 percent of businesses* lacking a single view of their data, companies that work with Teradata to consolidate systems will have an immediate advantage over their competition.

The background for many companies' use of disparate data marts to capture and analyze business data can be traced back to organizational politics, departmental budgeting policies, the approach of solving only one business problem at a time and database vendors whose products work best with small sets of data. Teradata's research found that 59 percent of companies maintain up to 30 data marts, and some companies have as many as 100. Since the initial cost of purchasing these systems often falls within companies' departmental capital spending limits, organizations lose track of the exponential costs of duplicating staffing, hardware, and software licenses.

"One of the biggest perpetrators of costly data marts are vendors who lead companies down this path because their databases don't have the power or scalability necessary for an enterprise system," said Vickie Farrell, vice president of Teradata warehouse marketing. "In our Data Mart Consolidation program we've been replacing systems primarily from Oracle with an increasing number of IBM DB2, Informix, and Sybase systems."

Teradata customers like 3M and Delta Air Lines who have consolidated their data marts are saving from thousands to millions of dollars per year in license, maintenance and personnel costs previously incurred by maintaining and synchronizing redundant data on multiple systems. These savings are inclusive of the costs of the integration and the Teradata warehouse.

The business impact models developed by Teradata can create custom ROI projections based on the size and number of data marts consolidated and the speed of implementation. Using the model and patent-pending business impact methodology, one recent Teradata customer's analysis yielded a projected IT- support cost savings of 40-50 percent. In this specific instance, annual cost savings represented tens of millions of dollars.

"Companies that took the data mart route now have new incentives to consolidate their data in a single integrated warehouse. Today's economic environment increases the appeal of an enterprise system that will both reduce IT costs and improve competitive advantage through more comprehensive and accurate analysis," said Farrell. "Our surveys of IT professionals show 68 percent believe their companies need to consolidate data marts. We demonstrate the cost savings using an organization's own data, and our current customers' results demonstrate the business benefits. It's a win-win combination that's very convincing."

Teradata's data mart consolidation program is backed by a worldwide network of experienced Teradata professionals who have been trained on data mart consolidation assessment services and migration tools and utilities. Teradata's Data Mart Consolidation program is based on experience in installing enterprise systems for leading companies in the retail, financial services, insurance, transportation, e-business and telecommunications industries.

* Research based on surveys of 108 IT professionals from large U.S. companies conducted in October 2001 by BuzzBack.com for Teradata.

About Teradata Division

Teradata, a division of NCR Corporation, offers powerful analytical solutions that help businesses drive growth. Teradata solutions include the Teradata database, and analytical applications for customer relationship management, operations and financial management, business performance management and e-business. To learn more about Teradata Division and its solutions, go to http://www.Teradata.com.

About NCR Corporation

NCR Corporation (NYSE: NCR) is a leader in providing Relationship Technology(TM) solutions to customers worldwide. NCR's Relationship Technology solutions include the Teradata(R) database and analytical applications such as customer relationship management (CRM) and demand chain management, store automation systems and automated teller machines (ATMs). The company's business solutions are built on the foundation

of its long- established industry knowledge and consulting expertise, value-adding software, global customer support services, a complete line of consumable and media products, and leading edge hardware technology. NCR employs 32,900 in more than 100 countries, and is a component stock of the Standard & Poor's 500 Index. More information about NCR and its solutions may be found at www.ncr.com.

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