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## Importance of Vendor Independence in Selecting TEM Vendors

***“Do you know if your TEM Vendor  
accepts fees from your carriers...?”***

Many companies, when looking for third party Telecom Expense Management (TEM) assistance in helping them analyze, optimize, process, and provide reports on their telecom spend, often fail to ask a critical question:

***Does my candidate TEM services provider have financial relationships with my service providers that could be a potential conflict of interest?***

Unfortunately, it is an all too common practice in this industry for TEM companies to try and augment their revenues by either receiving residual monthly income from the carriers or other hardware/software vendors based on amount of services they bring to these companies, or in the case of cellular services, collecting activation fees from the carriers when their clients procure these services. In some cases, they will act as a re-seller of various services (unbeknownst to client) and receive a mark up on any services procured by their clients. This additional revenue stream is above and beyond the service fees they collect from the client directly.

This practice often makes it difficult for the client to make a real apple-to-apples comparison when comparing the pricing of competing TEM services suppliers since a candidate vendor receiving this “hidden revenue” will often appear to undercut the competition. It also bodes the question:

***How objective is my TEM services provider when their advice may be influenced by the prospect of receiving additional revenue if they recommend a different course of action?***

It is interesting to note, that in surveying prospective members of the TEM community for membership in another new TEM association, that the majority saw no problem with this practice and even wanted the freedom to do so included in the association bylaws.

To counter this industry trend, and to help educate potential customers of TEM services as to how these types of practices can undermine the success of their own telecom expense management efforts, CEOs of some of the leading independent TEM service providers founded the Independent Telecom Expense Management (I-TEM) association.



The member companies of I-TEM have all signed a strict Code of Ethics that prohibits them from engaging in the receipt of carrier residuals or fees and includes their pledge to work solely for the benefit of the clients who pay their fees.

If your company believes that an independent, client focused approach is in the best interest of your company, and that you prefer to work with TEM service providers that are committed to providing the best independent TEM services available, with their revenue solely dependent on the quality of services delivered, then the member companies of I-TEM encourage you to visit our web site at [www.i-temassociation.org](http://www.i-temassociation.org) to learn more.

Further information on I-TEM members can be found at:

Visicom Corp., [www.visicomcorp.com](http://www.visicomcorp.com)  
Teligistics, Inc., [www.teligistics.com](http://www.teligistics.com)  
RadiusPoint, [www.radiuspoint.com](http://www.radiuspoint.com)  
ICOMM Consulting, [www.icommconsulting.com](http://www.icommconsulting.com)  
BTU Consultants, [www.btu-consultants.com](http://www.btu-consultants.com)  
TnT Expense Management, [www.tntem.com](http://www.tntem.com)  
Telytics, Inc., [www.telytics.com](http://www.telytics.com)  
Advantage IQ, [www.advantageiq.com](http://www.advantageiq.com)