

# Consumption Models for Today's Enterprises



# Consumption Models for Today's Enterprises

## Agenda

- **Introduction**
  - SNAPSHOT: Funding models for technology equipment in the Enterprise
  - The market has rejected IT Consumption Models for over 15 years
  - Vendor-based Consumption Models are Out-of-Step with major market trends
- **Consumption Models for Enterprise Storage**
  - There are many offerings but no two are the same
  - However, they do have some common elements – most of which are NOT 'enterprise-friendly' NOR superior to traditional and well-understood financing options.
- **Summary: The Utility Models in the Enterprise Storage Market**
- **Beyond Storage: IT Infrastructure**
- **Beyond Storage: End-User Endpoint Devices**
- **Summary Comments**

# SNAPSHOT:

## Six Funding models for technology equipment in the Enterprise

Funding Type	Funding Tool	Payment(s)	Typical Advantages	Typical Trade-offs
Traditional	Cash / CAPEX	100% Up front	Well-understood; No increase in Balance Sheet liabilities	Drains CASH before benefits arrive and away from more strategic investments; Too easy to ignore refresh needs for 'fully paid for' assets.
	Debt / Loan	Predictable; Paid over time	Delays most CASH payments until later	Reported as Long-Term Debt; Creates Interest Expense; Total cost greater than invoice (interest costs)
	Lease finance	Predictable; Paid over time	Lowest cost of all alternatives (due to residual-value economics); Preferred method over Cash since 2015; Some structuring opportunities; Lease rollover structures can facilitate rapid change or growth in the asset base.	Decisions as to asset buy, return, or rent have to be made each cycle; Some forms look like Debt.
Adaptive	Consumption-based pricing / Utility Model	Unpredictable; Payments will often vary with usage	Requires less rigorous capacity planning; Shifts some utilization risk to vendor; Lowest aggregate cost when assets are under-utilized	Most expensive unit costs of all alternative; Future bills cannot be predicted; Complex contracts and processes can delay implementation.
	Hybrid Utility / Leasing Model Example: HTF FLEX MATCH	Predictable; Unpredictable payments from a base Consumption Model are "Leveled out"	Turns unpredictable expense lines into predictable ones; Often reduces aggregate expense, especially for mid-to-high utilization cases; Will often identify problems in underlying consumption proposal.	Depends on accuracy of vendor/client forecasting; Longer setup time due to dependence on fully-developed and accepted Consumption model contract proposal.
	CFO-shaped payment schedule lease Example: HTF CFO FLEX CHOICE	Predictable; Payments aligned to Cash Flow budgets or other CFO-chosen schedule	Best match of payment stream to business goals and tactics	Structuring may reduce some of the economic benefits of residual-value-based finance.

# Introduction

**They have been hyped for almost 2 decades, but the market has consistently rejected them.**

**From 2002:** "Gartner Dataquest forecasts that by **2006**, a significant portion of the marketplace will shift buying preferences from acquisition to subscription via IT utility offerings. Subscription may **represent 31 percent of the IT management services market by 2005**. This is not just another wave innovation, but a dynamic market shift..." [Gartner Dataquest, *Utility Computing to Change VAR Opportunities by 2006*, October 29, 2002.]

**So, did this market succeed?**

**At December 2017**, it was 'virtually zero':

"By 2020, enterprises will spend 5% of their on-premises infrastructure budgets for consumption (usage)-based offerings, **from virtually zero today**. [Gartner, *How to Get the Best Returns From Consumption-Based, On-Premises Infrastructure*, December 22, 2017.]

**At September 2019**, it was 'less than 1%':

"...15% of new deployments of on-premises computing will involve pay-per-use pricing, up **from less than 1% in 2019**". [Gartner, *How to Use Consumption-Based Procurement Models for On-Premises Infrastructure*, September 20, 2019.]

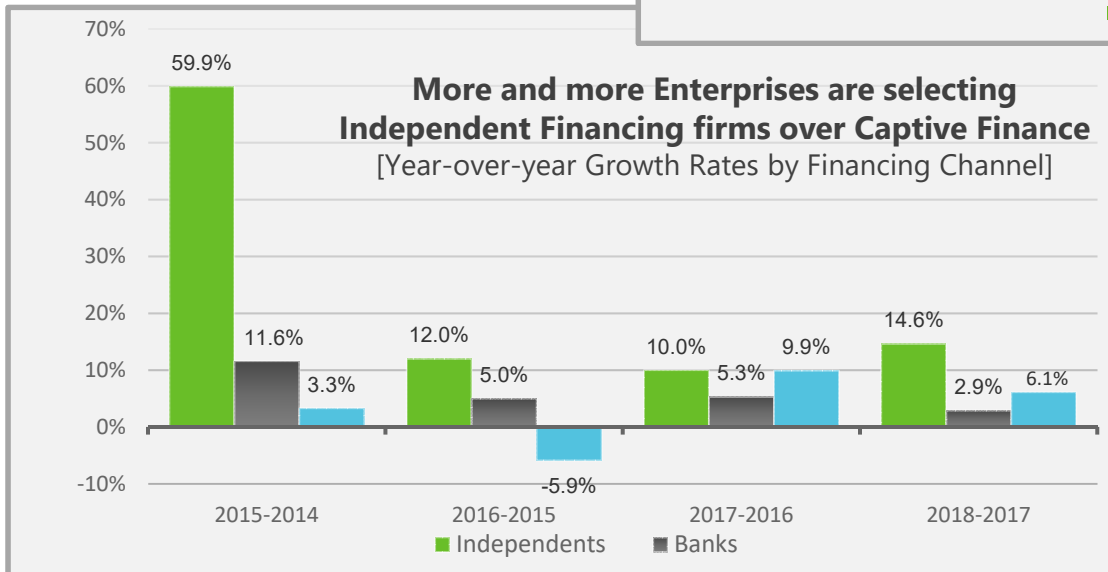
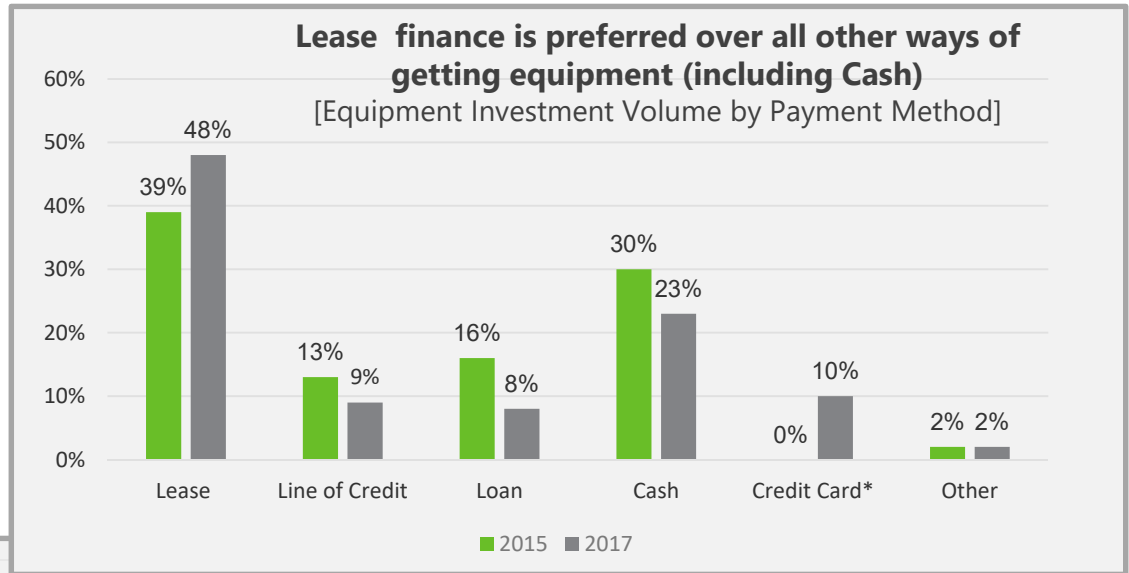
**IDC followed the same pattern of missing the market:**

**At December of 2017**, they made this forecast for the end of 2019, in their "Top 10 Predictions" list:

"**By 2020**, consumption-based procurement in data centers will have **eclipsed** traditional procurement through improved 'as a service' models, thus accounting for as **much as 40%** of enterprises' IT infrastructure spending." [Cited in Network World, 2017, by Ann Bednarz, *Top 10 data center predications: IDC*]

# Introduction

Vendor-based consumption models run counter to two market trends:



Sources:  
 • Survey of Equipment Finance Activity 2019, ELFA  
 • ELFF 2018 Equipment Leasing & Finance Industry Horizon Report; Keybridge LLC

# Consumption Models: Enterprise Storage



# Storage Consumption Models: No Two Are the Same

Although consumption-based utility models are still considered 'emerging' approaches, many offerings are available—and no two are the same:

Key Feature	Dell/EMC	Pure	HPE	IBM
Program Name	Flex on Demand (Dell Technologies on Demand)	Pure-as-a-Service (formerly ES2)	Greenlake Flex Capacity	IBM Storage Utility
Shortest Agreement Term	36 Months	12 months	36 Months	36 months
Can agreements be cancelled without significant penalties during the term?	No	No	No	No
How much of the system is NOT 'pay only for usage' but is billed--whether used or not?	40%	100 TB (effective) and up; Typically 80%	60%; Starting Capacity (current needs) % of Deployed Capacity (anticipated growth)	35%
How much of a premium is being charged for some level of variable billing?	At lowest commitment level, per TB costs are 129% of purchase prices (note 3)	Variable unit costs are 150% of reserved/fixed unit costs (note 2)	UNK, but discounts apply at higher volumes	UNK
Can the FIXED cost be reduced downward during the contract period?	Possibly(?), after period of "consistent patterns of usage", but probably not below the 40% minimum.	No. Fixed capacity can be increased, but never reduced beyond the committed 'Floor'.	No, only upward with no return to lower level	No adjustments -- flat 35% of unit physical capacity
Payment terms for Fixed Costs and for Variable Costs	Both monthly in a combined bill	Fixed: Yearly in advance; Variable: billed monthly	Both monthly in a combined bill	Fixed: Monthly lease with IGF; Variable is billed Quarterly
Predictability of Expenses?	No, bill varies with usage; can scale from minimum (40%) up to 100% utilization	No, bill varies with usage; can scale from minimum up to 100% utilization	No, bill varies with usage; can scale from minimum (60%) up to 100% utilization	No, bill varies with usage; can scale from minimum (35%) up to 100% utilization
Does the arrangement contain an embedded lease that must now be reported on the Balance Sheet under the new accounting standards?	Yes <sup>(1)</sup>	Yes <sup>(1)</sup>	Yes <sup>(1)</sup>	Yes (explicitly)

(1) Marketing materials alert reader that auditors may rule this to be a lease (if not explicitly so already). Applies to all recent changes (FASB, GASB, IASB).

(2) Ratio based on 2017 numbers, for all levels of commitment to scale and term, both to VARS and End-customers

(3) Calculated from actual customer quotes, on \$622K storage system (249TB effective).

# However, they do have some common elements

Some of these common elements are 'less enterprise friendly' than traditional funding methods, some offer no advantage over traditional methods, and some actually seem misleading.

Common Element/Assumption	Enterprise Perspective
All have fixed, <b>non-cancellable</b> terms.	<b>Not good.</b> No real flexibility advantage over traditional financing
All have <b>fixed payments</b> that do not vary with usage.	<b>Not good.</b> No real advantage over traditional financing
All create <b>unpredictable expense patterns</b> due to variable components.	<b>Not good.</b> Predictability of expenses is critical to enterprise budgeting and forecasts to investors.
All <b>assume</b> that the customer does not have adequate skilled staff for this and <b>cannot do capacity planning effectively</b> (i.e. vendor personnel are heavily involved in this process, to be sure THEIR investment will turn a profit over time).	<b>Not good.</b> This might apply to the smaller end of the market (e.g. SMBs), but enterprises cannot exist at scale without adequate, "close enough" IT capacity planning. This process has never been perfect or easy, but capacity planning with a vendor will not 'magically' reduce the uncertainty of demand.
All assume that customers <b>believe</b> that <b>paying premium prices</b> for variable usage will cost LESS than <b>paying discount prices</b> for 'over-provisioning'.	<b>Not good.</b> Cost-decay curves in technology <u>alone</u> make over-provisioning (upfront) less expensive, able to use much simpler billing management and well-known legal/contract forms, requiring fewer resources and systems to manage, and easier to snap into place quickly.
Most describe themselves (in large fonts) as 'Pay <u>ONLY</u> for what you <u>USE</u> ', but NONE of them really deliver that—they <b>ALL require minimum payments</b> for a large part of the physical system, as shown in their charts and (small-font) footnotes.	<b>Not good.</b> Enterprise CFO's are not big fans of misleading advertising and vendor promises that contradict themselves.
Many of the more visible ones <b>present themselves as an 'off-balance sheet' financing method</b> (OPEX)—in explicit opposition to lease finance—but admit in the small-font footnotes that they really cannot claim that! It will be auditors and not vendors that will decide that.	<b>Not good.</b> Enterprise CFOs have all been alerted by their professional accounting partners that the new accounting standards would <u>most likely force</u> the enterprise to report a lease, for on-premise equipment whose use is directed by the client, and where a <u>definite</u> economic benefit (to the vendor) for equipment substitution cannot be verified.

# Consumption Models: IT Infrastructure



# Beyond Storage: IT Infrastructure

## Complex combination of System Integrators, VARs, and Managed Services

The version of consumption-based pricing models for INFRASTRUCTURE is considerably different from the STORAGE market.

Measuring TBs and IOPS is relatively simple compared to defining and measuring some fairly arbitrary metrics for infrastructure performance. Mixing servers, network traffic, and storage performance into a few 'composite indices' – that could be agreed on by vendors, partners, and customers—is not a mature process with benchmarks and standard cost guidelines. This raises serious doubts about any proposed billing schema.

Most of the benefits that come from projects like these (e.g., innovation, refresh, migrations) come from the high-quality design, the excellent products, the sophisticated implementation and support teams, the availability of credible and detailed data on system performance, and the on-going support services from the vendor and Var. **None of that comes from the manner of how it was paid for!**

These offerings are even more 'emerging' than Storage-as-a-service offerings are, and so it almost impossible at this point to fill out a chart like the one on the next page.

# Infrastructure Consumption Models

**Consumption-based utility models for Infrastructure are more complex in design, and offerings are available—but actionable data is difficult to find:**

Key Feature	Dell/EMC	Cisco	HPE	Winthrop Resources
Program Name	Dell Technologies on Demand	Open Pay	Greenlake Flex Capacity <sup>2</sup>	Consumption Billing
Shortest Agreement Term	36 Months	12 months	36 Months	UNK, but notification requirements of 120+ days makes SHORTEST possible term of 6 months.
Can agreements be cancelled without significant penalties during the term?	No	No	No	Yes, but the true-up at the end requires payment if system was under-utilized
How much of the system is NOT 'pay only for usage' but is billed--whether used or not?	40%	UNK	Typically 75% (create buffer of 25%)	% /Quantity Decided by customer
How much of a premium is being charged for some level of variable billing?	At lowest commitment level, per TB costs are 129% of purchase prices (note 3)	UNK	None at face value—e.g. no 'multiplier' for on-demand units; and discounts apply at higher volumes	UNK
Can the FIXED cost be reduced downward during the contract period?	Possibly(?), after period of "consistent patterns of usage", but probably not below the 40% minimum.	No. Fixed capacity can be increased, but never reduced beyond the committed 'Floor'.	No, only upward with no return to lower level	No, only upward with no return to lower level
Payment terms for Fixed Costs and for Variable Costs	Both monthly in a combined bill	Fixed: Yearly in advance; Variable: billed monthly	Both monthly in a combined bill	Variable is billed Monthly; Under-utilization fees at end.
Predictability of Expenses?	No, bill varies with usage; can scale from minimum (40%) up to 100% utilization	No, bill varies with usage; can scale from minimum up to 100% utilization	No, bill varies with usage; can scale from minimum (75%) up to 100% utilization	No, bill varies with usage; can scale from 0% to 100% utilization; True-Up at end will be predictable
Does the arrangement contain an embedded lease that must now be reported on the Balance Sheet under the new accounting standards?	Yes <sup>(1)</sup>	Yes (explicitly)	Yes <sup>(1)</sup>	Yes <sup>(1)</sup>

(1) Some firms' marketing materials alert reader that auditors may rule this to be a lease (if not explicitly so already). Applies to all recent changes (FASB, GASB, IASB).

(2) Some of these statements for Infrastructure came from consumption-based pricing materials for their storage offerings.

(3) Calculated from actual customer quotes, on \$622K storage system (249TB effective).

# But Many of the Same Issues Occur Here

For examples, NONE are true 'pay only for what you use' ...

### None are true 'Pay only for what you Use' arrangements

STORAGE vs TIME

- OVER-PROVISIONED IDLE STORAGE, WASTED \$\$\$
- UNDER-PROVISIONED, DELAYED TIME TO MARKET

- TRADITIONAL LARGE CAPEX PURCHASES
- - - INSTALLED ES2 STORAGE (BUFFER)
- ES2 "ON-DEMAND" – STANDARD RATE
- ES2 "RESERVE" COMMITMENTS\* – DISCOUNTED (USED TO LOWER AVERAGE \$/GB)

**PURESTORAGE**

#### IBM Storage Utility Offerings deliver variable capacity storage options

IBM® Storage Utility Offerings include the IBM FlashSystem® 900 (9843-UF3), IBM Storwize® V5030 (2078-USA), and Storwize V7000 (2076-U7A) storage utility models that enable variable capacity usage and billing.

These models provide a fixed total capacity, with a **base and variable usage** subscription of that total capacity. IBM Spectrum Control™ Storage Insights is used to monitor the system capacity usage. It is used to report on **capacity used beyond the base** subscription capacity, referred to as variable usage. The variable capacity usage is billed on a quarterly basis. This enables customers to grow or shrink their usage, and only pay for configured capacity.

The **base system** subscription is **required to be facilitated through a three-year lease**. The variable usage capacity will be billed through MES system upgrades for the capacity used.

#### How Flexible Capacity Benefits IT

**HPE POINTNEXT**

- Compute needed and invoiced
- Traditional purchases (CAPEX)
- Buffer
- Minimum commitment level

#### How Open Pay is structured

**CISCO**

- Customer's usage
- Fixed payment (Locked into a Lease/Loan)
- Variable Payment (Billed monthly as used)

payments to Cisco vs Time (Months)

#### Buffer Capacity

Technology available for variable use

Additional Buffer Capacity can be installed to address business growth.

#### Committed Capacity

Fixed payment regardless of usage

**DELL EMC**

Usage vs Payment vs Term

**Huntington TECHNOLOGY FINANCE**

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

In our source document, the initial client need is stated as being at the performance level of 1178 QpM (Queries per Minute; deep analytics benchmark). The fully-loaded system specified in the Appendix (used for building the model) costs \$369,614 and provides 589 QpM – half of that needed.

So the baseline needed would cost twice that, or **\$739,228**. This figure is what would be **billed for as 'committed'**.

They use a 36 Month Term for AMORT (even for the main 48 month scenario) which comes out to **\$20,534 per month**, or **\$4,739 per week** (the analysis is done on WEEKLY units). The above is for the INVOICE PRICE of "one unit of" a Baseline Configuration.

But they also have to install a 25% buffer for 'on demand' usage. It is only billed as used. Initially, this moves the installed HARD CAPEX cost up to **\$924,035**.

The buffer is always maintained at 25% of the ever-increasing COMMITTED LEVEL. As usage begins to use most of the buffer, the system is incremented to provide more, with 10% growth in the both the baseline capacity and the baseline commitment level.

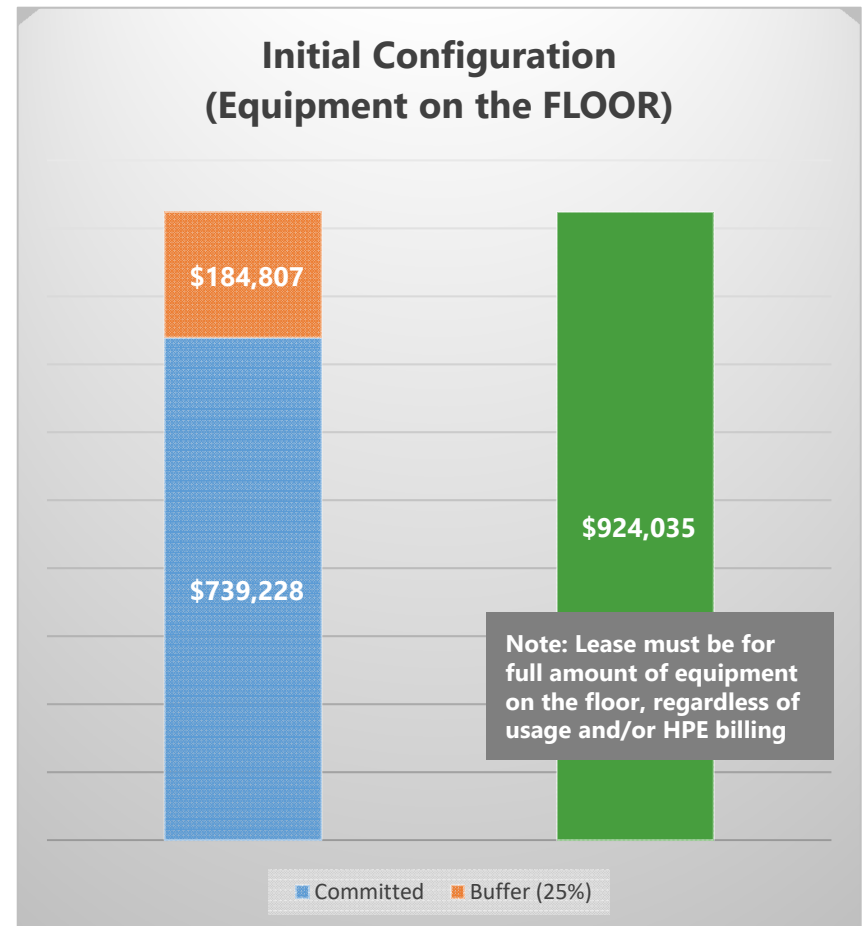
The on-demand units and the baseline units are billed at the same rate--there is no premium charge for the on-demand capacity.

As usage rises above the baseline, the on-demand units are added to the total units to bill.

So, for example, when usage of the buffer equals one-tenth of a baseline, and the total usage is the sum of the COMMITTED amount (1 baseline) and the ON-DEMAND usage (0.1 BL), the total billable is 1.10 BL, with the **weekly bill equal to 1.10 times the \$4,739 baseline above**.



Source: *HPE On-Prem Price-Performance Beats Amazon Web Services (AWS)*, April 2018.



# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

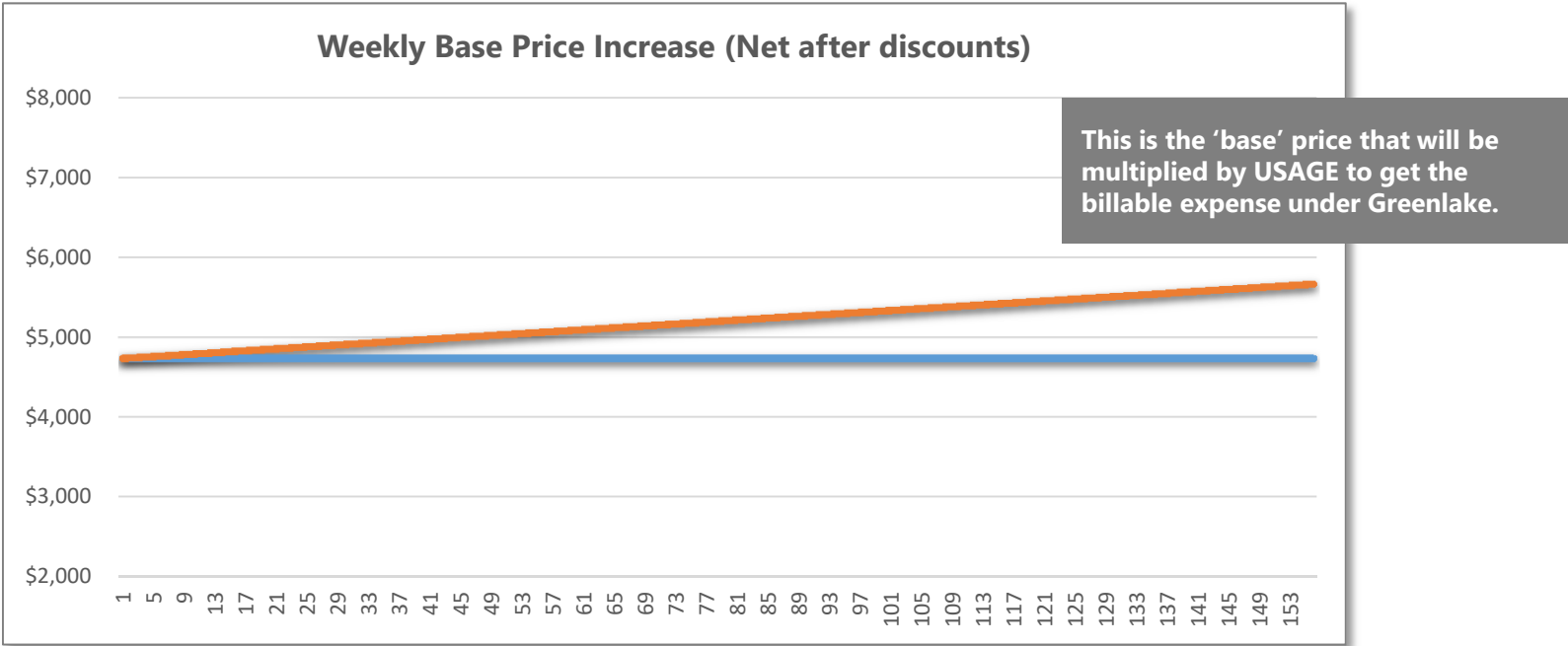
The document states that as the commitment level and usage levels increase, prices can take advantage of lower pricing bands. (no details were given).

But these volume-discounts must be offset by some other price increases, since they imply a price increase in the 48 month scenario.

The **starter baseline** has a price-performance metric of **\$21.67 per Qpm**. They give **\$24.54** for this metric for the **average for the 48 year / 50% annual growth scenario**. This average means a **closing figure of \$27.41**.

When this is straight-lined and only the first 36 months are examined, the average is **\$23.81** and the **closing figure at month 36 of \$25.9**. This increase is 19.5% over 36 months.

We create an index from this and adjust the baseline weekly bill by this factor throughout the 36 month projections.

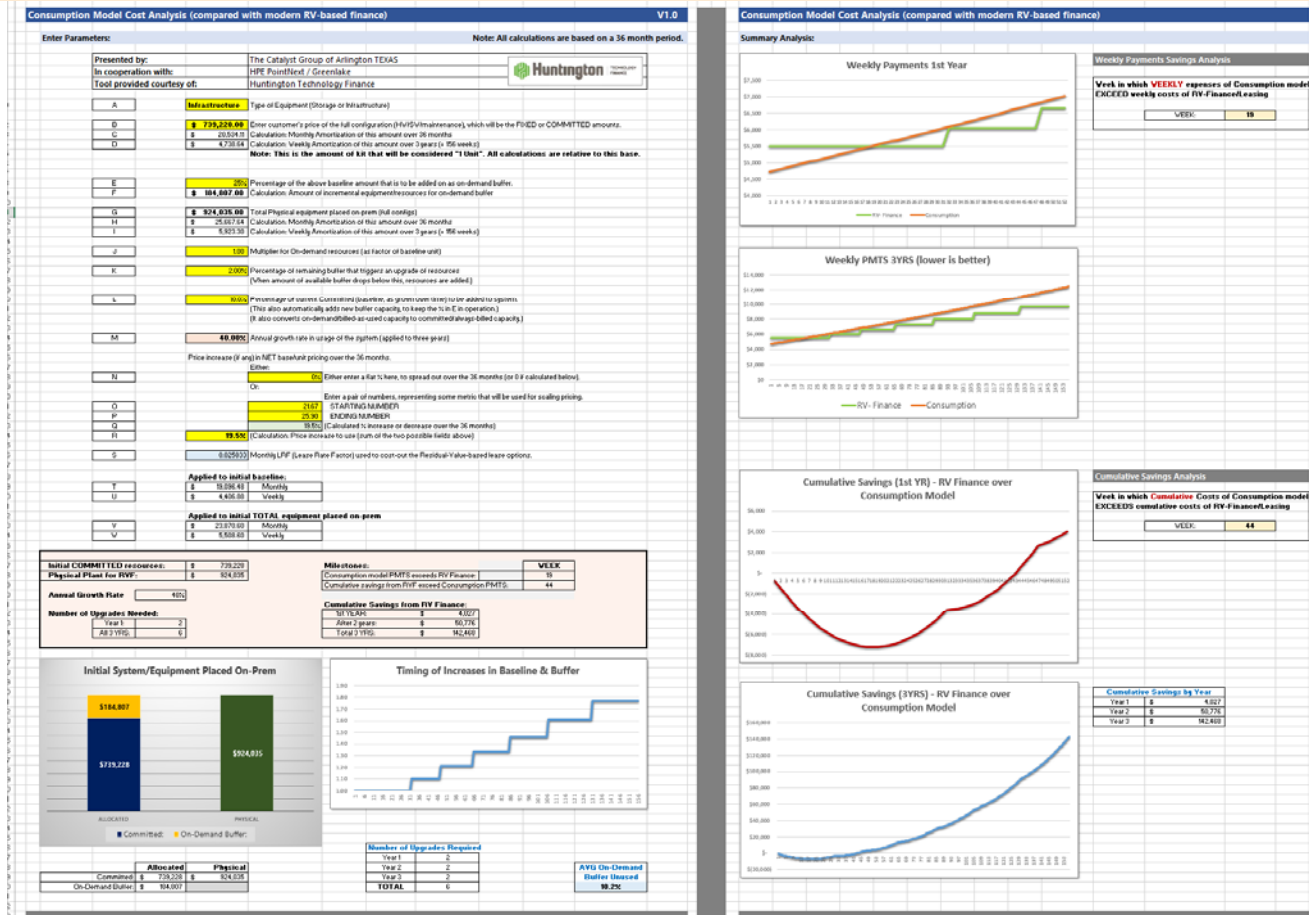


Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

We analyze this and other scenarios in our Consumption Model Cost Analysis Tool.

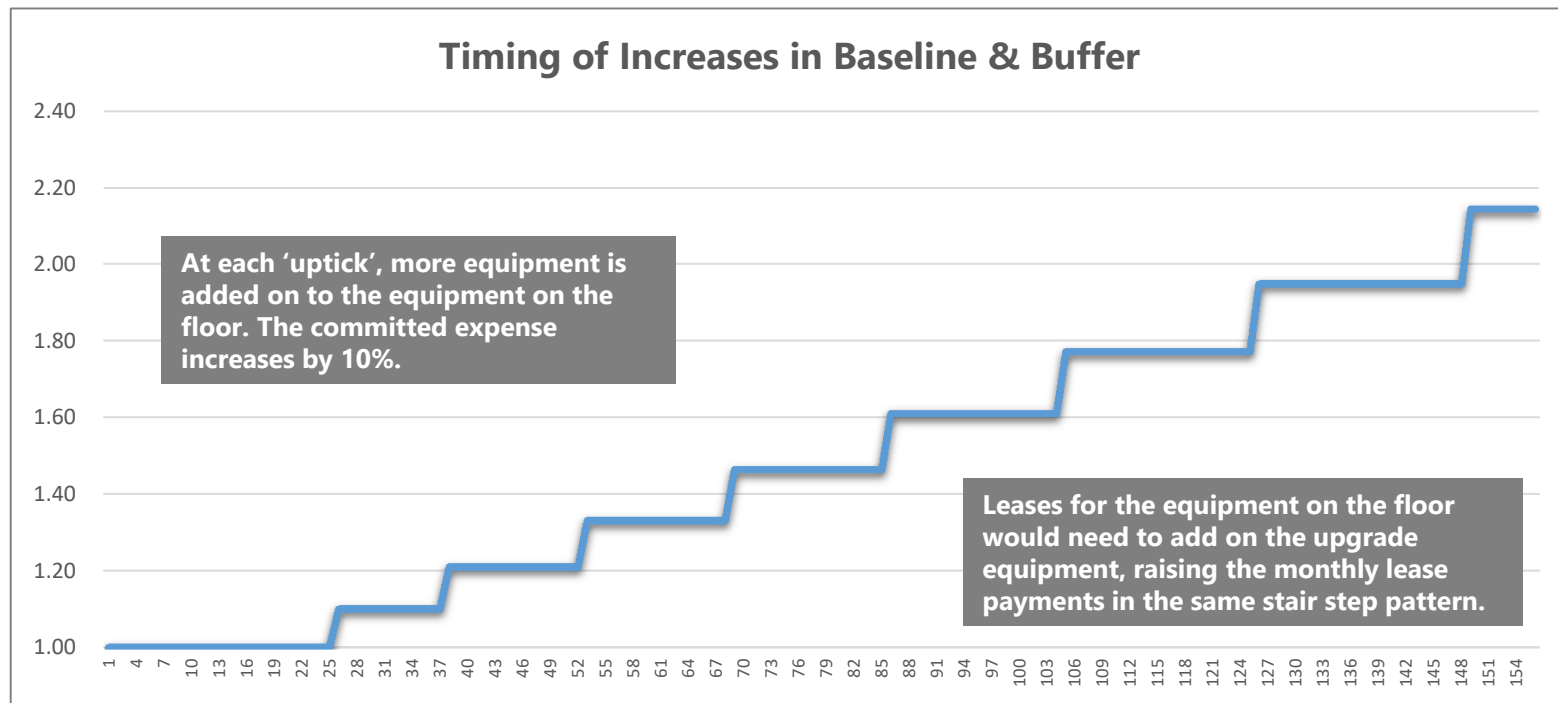


# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

The HPE document models a continual growth scenario with 50% more capacity being added each year. This capacity though---unlike flexible STORAGE arrangements---requires new servers, network gear, and storage. Upgrades in capacity for INFRASTRUCTURE always require additional hardware on the floor.

Using their 4 year / 50% annual growth calculations, this chart indicates the timing of the 10% upgrades, over just the first 36 months.



Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

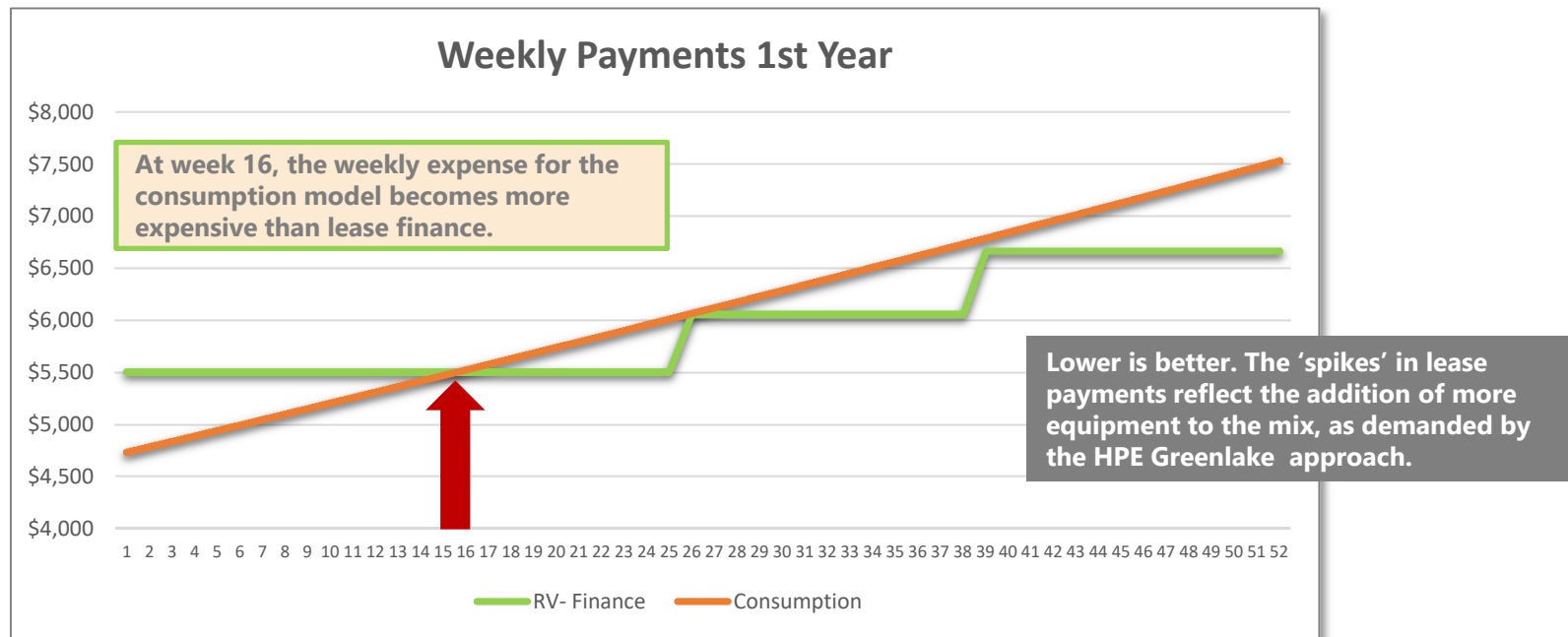
## Example: HPE Greenlake (50% Annual Growth)

Regardless of how many baseline units are billed by HPE (with unused/unbilled capacity present, but not billed for), a lease would be for ALL of the capacity, whether any of it was being used or not.

Using a LRF of 0.025833 for the configuration and all upgrades, the monthly cost for BASELINE+BUFFER would be **\$23,870.60** and weekly cost of **\$5,508.60**.

This means that—at the outset—the lease would be for the baseline PLUS the 25% unused buffer (= **\$924,035, 100% capacity**), but the HPE cost to the customer would only be for the smaller baseline amount 'inside' the larger system (= **\$739,228**). At the outset, the lease would be MORE EXPENSIVE than the HPE arrangement.

But as the customer consumes the buffer, the payment lines cross—in the first year [The HPE figures are straight-lined based on the 50% growth assumption], just after the first quarter:

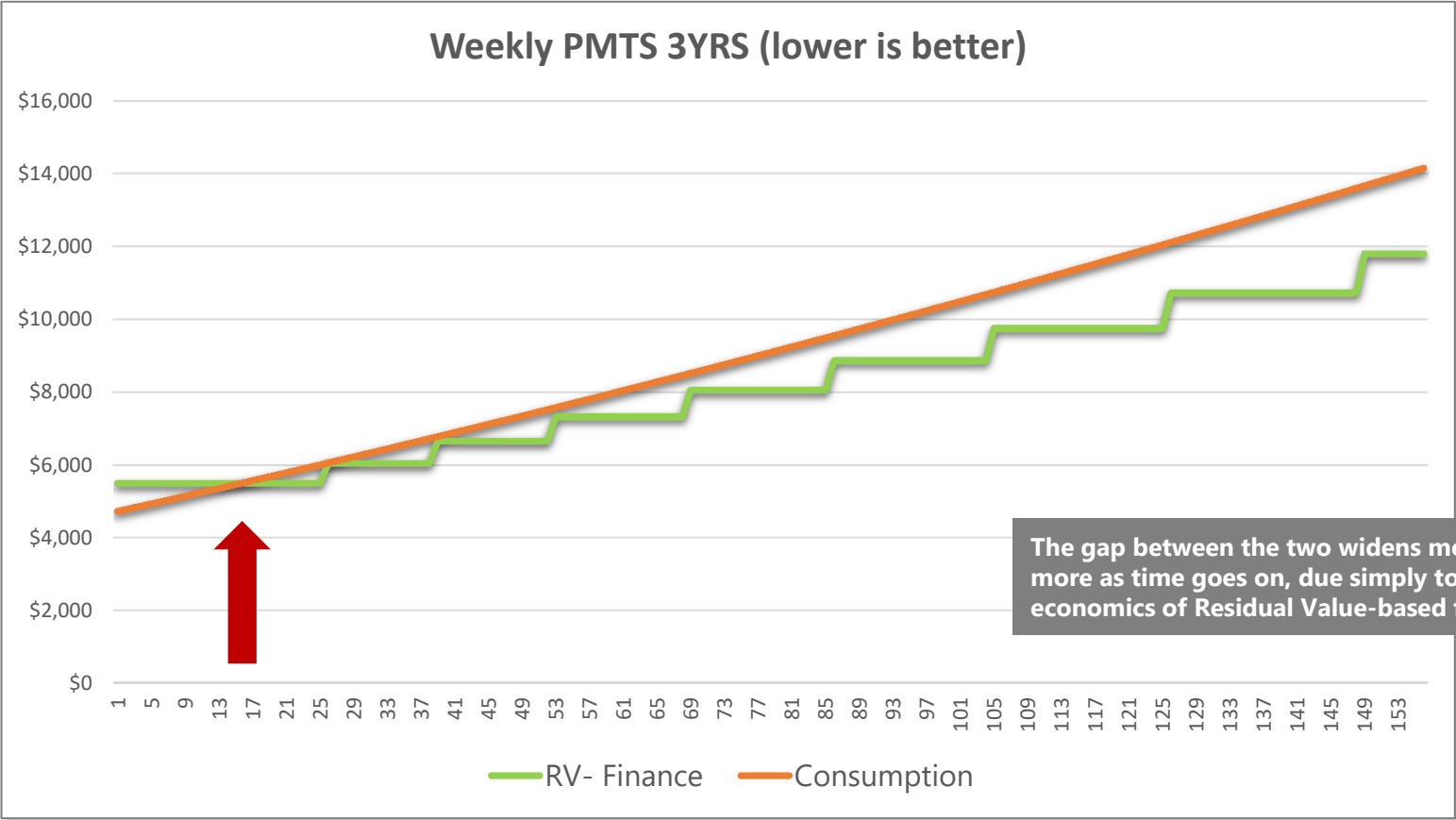


Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

And this Lease-expense-less-than-Greenlake situation continues through the 36 month period.

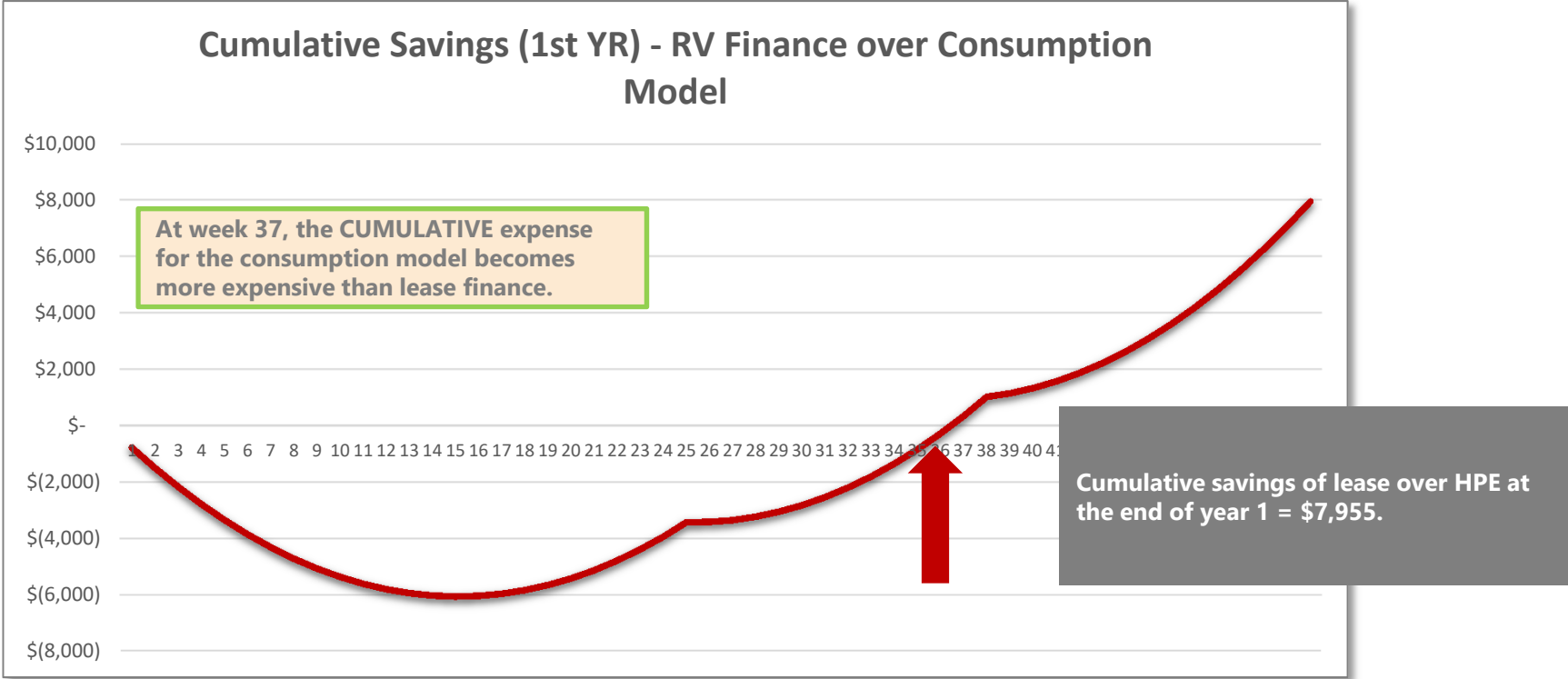


Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

The cumulative cost curves cross at the 2/3<sup>rd</sup> mark of the 1<sup>st</sup> year and continue to accumulate..

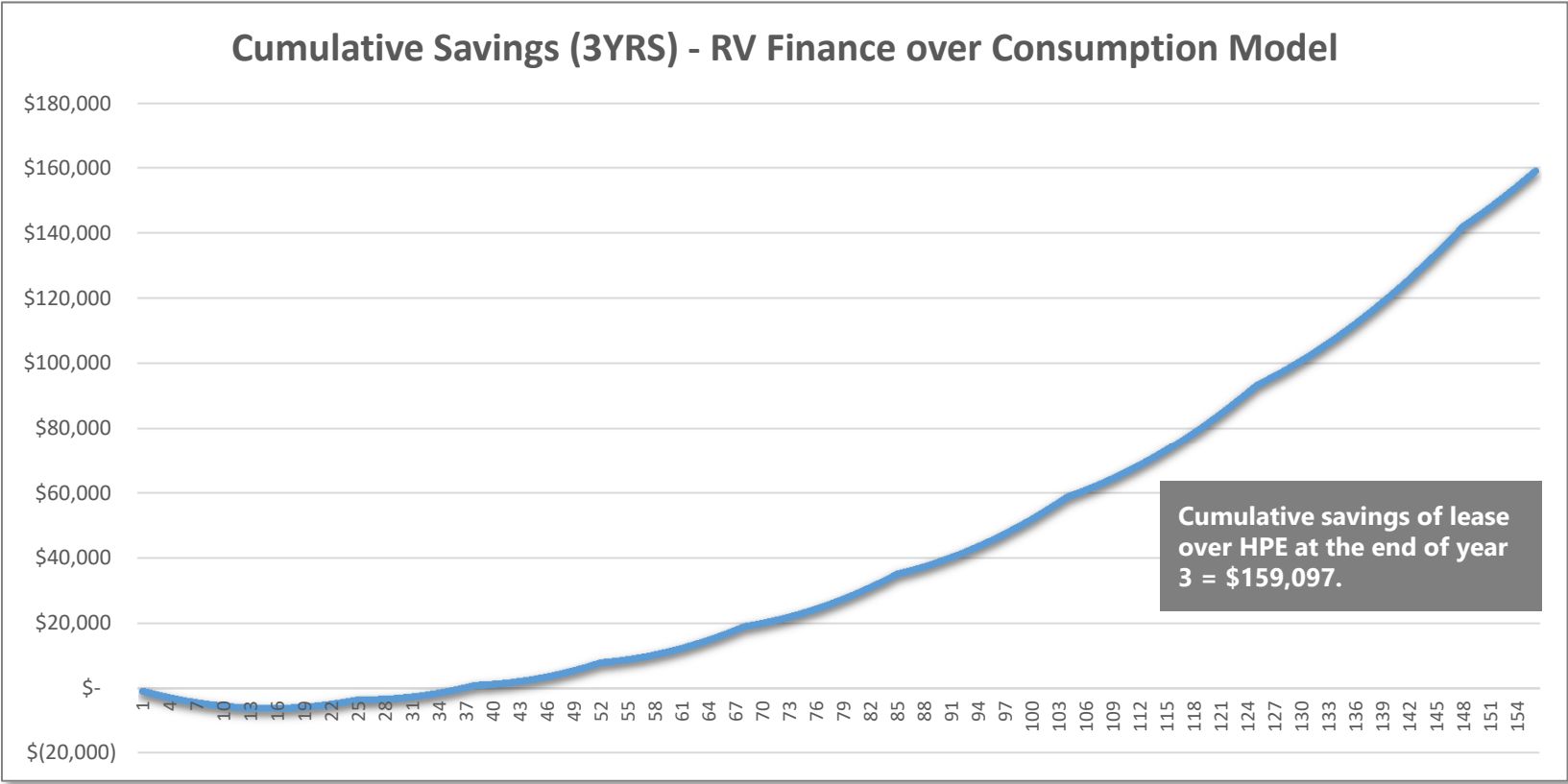


Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (50% Annual Growth)

And the savings continue to accumulate.



Source: HPE On-Prem Price-Performance Beats Amazon Web Services (AWS), April 2018.

# Beyond Storage: Consumption Models for IT Infrastructure

## Example: HPE Greenlake (Other Annual Growth rates)

The above analysis used the 50% annual growth rate in the HPE Document, which showed considerable cash savings by using lease finance (for 100% capacity) in each year.

But what about SLOWER or FASTER growth rate, where more or less of the leased capacity became billable or idle?

Running the Tool on different growth rates shows that:

- ANY growth rate **at or above 4%** can benefit from lease finance by the end of the last year;
- Any rates **at 9.1% and above** see cumulative savings by the end of year TWO;
- Any rates at **30.1% and higher** see cumulative savings in all three years.

Annual Growth Rate	Number of Upgrades		Week # Weekly Lease PMTS < HPE	Week # Cumulative Lease PMTS < HPE	Cumulative Savings from Lease\$		
	In First Year	In 3 Years			In First Year	After 2 Years	In 3 Years
80.0%	4	11	18	28	\$13,313	\$79,775	\$217,916
70.0%	4	10	20	28	\$11,884	\$73,814	\$198,942
60.0%	3	9	23	32	\$9,471	\$66,737	\$177,348
50.0%	2	8	16	37	\$7,955	\$58,955	\$159,097
40.0%	2	6	19	44	\$4,027	\$50,776	\$142,468
<b>30.1%</b>	1	5	24	52	\$5	\$40,444	\$118,047
30.0%	1	5	24	53	-\$122	\$40,516	\$117,399
25.0%	1	4	27	59	-\$2,059	\$36,830	\$106,689
20.0%	0	3	32	64	-\$6,750	\$28,318	\$94,254
10.0%	0	1	51	98	-\$19,437	\$5,279	\$57,565
<b>9.1%</b>	0	1	53	104	-\$20,579	\$473	\$52,893
4.0%	0	0	79	154	-\$27,050	-\$26,756	\$2,180

# Consumption Models: Endpoint Devices



# Beyond Storage: End-User Endpoint Devices

## Basic combination of Finance and Managed Services

The major OEMs and larger firms in the distribution channel offer some version of Consumption Models for endpoints, but typically using the phrase ‘.. As a Service’.

There are very few details on pricing and Terms & Conditions in the ads and marketing slicks, so it is difficult to assess the economics of these arrangements.

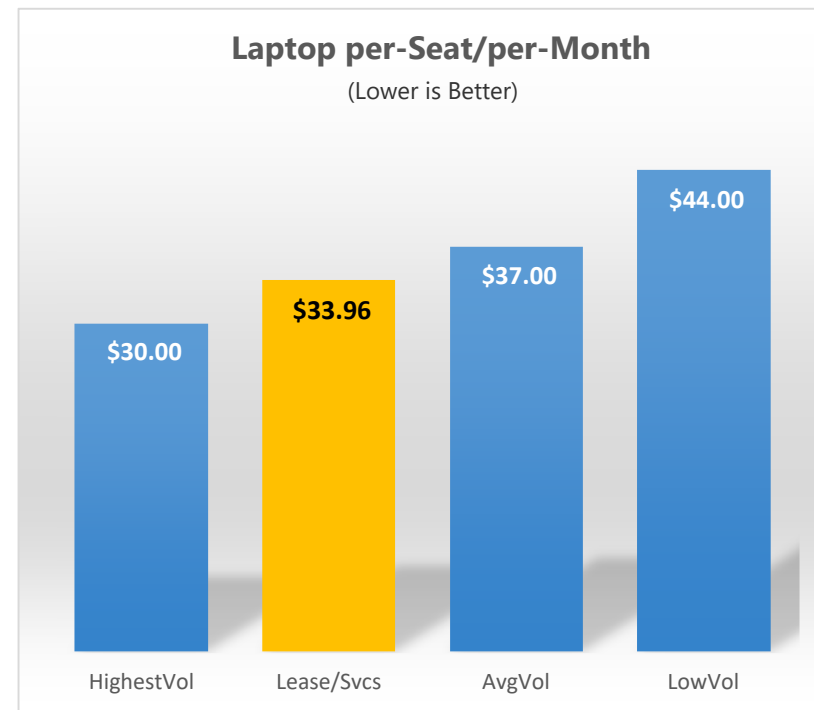
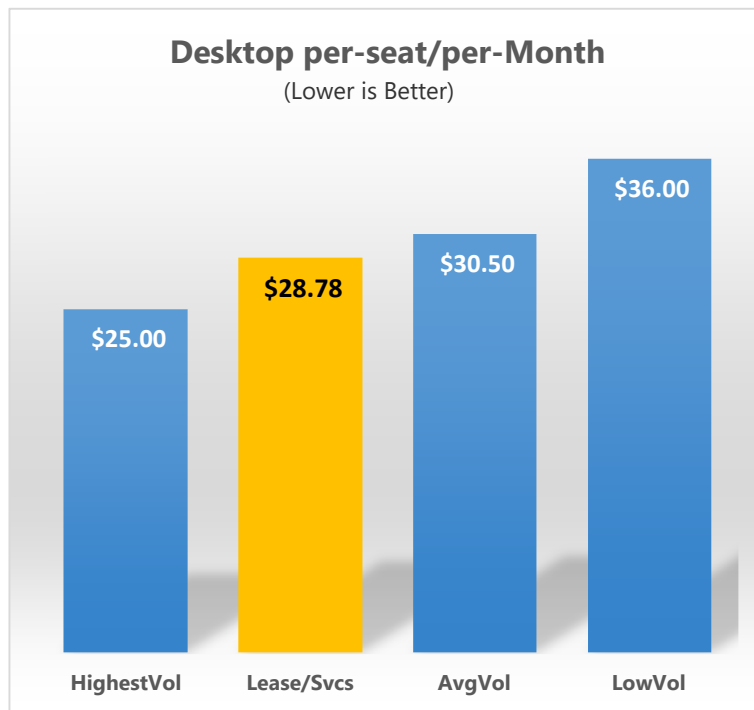
But – essentially – these are implemented as leased ‘bundles’ of product and services, with the “flex up” being additions to the lease (“business as usual”) and “flex down” being built into the pricing like ‘partial returns’ are.

In the text descriptions of these flex up/down, there are conditions and limitations that reveal that these flexible options could be implemented by anyone in the financial services sector.

**Examples: Dell – “Flex down”** must be chosen UP FRONT, and 90 day notice must be given before exercising (i.e. 3 more months of rental income for the OEM); the standard options are 5%, 10%, 15%; cannot be exercised BEFORE the mid-term of the lease (i.e. OEM has recovered a lot of their investment at this point). **“Flex Up”** can be chosen any time, but requires a new PO, new lease schedule, doesn’t end at the time of the original contract – i.e. it’s basically a new lease.

## One Data point: Public Brochure gave Pricing RANGES (LENOVO)

- We modeled those high-end costs over against operating leases with full service from an MSP.
- We used the service pricing that was in one of the larger proposals from the MSP, which we were involved in. We matched the PCaaS with top level services to get apples-to-apples comparisons.



Given that public-facing pricing data tends to 'understate' ACTUAL prices, the gap above between the Highest Volume scenario and the Lease/Services scenario may indeed be \$0 or less.

## Beyond Storage: End-User Endpoint Devices

**Not much data, but the economics do not seem very compelling at all**

**Bundled services have been “sweet spots” for leasing firms for a long time.**

It is a well-known model, and one that is very flexible. There is nothing visible in OEM statements of “PC-as-a-Service” (or equivalents) that has not already been done nor that is somehow difficult to do

Of course, part of the reason this is not so compelling, is that this is **not a ‘consumption model’ in same sense as metered, shared infrastructure**. These arrangements do not require some kind of ‘metering / monitoring’ software on the endpoints.

And the **services** which are bundled into the ‘per device, per month’ pricing is the **OPPOSITE of ‘pay as you consume’**. A rash of product upgrades for compliance reasons generates an intense spike in ‘consumed services’, but those services are not billed ‘as used’—they are embedded in the monthly payments over the term (and do not raise those payments until some trigger is tripped).

# Consumption Models: Summary Comments



# Consumption Models for Today's Enterprises

## Summary Comments

- Consumption models have been available since the dawn of computing (e.g. time-slices on mainframe computers), but market demand has never really taken off.
- Many of the features of today's offerings are not 'enterprise – friendly' or 'CFO friendly'. They are certainly suitable for niche use cases, but in high-usage or high-growth cases, they are prohibitively expensive.
- We examined in detail a **STORAGE** pitch and an **INFRASTRUCTURE** example and found that in many (if not 'most') scenarios Residual-value-based finance could generate significant savings, while still providing the predictability and flexibility that drives many of the discussions on this topic. **ENDPOINT** offerings are not different from standard leasing practices.
- Huntington buys a large volume of assets from most of these vendors—for leasing to our mutual customers. We are not adversaries, but we bring different financing options to our mutual customers.

Thank You!



**Designed for Results, Inc.**

