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CASE STUDY

Retail Group Defends SAP Audit, Avoids £6.2M Exposure

Audit Defence Service

£6.2M exposure avoided

Executive Summary

A national retail group received formal notice of an SAP licence audit during its busiest trading period. Livingstone's Audit Defence team took control of the engagement from notice to closure, reducing the vendor's initial £6.2M exposure claim to a negotiated nil cost settlement.

The Challenge

A national retail group operating over 600 stores and a fast growing e-commerce channel received an SAP audit notice with a tight 30 day response window, landing in the middle of peak seasonal trading.

The client's SAP estate had evolved organically over a decade, with indirect access from e-commerce, warehouse and franchise systems creating significant ambiguity around licensing. Internal teams had no prior audit experience with SAP and were concerned that an uncoordinated response would expose the business to an inflated settlement at the worst possible time of year.

FAST FACTS

CLIENT
National Retail Group

SIZE
28,000 employees

SECTOR
Retail

LOCATION
United Kingdom

SERVICE
Audit Defence Service

SAVINGS
£6.2M exposure avoided

The Solution

Livingstone's Audit Defence team took immediate ownership of vendor communication, agreeing a realistic extended timeline and establishing a single point of contact to prevent inconsistent or premature disclosures.

A rapid Audit Readiness Assessment established the true licence position, with particular focus on indirect access arising from the e-commerce and franchise integrations the vendor was most likely to target. Livingstone built a fact based counter position supported by deployment evidence and contractual interpretation, and led the negotiation through to settlement on the client's behalf.

The Outcome

The vendor's initial findings claimed £6.2M in additional licence fees, weighted heavily towards indirect access via the digital and franchise channels. Livingstone's evidence based defence reduced this to a negotiated settlement involving no additional licence spend, secured through a contractual usage clarification rather than a cash payment.

Key Success Factors

- Immediate, coordinated control of vendor communication from the moment the audit notice was received
- Independent re-validation of indirect access exposure ahead of vendor findings being shared
- A negotiation strategy grounded in contractual interpretation rather than concession

Conclusion

> What began as a six figure a week trading risk during peak season was resolved without disruption to store or online operations, and the client now has a standing Audit Readiness baseline to call on for future vendor activity.

Want to uncover hidden value in your software estate?

Get in touch with Livingstone to see how our independent advisory services can help you achieve similar results.

Contact us today

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