

Case Study: Xyratex

Background

Xyratex (Nasdaq: XRTX) is a \$1.2 billion, publicly held data storage technology company with headquarters near London and major U.S. operations in the San Francisco Bay Area and Orlando. Since its founding in the 1980s, it has been a leading supplier of capital equipment to the hard disk drive manufacturing industry; more than half of the disk drives in use worldwide are processed, inspected and tested using Xyratex equipment. In addition, the company is the industry-leading provider of enterprise data storage solutions for the Original Equipment Manufacturer (OEM) community. Its systems deliver the ultimate in data storage performance, reliability, scalability, flexibility and density.



Situation

The company had historically gone to market through its OEM partners, who architect and integrate Xyratex' products into their solutions. This model worked splendidly, but change came to the company in the summer of 2012 with the \$120M acquisition and launch of the ClusterStor 6000 – a revolutionary new data storage technology for the high-performance computing and Big Data industries. The company decided to take the ClusterStor product family to the market *with* its partners; for the first time, the company was marketing, selling and supporting products with its partners using its own name and brands.

The decision meant the company needed to execute a major shift, especially in its marketing department. It needed to:

- Promote and build equity in its name and the ClusterStor brand, and answer the “Who is Xyratex?” question in a compelling way, so that it could re-condition the market and compete for deals against stiff competition
- Establish its executives and experts as thought leaders in their respective areas
- Generate a wide variety of content and disseminate those assets broadly to validate the products in the market and enable its sales force
- Develop/refine corporate and product positioning and key messages, so that the product could sell and messages would resonate within the “high performance compute/Big Data data storage” category
- Advise executives and ClusterStor business leaders and staff in new ways, regarding new decisions and business situations

Despite these needs, the company had limited staff or other resources devoted to communications and public relations.



Game Changer Communications

The Game Changer

Xyratex hired Game Changer Communications in November 2012, and it functioned as an integral part of the Xyratex corporate leadership and marketing team for two years. The program included the following activity:

- Comprehensive baseline benchmarking and analysis of Xyratex' relative position with regard to media coverage frequency and quality, share of voice, message pull-through and more, and how those metrics compare to its primary competition
- Developing, drafting and refining a comprehensive message platform for Xyratex and its primary business units, including ClusterStor
- Devising and executing a comprehensive content marketing and management strategy, which has included blogging, case study development, issuing news releases, sharing and engaging in social media and more
- Assisting with a corporate branding update by writing all new copy for its website, to embody the new messaging and better assert the company's market leadership position
- Handling all media relations preparation, outreach, follow-up, monitoring, reporting, etc.
- Assisting with the execution of the 2013 Xyratex Sales Kickoff event in Orlando, and speaking as part of the marketing team to educate, mobilize and equip the sales force
- Executing analyst communications, including two analyst tours, with the marketing team
- Providing PR support and execution for Xyratex' presence at major industry events
- Managing and executing corporate and product awards submissions
- Planning and helping executives and staff navigate major corporate events, including a major acquisition, a CEO transition and more (including comprehensive internal communications assistance and planning)

Results

In the company's *first quarter* with Game Changer Communications on board, the company experienced the following:

- 77 news stories appeared, a 2.5x increase in quantity of media coverage over the quarter before and 15 more stories than were captured in the previous fiscal year
- A 2.5x surge in a combined "total points" measurement of coverage quantity and quality over the previous quarter
- 94% of the coverage was positive or neutral in tone
- 43.8% share of voice in the new category; more than double its nearest competitor, and a 16% increase over the previous quarter
- A 19% increase in Twitter followers and a 23% increase in Facebook likes
- 16 blog posts were published, nearly 3x as many as in the quarter before and almost as many as were published in the previous fiscal year
- A successful website launch, presence at major events, Sales Kickoff and analyst tours

In short, with Game Changer's help, Xyratex developed the infrastructure to fulfill its promise in its various market categories and the resources to execute a comprehensive corporate



Game Changer Communications

communications program. This led to the growth and maintenance of the company's brand, presence and leadership position.

Within two years, Xyratex sold the ClusterStor business to Seagate Technologies for \$374 million – a more than 3x return on its initial purchase price.

In Their Words

“Game Changer Communications was able to make an immediate impact on our communications strategy with limited involvement from our team. Jason Sprenger began delivering content, analytics and strategic advice in a very short timeframe. We experienced a dramatic increase in our awareness within a single quarter, and were able to demonstrate our return on investment almost immediately.”

--Mike Stolz, Vice President of Global Marketing, Support Services and Alliances