

Algoma Steel forges a more sustainable path with Technology Rotation

Algoma Steel leverages Dell Payment Solutions to implement an IT refresh that saves capital while strengthening the company's sustainability strategy.



Business needs

Algoma Steel's legacy technology prevented the IT team from supporting the business more efficiently. The manufacturer wanted to establish a consistent IT refresh cycle funded through operational expenditure, but it needed to find a flexible payment solution for IT that would advance the company's decarbonization and sustainability initiatives.

Innovations



Increases commitment to sustainable practices.



Boosts IT flexibility and supports any IT roadmap.



Accelerates innovation by helping IT to partner with the business.

Outcomes



Reduces technical debt and creates a consistent IT refresh schedule.



Establishes a payment solution strategy for any technology deployment.



Ensures predictable expenses with OpEx.

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Marc Disano,
Manager of IT Infrastructure,
Algoma Steel



With Technology Rotation, Algoma Steel can realize cost savings of up to 60% and can reduce unplanned storage downtime by up to 81%.¹

Adapting to an environmentally focused era

Founded over 120 years ago, Algoma Steel has been a vital manufacturer of steel that's used in countless everyday essentials – from vehicles and construction to appliances and energy. But as the world shifts and becomes more environmentally conscious, Algoma Steel is evolving, embracing a future centered on sustainability. Recently, the publicly listed organization embarked on one of the largest decarbonization efforts underway in Canada, which is essential to meet Ontario's industrial environmental commitment for 2030 and net-zero goal by 2050.

"We're working on projects to move from being one of Ontario's largest natural gas consumers to one of the cleanest steel producers in North America," shares Laura Devoni, the director of strategy, corporate affairs, and sustainability at Algoma Steel. To support those initiatives, the manufacturer is moving to an electric arc furnace, which will eliminate the need for coal and provide a much more environmentally friendly way of producing steel.

A tech-driven transformation

Algoma Steel knows that it must modernize the company's IT infrastructure to support its decarbonization and sustainability goals. "Leading technology is critical for ensuring that we have reliability and meet environmental controls," explains Marc Disano, the manager of IT infrastructure at Algoma Steel. Reliable technology is also essential for helping Algoma Steel work more efficiently. Any downtime in its data center would halt production and incur loss of business.

Algoma Steel's technology was reaching the end of life, and data center solutions would be expensive to replace. The technology was failing to provide the company with the business and operational solutions it needed, decreasing Algoma Steel's potential while increasing its risk. The manufacturer faced

significant technical debt that prevented the IT team from better supporting the business. Algoma Steel needed an IT refresh, but the cyclical nature of the steel industry had created financial challenges in the past, leaving the company hesitant to make a significant capital investment. To help create financial stability, Algoma Steel wanted predictable IT expenses. "We didn't want to find ourselves in the same spot in five years," says Disano. "We needed to change how we were budgeting and procuring IT."

To establish a five-year IT refresh cycle funded through operational expenditure (OpEx), Algoma Steel had to find the right partner. With the next IT deployment, Algoma Steel sought technology that would eliminate downtime, enable the IT team to partner with the business and increase innovation that would support the company's initiatives on decarbonization and sustainability.

Leveraging Technology Rotation for sustainable solutions

When Disano learned about the Dell Technology Rotation strategy, he knew he'd found the right solution for Algoma Steel. Leveraging Dell Payment Solutions has allowed the manufacturer to tailor its financial arrangements to meet its unique needs. "Dell understands our requirements and gives us the flexibility to pick a payment cadence that works for us," says Disano.

Algoma Steel now has a sustainable financial framework that aligns with its long-term environmental goals. "Technology Rotation from Dell has eliminated our technical debt, established a consistent IT refresh schedule and enabled us to focus on innovation," Disano shares. By selecting Technology Rotation, Algoma Steel takes advantage of lifecycle management, which means the business has a more reliable, flexible and forward-thinking IT setup to ramp up innovation.

With Technology Rotation, Algoma Steel can realize cost savings of up to 60% over six years compared to buying technology through capital expenditures.² It can also reduce unplanned storage downtime by up to 81%.³

“Dell Payment Solutions contributes to our environmental and financial sustainability for the long term.”

Laura Devoni,
Director of Strategy, Corporate Affairs,
and Sustainability,
Algoma Steel

“Dell Payment Solutions has been and will remain crucial for helping us make progress.”

Marc Disano,
Manager of IT Infrastructure,
Algoma Steel



“Dell Payment Solutions has been a great partner for us,” Disano states. “Now, rather than paying a large sum upfront, we keep costs down year over year. Our IT budget, refresh cycle and payments are predictable and easier to manage.” The transition to an OpEx model also gives Algoma Steel the agility to support any IT roadmap.

Ensuring sustainable progress with long-term financial stability

Today, Algoma Steel is advancing its position as a leader in sustainability within the steel manufacturing industry, which will deliver numerous benefits. “We’re driving value by becoming one of North America’s greenest, most sustainable steel manufacturers,” Devoni shares. Technology Rotation has played a critical role in helping Algoma Steel make this progress. It enables the company to maintain financial liquidity, benefit from using the latest technology and reduce its server carbon footprint by 534,000 kilograms,⁴ thus contributing to the circular economy. “Dell Payment Solutions contributes to our environmental and financial sustainability for the long term,” Devoni emphasizes.

As Algoma Steel continues its journey toward technological excellence and environmental responsibility, the partnership with Dell remains instrumental. Disano underscores this sentiment, concluding, “Dell Payment Solutions has been and will remain crucial for helping us make progress.” With a shared vision and collaborative efforts, Algoma Steel and Dell are paving the way for a sustainable future in steel manufacturing.

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Marc Disano,
Manager of IT Infrastructure,
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1. IDC Business Value Snapshot, sponsored by Dell Technologies, “Adopting a Technology Rotation Program from Dell Improves Operational and Cost Efficiencies for Storage,” 2021, <https://www.delltechnologies.com/asset/en-us/solutions/financing-and-payment-solutions/industry-market/idc-business-value-tr-storage.pdf>.

2. Ibid.

3. Ibid.

4. Ibid.

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