Mentor Graphics: Finding a better way to manage costs through the cloud

MENTOR GRAPHICS CORPORATION (NASDAQ: MENT) is a world leader in electronic hardware and software design solutions. Mentor Graphics is known for enabling companies to develop better electronic products faster and more cost-effectively. Spending hundreds of thousands of dollars per year on its AWS environment, Mentor Graphics was in need of a better way to analyze and ultimately reduce its cloud costs.

THE CHALLENGE
The Mentor Graphics Web Services team supports all customer applications, which can be launched anywhere in the world within 15 seconds, from the time of filling out the order form. Deployments are unique and often sophisticated. The result is a cloud structure that is enormously complicated and highly variable. The company had been using a cost tool. However, with the growth of the business Mentor Graphics required something more. They needed to manage multiple directors, multiple divisions and numerous projects, which ultimately led Mentor Graphics to CloudHealth.

THE SOLUTION
CloudHealth gives Mentor Graphics a platform for comprehensive management across the entire cloud ecosystem. We enable Mentor Graphics to align cloud operations with business objectives, reduce costs by analyzing usage trends and proactively manage performance to meet service levels. Some of the key CloudHealth functionality used by:

“CloudHealth is a superior cloud management solution—from both a product and support perspective. Nothing in the market comes close to CloudHealth.”
— RON FULLER
Director Web Services
• Perspectives — Enables Mentor Graphics to align AWS infrastructure with business priorities, while ensuring precision reporting based on roles. Each CloudHealth Perspective contains groups that reflect the way Mentor Graphics wants to assemble cloud assets and services for analysis, management, evaluation, monitoring and measurement.

• Cost Allocation — Enables Mentor Graphics to benefit from the industry’s only resource-based cost allocation solution, allowing the company to accurately align cloud costs with business initiatives, while benefiting from comprehensive functionality related to AWS cost management, allocation and amortization.

• Policies and Notifications — Enables Mentor Graphics to create both broad scope alerts across its environment, as well as narrowly-defined alerts, tied to specific concerns such as tag compliance — which can become an incredible burden for Mentor Graphics if not tracked properly.

• InterActive Reporting — Gives each project manager granular cost details for projects to illustrate trends, which is particularly important since a manager may have six projects running at any given time.

### THE RESULTS

With CloudHealth, Mentor Graphics has been able to accurately identify and allocate resources to projects and provide visibility into cost projections from multiple viewpoints. This has given the company the ability to immediately see the impact their decisions have on both cost and ROI, while giving management the information they need to determine if a project should continue.

Further, with the Mentor Graphics “always on” support model, being able to audit month-to-month spend and break down every paid-for service has made a considerable impact on cost management for the company. Product marketing is able to easily break down spend and how it is trending — enabling Mentor Graphics to answer the question “Are we benefiting from our cloud infrastructure spend on a project by project basis?”

“Cost Allocation and tracking by Perspectives is critical for Mentor Graphics. Since each infrastructure asset is part of a Project that Mentor Graphics tracks, all assets and resources need to be properly identified. If we can’t identify resources we can’t allocate costs to a Project and they become a Marketing burden.”