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OEM vs. TPM
— mid-market cost comparison 2026.

How IT decision-makers in European mid-market companies cut hardware maintenance costs for servers, storage and network by 50–70% below the vendor price — without compromising on availability, service quality or compliance.

50–70%
lower maintenance costs vs. OEM contracts

–65%
sample savings over 3 years vs. the OEM price

EOSL
support beyond the vendor's end of service life

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Highlighted chapters contain the working aids: the TCO comparison as a cost index (ch. 5), the decision framework (ch. 9) and the decision checklist (ch. 11).

CHAPTER 01

Management Summary

The most important insights at a glance.

Figure	Meaning
50–70%	Maintenance cost reduction vs. OEM contracts
–65%	Sample savings over three years vs. the OEM price (Chapter 5)
5–10 years	Extended hardware lifecycle beyond the vendor's End-of-Service-Life

In 2026, hardware maintenance for servers, storage and network is one of the few cost blocks in the IT budget that can be substantially reduced without trade-offs in availability or security. Across the European mid-market, the savings potential from a deliberate switch from OEM maintenance contracts to Third Party Maintenance (TPM) typically ranges between 50 and 70 percent below the vendor price — at equal or better service levels.

Three trends are reshaping the field in parallel: OEM support prices rise disproportionately after End-of-Service-Life. Regulation (VSME, EU Taxonomy, Digital Product Passport) forces companies to demonstrably extend hardware lifespan. And the TPM industry has matured — service quality, geographic coverage and parts availability now meet the standards leading analysts recognize.

Key takeaways

- **Savings of 50–70% below the OEM price** over three years are the rule rather than the exception in typical European mid-market environments.
- **Extending hardware lifespan** is a central lever for CSRD/VSME KPIs, circular economy principles and the Digital Product Passport.
- **No SLA compromises:** Modern TPM providers deliver 24/7/4h service with certified Level-3 engineers and OEM-original spare parts.
- **Hybrid beats monolith:** The best strategy combines OEM support for strategic new deployments with TPM for EoSL and cost-optimization candidates.

> **THE CORE MESSAGE IN ONE SENTENCE**
>
> A mid-sized company with 40 servers, 3 storage systems and 25 network switches cuts its maintenance costs over three years by around two thirds of the OEM price when moving to a hybrid model — with the same or better response times.

CHAPTER 02

Market Context 2026

Why hardware maintenance is becoming a strategic cost lever.

IT leaders in mid-market companies face dual pressure in 2026. On one side, demands are growing — AI workloads, Zero Trust, NIS2 compliance, data sovereignty, ESG reporting all consume budget and attention. On the other side, willingness to keep paying ever-higher OEM support prices for traditional infrastructure has reached its limit in many organizations.

2.1 The TPM market has reached critical mass

The global TPM market for data centers has grown to a mid-single-digit billion size, with annual growth rates of around ten percent. Europe accounts for roughly one-third of the volume and grows above average in the mid-market segment. Leading analysts have positioned TPM as an established option for non-strategic maintenance spend for years.

2.2 Three developments reshaping maintenance budgets

1 · Hardware lifecycles are getting longer. Server compute density per rack unit has grown so much over the past five years that even six- to eight-year-old systems are adequately sized for many workloads. Sustainability considerations reinforce the trend: manufacturing produces hundreds of kilograms of CO_2 per server — amortizable only over long operating lifetimes.

2 · OEM prices rise disproportionately after EoSL. OEMs have a clear commercial interest in regular hardware migrations. Maintenance markups stay moderate in the first three years (8–12%). From year four onwards they rise to 15–20%. After EoSL, if support is still offered at all, vendors charge prices that reach three to four times a TPM alternative.

3 · Regulation forces lifecycle thinking. Even after the EU Omnibus package of February 2026, indirect CSRD pressure remains for the mid-market. Banks tie credit conditions to ESG metrics, large customers request structured sustainability data, the voluntary VSME standard is gaining traction, and the Digital Product Passport will make lifecycle data for IT hardware mandatory.

> **WHAT THIS MEANS FOR IT LEADERS TODAY**
>
> Anyone running hardware for only two to four years in 2026 will increasingly have to justify that choice to auditors, lenders or major customers from a sustainability perspective. Extended lifespan via TPM is therefore no longer just a cost topic — it is an ESG topic.

CHAPTER 03

OEM Maintenance

Model, strengths, and the cost drivers that become problematic in the mid-market.

OEM maintenance refers to service and support contracts signed directly with the hardware manufacturer — Dell, HPE, Cisco, IBM, Lenovo, NetApp, Pure Storage, Fujitsu, Oracle. The OEM is simultaneously vendor, developer, support authority and parts source.

3.1 Typical service components

- Hardware replacement on failure (on-site or return-to-depot, depending on SLA)
- Phone and ticket support from the manufacturer
- Firmware updates and security patches (sometimes only with active contract)
- Access to knowledge base and technical documentation
- Proactive monitoring and call-home features (depending on product)
- Defined response and recovery SLAs (e.g. 24/7/4h)

3.2 Where OEM contracts have clear strengths

OEM maintenance has undisputed advantages — and no honest TPM offering should hide them. Firmware patches arrive fastest from the manufacturer, brand-new hardware generations initially receive OEM support exclusively, and for highly complex or proprietary systems (mainframes, specialty appliances, certain high-availability clusters) vendor support is sometimes uniquely deeply integrated.

3.3 The cost drivers that make OEM problematic

Cost driver	What happens
Pricing curve over the lifecycle	First 3 years: 8–12% of list price per year. From year 4: 15–20%. Post-EoSL: up to 3–4× a TPM alternative — if the manufacturer still offers support at all.
EoSL as a planned break	After End-of-Service-Life, no new contracts are signed, renewals get more expensive, certain service components are discontinued. The customer faces artificial migration pressure — even when the hardware is still running healthy for years.
Bundling and minimum contracts	OEM offers bundle components many customers don't actually use — proactive services, premium engineer contacts, extended warranties. Contracts cut to actual demand are structurally rare.
Vendor lock-in on parts	Original parts, firmware activation codes and licenses are tied to an active OEM contract. This strengthens the manufacturer's negotiating position at every renewal — and weakens the customer's.

> **THE BOTTOM LINE**
>
> OEM maintenance isn't bad — but it structurally becomes the most expensive item in the IT budget from year four. After EoSL, it definitely is.

CHAPTER 04

What is Third Party Maintenance?

Vendor-independent maintenance — the model, the provider types, the selection criteria.

Third Party Maintenance refers to maintenance and support services for IT hardware delivered independently of the manufacturer. A TPM provider like TechCare replaces the OEM across all services — without the coupling to vendor product lifecycles and upgrade cycles.

4.1 What modern TPM offerings include

- 24/7 service desk with multilingual support across the DACH region (German, English)
- On-site service with defined response times (4h, NBD, BBD depending on category)
- Level-1 through Level-3 engineering by certified specialists
- Verified OEM-original spare parts, fully warranty-covered
- Multi-vendor support under one contract — one point of contact instead of six
- Support 5–10 years beyond the manufacturer's End-of-Service-Life
- Proactive monitoring and asset management
- Flexible contract terms starting from twelve months

4.2 The four types of TPM providers

Not every TPM provider is built the same. In practice, four provider models differ — a distinction Gartner also makes in its market assessment:

Type	Characteristics
Pure-Play TPM	Specialist provider whose core business is exclusively TPM. In-house engineers, own parts inventory, direct customer relationship. Highest specialization — typically the quality leader in the mid-market.
Secondary-Hardware TPM	Providers whose core business is refurbished hardware and who offer TPM as an additional service. Strong parts base, but service depth often inconsistent.
TPM Aggregator	Bundles TPM services from multiple subcontractors. Broad geographic coverage, but limited control over the quality and response time of partners.
Reseller / VAR	Sells TPM as an add-on to its OEM portfolio but doesn't deliver the service itself. Suitable for simple environments, often critical in complex scenarios.

4.3 What really matters in provider selection

Quality differences between TPM providers are now much larger than the price difference between OEM and TPM itself. The decisive evaluation criteria:

- **In-house engineer capacity in the region** — full-time employed or dispatched via subcontractors?
- **Parts logistics** — how many regional depots, which inventories are guaranteed?
- **SLA enforcement** — are response times contractually penalized? Is there reporting?
- **Vendor certifications** — are engineers currently certified on the relevant platforms?
- **References in mid-market** — which comparable environments are already being supported?

CHAPTER 05

TCO Comparison over 3 & 5 Years

The direct cost comparison — TCO over 3 and 5 years, from real European mid-market projects.

The following comparison is based on average values from market observations and TechCare projects in the European mid-market. Real offers may differ — this comparison serves orientation, not a binding price commitment. All values are shown as an index: the OEM contract cost of each period equals 100%.

5.1 Comparison scenario: typical mid-market environment

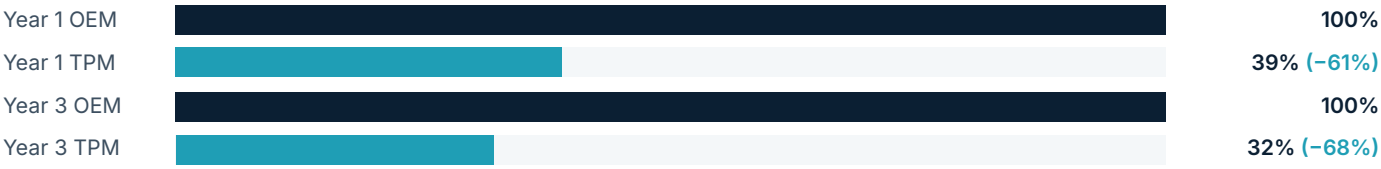
Component	Scope
Rack servers (x86)	40 systems, mixed Dell PowerEdge + HPE ProLiant, 3–6 years old
Storage	3 SAN arrays, mixed NetApp + Dell EMC, 4–5 years old
Network switches	25 units, predominantly Cisco Catalyst and Nexus, 3–7 years old
Backup appliance	1 system (HPE StoreOnce), 4 years old
Service level	24/7, 4-hour on-site response

5.2 Cost comparison at a glance (index: OEM = 100%)

Term	OEM contract	TPM (TechCare) as % of OEM	Savings vs. OEM
Year 1	100%	39%	**61%**
Year 2	100%	35%	**64%**
Year 3	100%	32%	**68%**
3-year total	100%	35%	**65%**
5-year total*	100%	32%	**68%**

* From year four, OEM prices rise disproportionately as parts of the fleet exit the regular support window. TPM prices remain largely stable — which is why the TPM share of the OEM cost keeps falling over time.

Visualized: annual cost, TPM as a share of OEM



KEY INSIGHT

The savings effect grows with hardware age. For systems reaching EoSL within the next two years, the TPM advantage regularly hits 70 percent and more below the OEM price — because OEM pricing escalates particularly steeply at that point.

CHAPTER 06

Case Study: Engineering Firm

Anonymized real-world example — 450 employees, southern Germany, hybrid model.

Figure	Meaning
63%	Annual savings vs. the previous OEM-only budget
99.2%	SLA achievement 24/7/4h
18 t	Avoided CO_2 equivalents

6.1 Starting position

- Mid-sized engineering firm, 450 employees, headquartered in southern Germany, two smaller plants in Eastern Europe
- Central data center, hybrid infrastructure: VMware cluster, SAP application servers, file storage, backup
- Hardware mostly 3–5 years old, some reaching EoSL within the next 18 months
- Existing OEM contracts with four different manufacturers
- External driver: large automotive customer requires reliable CO_2 data across the supply chain

6.2 The TechCare solution

After an asset inventory, a three-tier hybrid approach was implemented:

- Strategically newest systems (under 2 years) stay on OEM support
- Mid-aged fleet (2–5 years) moves to TechCare TPM with 24/7/4h
- EoSL candidates receive an Extended Support contract for five additional years

6.3 Result after 12 months

Metric	Result
Maintenance budget before (OEM-only)	100% (baseline)
Maintenance budget after (hybrid)	37% of the previous OEM-only budget
Annual savings	**63%**
Reduction in contract partners	from 4 to 2
SLA achievement 24/7/4h (12-month measurement)	99.2%
Additional lifespan of EoSL systems	+ 3 years planned
Avoided replacement procurement Scope 3	≈ 18 t CO_2-eq.

> **WHERE THE SAVINGS WENT**
>
> The savings — almost two thirds of the previous maintenance budget every year — were not pulled out as a budget cut. Instead they were reinvested in a Zero Trust Network Access project and additional security awareness measures — where the IT budget creates real strategic impact today.

CHAPTER 07

Quality, SLAs & Risk

What a TPM provider must deliver — and where the real differences lie.

The most common objection to TPM isn't price — it's quality and risk. The question is legitimate, and it deserves a differentiated answer. Because the quality differences between TPM providers are bigger than between a good TPM and the OEM.

7.1 The three critical dimensions

Dimension	What counts
Parts availability	An on-site service with 4-hour response is worthless if the part isn't available. Serious TPM providers maintain their own parts depots in strategic proximity to customers — across the DACH region at multiple locations, with redundant inventories for the most common hardware families.
Engineer qualification	Same certifications as OEM support: CCNA/CCNP/CCIE for Cisco, vendor expert levels for storage, hardware certifications for servers. Decisive question: full-time employed or dispatched via subcontractors? The latter is regularly the weak point under stress.
SLA governance	An SLA on paper is only as good as its enforceability. Modern TPM contracts contain measurable KPIs, monthly reporting, and contractually penalized consequences. Customers who lock these elements in and review them quarterly experience the fewest conflicts.

7.2 What Gartner and market practice show

Industry analysts have observed for years that customer satisfaction with TPM providers is on average high and that switchbacks to OEM support remain the exception. When switchbacks do happen, two factors are usually responsible: complexity of firmware strategy or significant quality fluctuations at the chosen provider. Both risks can be addressed through careful provider selection and clear contractual provisions.

7.3 The firmware topic — addressed honestly

Some OEMs have in recent years tried to tie firmware update access to active support contracts. For TPM customers, this creates different situations depending on the manufacturer and product family:

- With some manufacturers, critical security patches remain freely available
- With others, the legal situation is complex and firmware access must be contractually governed
- With yet others, established workarounds exist that experienced TPM providers can manage

A serious TPM provider discusses these nuances transparently and per product family — rather than offering blanket reassurance.

> **THE TECHCARE PRINCIPLE**
>
> Suitability before savings. TechCare conducts a hardware suitability assessment before contract signing for every prospective customer — per serial number. Systems for which TPM isn't the best option for quality or legal reasons are clearly named and remain recommended for OEM. That's not hesitation — it's the foundation of a sustainable partnership.

CHAPTER 08

Sustainability & Regulation

CSRD, VSME, Digital Product Passport — and why hardware longevity is the strongest ESG lever.

Even though the EU's Omnibus package of February 2026 significantly narrowed the circle of directly CSRD-obligated companies, the sustainability topic hasn't disappeared for the mid-market — it has only shifted.

8.1 The current regulatory state

CSRD reporting obligations now apply only to companies with at least 1,000 employees and €450 million in revenue. Waves 2 and 3 have been postponed by two years. For many mid-market firms, the direct legal obligation is gone — but indirect pressure remains and is increasing:

- Banks tie credit conditions to ESG metrics — financing becomes more expensive without the data
- Large customers ask for structured sustainability data along the supply chain
- The voluntary VSME standard from EFRAG is establishing itself as the SME reporting language
- The Digital Product Passport will make lifecycle data for IT hardware mandatory

8.2 Why hardware lifespan is the strongest ESG lever

A server's CO_2 footprint comes to a significant degree — industry estimates range between 40 and 70 percent — from manufacturing, not from operation. Every additional year of operating lifespan linearly reduces amortized manufacturing CO_2 per operating year.

Figure	Meaning
~37%	Less embedded carbon per year at 5 → 8 years of use
40–70%	Share of manufacturing in a server's total CO_2
+5–10	Years of extended use via TPM

On top of that, the manufacturing of new servers increasingly takes place in a supply chain that is fragile from a geopolitical and raw-material-scarcity perspective. Extended use of existing hardware is therefore not only a CO_2 topic — it is also a supply security topic.

8.3 What this means for VSME reports

In the VSME standard, KPIs on resource efficiency and circular economy are central items. IT hardware is for most mid-market firms one of the largest single items in this category. A structured TPM strategy delivers several reliable data points:

- Average lifespan per hardware class
- Share of extended-use systems in the total fleet
- Avoided new procurements and documented CO_2 equivalent
- Refurbishment and reuse rates at end-of-life

> **PRACTICALLY USABLE**
>
> TechCare customers receive on request an annual Sustainability Report quantifying avoided Scope 3 emissions through extended lifespan — directly transferable into VSME or internal ESG reports.

CHAPTER 09

When OEM, when TPM, when hybrid?

There is no blanket recommendation — but there is a clear decision framework.

9.1 When OEM remains the better choice

- **Hardware younger than 12 months:** Initial support directly from the manufacturer is usually sensible, especially for first-generation products.
- **Highly specialized systems:** Mainframes, proprietary appliances, certain hyperconverged platforms with tight firmware coupling.
- **Contractually mandated OEM support:** When customer contracts or regulatory requirements explicitly call for the OEM.

9.2 When TPM is clearly the better choice

- **Hardware 3 years and older:** By year four at the latest, the cost advantage dominates.
- **Approaching or past EoSL:** Classic TPM strength area — the lever is largest here, at up to 70% below the OEM price and more.
- **Multi-vendor environments:** One contract instead of four, one point of contact instead of many.
- **Standard x86, switches, standard storage:** Broadly qualified TPM offering, low firmware risks.

9.3 The hybrid approach as the 2026 standard

Fleet segment	Recommendation	Rationale
Strategic new investments (< 2 years)	**OEM**	Initial support, latest firmware, product maturity
Mid-aged inventory (2–5 years)	**TPM**	Maximum cost effect at stable quality
EoSL candidates	**TPM Extended**	OEM support often no longer available
Mission-critical specialty HW	**OEM or Hybrid**	Case-by-case review, firmware dependencies

> **KEY TAKEAWAY**
>
> Segment, don't generalize: OEM for the newest and most specialized systems, TPM for the mid-aged fleet and EoSL candidates — that combination is the 2026 standard.

CHAPTER 10

Migration Path in 6 Steps

Four to eight weeks — from OEM-only to hybrid maintenance, without production downtime.

Switching from OEM to TPM support is not a major IT project. Most migrations are completed within four to eight weeks, without production downtime. The proven sequence:

Step	Timing	What happens
1 · Asset inventory	Week 1–2	Inventory by serial number, contract status, remaining term, EoSL status. TechCare provides an intake template. In parallel, document SLA requirements per environment.
2 · Suitability & segmentation	Week 2–3	Assign each system to a segment: stay on OEM / TPM migration / hybrid edge case. Decision deck for CFO and procurement.
3 · Proposal & contract negotiation	Week 3–4	Consolidated proposal based on segmentation. SLA definitions, escalation processes and reporting cycles contractually locked in.
4 · OEM contract termination	Week 4–5	Notice periods and return modalities cleanly observed. TechCare advises actively and provides a timeline — minimizing contract overlaps.
5 · Onboarding & monitoring	Week 5–7	Set up 24/7 service desk access, install proactive monitoring agents if needed, intake into parts disposition, site documentation.
6 · Go-live & hypercare	Week 7–8	Handover into regular operations with a 60-day hypercare phase. Weekly service reviews, close account contact, ongoing process optimization.

AFTER GO-LIVE

Monthly service review during regular operations, quarterly strategic review covering hardware roadmap, EoSL planning, and sustainability KPIs.

CHAPTER 11

Decision Checklist

The fastest way to a reliable assessment — for IT leaders and procurement.

Current cost situation

- ☐ Maintenance costs per hardware class known in detail?
- ☐ Planned OEM contract increases for the next 3 years?
- ☐ Which systems reach EoSL within 24 months?
- ☐ Which bundled components are you paying for unused?

Service requirements

- ☐ Documented SLAs per application or data center?
- ☐ Number of major incidents per year requiring on-site?
- ☐ Site-specific response time requirements?

Strategic perspective

- ☐ Hardware roadmap for the next 3–5 years?
- ☐ Customer or credit conditions with ESG dependencies?
- ☐ Voluntary VSME report planned?
- ☐ Documented Scope 3 strategy for IT?

Provider selection

- ☐ Pure-play TPM with in-house engineers?
- ☐ SLAs contractually penalized?
- ☐ References from European mid-market?
- ☐ Transparent answers on firmware?
- ☐ Suitability assessment before contract?

> **THE SIMPLE SELF-CHECK**
>
> If you can't answer more than half of these questions briefly and concretely, a structured maintenance review is overdue. TechCare typically delivers one within two weeks — at no upfront cost, with a defensible business case at the end.

CHAPTER 12

Conclusion

Three takeaways for IT leaders who want to make the right call in 2026.

Switching from OEM to Third Party Maintenance is not a fad — it's one of the few consistently value-driving optimizations IT leaders in the European mid-market can act on in 2026.

1 · The savings are real and defensible

Typical European mid-market environments achieve 50–70% lower maintenance costs than with the OEM over three years — without trade-offs in SLA, availability or quality. The numbers are documentable and verifiable per hardware class in every discovery workshop.

2 · Sustainability is no longer a separate topic

A structured TPM strategy delivers immediately defensible data for VSME reports, bank conversations and supplier inquiries. Extended hardware lifespan becomes the strongest Scope 3 lever most mid-market firms even have.

3 · Hybrid is the new standard

Not all systems belong on TPM, not all on OEM. The art lies in segmented decision-making — and that requires a partner who honestly says where their own service is the better option and where it isn't.

TechCare Solutions supports IT leaders across the European mid-market in exactly this role: as a vendor-independent, specialized partner for server, storage and network maintenance — with the standard of recommending the genuinely best option in every decision, not the most profitable one for us.

> **IN ONE SENTENCE**
>
> Pay the OEM where it adds value — and cut maintenance costs by 50–70% everywhere else.

CHAPTER 13

About TechCare Solutions

About TechCare Solutions

TechCare Solutions GmbH, headquartered in Hahnstätten, Germany, is a specialized pure-play Third Party Maintenance provider for the European mid-market and enterprise segment — covering servers, storage, network and backup appliances, with savings of 50 to 70 percent versus OEM contracts.

Our services at a glance: TPM for server, storage, network and backup · multi-vendor: Dell, HPE, Cisco, IBM, NetApp, Lenovo, Fujitsu, Oracle · Extended Support 5–10 years beyond OEM EoSL · 24/7 service desk in German and English · proactive monitoring & asset management · sustainability reporting for ESG/VSME.

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Schedule a no-obligation 30-minute maintenance review. We analyze your cost and SLA situation and deliver a defensible business case within two weeks.

Methodology & transparency

Figures are based on market observations, public analyst reports and TechCare project experience in the European mid-market. Price and savings figures are deliberately shown only as percentages relative to the OEM (vendor) price — as an index, not as absolute amounts — because absolute maintenance costs depend heavily on fleet, vendor mix and service level. Real offers may differ; the comparisons serve orientation, not a binding price commitment. The case study is anonymized. Named product names and brands are the property of their respective owners. © 2026 TechCare Solutions GmbH. All rights reserved.

Sources

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