

## World-Class, Worldwide Service Management

### SERVICE PARTS MANAGEMENT



*"In an exceptionally short timeframe, Servigistics delivered on all promises."*

**MARK DEITEMEYER**  
Director of Global Service Logistics  
EMC

#### CHALLENGE:

EMC needed to automate and integrate its service parts forecasting and planning processes. The challenge was to find a strategic solution that would provide the framework, from reporting to inventory performance evaluation and management. EMC turned to Servigistics for a comprehensive solution that would:

- Manage both central and field stocking locations
- Maintain the exceptionally high customer service levels
- Support the company's exponential growth
- Integrate with EMC's legacy systems
- Rapidly identify excess parts inventory
- Require minimal IT resources

#### RESULTS:

Servigistics responded with a Service Parts Management solution that rapidly reduced inventory levels while increasing service parts availability, efficiency and customer satisfaction. With Servigistics' help, EMC:

- Reduced inventory by \$12 million
- Maintained 98.5% parts availability
- Eliminated \$1.5 million in planning and repair costs
- Increased part planner productivity by 40%
- Improved global parts visibility and control
- Maintained 99.9% parts accuracy

## EMC Corporation is the world leader in information storage systems, software, networks and service.

EMC was presented one of the industry's highest forms of recognition – the Service and Support Professionals Association's (SSPA) annual Software Technical Assistance Recognition (STAR) Award for its outstanding mission-critical software support. The leading organization for information technology service professionals, SSPA presents awards annually to companies that have outstanding performance in select categories. Through an extensive questionnaire, inclusive of services metrics, EMC clearly demonstrated how service and support is a number one priority in its business model.

The backbone of a world-class service organization is the effective management of service parts inventory. Through acquisitions, the company's service parts inventory grew by 60% in less than two years and included 3,500 discrete parts stored in 50+ countries. With an expanding multinational customer base, EMC faced the daunting task of effectively managing and optimizing its worldwide service parts inventory to plan for continued growth and to increase customer service levels.

#### SEEKING A WHOLE NEW WORLD

EMC needed to automate and integrate its service parts planning and management processes. The challenge was to find a service parts management solution that could enable global inventory visibility, reporting, performance evaluation and management.

EMC required a solution that could:

- Manage both central and field stocking locations
- Maintain the company's exceptionally high customer service levels
- Support its exponential growth
- Integrate with the company's legacy systems
- Rapidly identify excess parts inventory
- Require minimal IT resources

"Preserving a 98.5% field availability rate was critical to maintaining our impeccable customer service reputation and stature as the market leader in storage systems. Fulfilling these objectives, Servigistics affords EMC the ability to leverage the many global opportunities in the marketplace. In an exceptionally short time frame, Servigistics has delivered well beyond our expectations. EMC has realized a significant return on investment in only one year, and we expect that number to increase steadily over time."

**MARK DEITEMEYER**

Director of Global Service Logistics  
EMC

EMC's legacy systems lacked the functionality necessary to maintain the level of service its customers had come to expect. EMC, like many companies, was dealing with multiple new product introductions across many different product lines and struggled to strike the balance between keeping costs down and maintaining the service parts inventory needed to support product launches. EMC's current legacy systems limited the company's effectiveness in introducing new products to the marketplace. EMC also struggled with monitoring forecast accuracy and looking for forecast abnormalities for new product introductions. Further complicating the problem was the need to deal with the tail-end of that product life cycle. The challenge of planning "last-time buys" on parts, which accomplishes the goals of both maintaining high service levels and yet not breaking the bank, is a challenge that only service-focused companies appreciate.

After evaluating several traditional supply chain solutions, EMC determined that Servigistics was the only vendor that could support the company's unique requirements for service parts management.

#### AN EYE-OPENING EXPERIENCE

The Servigistics solution was implemented in less than 12 weeks, which included integration into EMC's Clarify CRM software.

#### SCOPE

The Servigistics solution was used to manage EMC's global service parts network, consisting of:

- \$132 million in service parts inventory spread across 50+ countries
- 3,500 unique parts

#### REAL-WORLD RESULTS

Since implementing the solution, EMC has saved \$12 million in excess inventory and eliminated \$1.5 million in costs. Simultaneously, EMC maintained parts availability rates at an unprecedented 98.5%. More important, the company continues to support its expanding product line and global customer base with minimal growth in service parts inventory and no growth in part planner headcount. In fact, planner productivity has increased 40%.



[www.servigistics.com](http://www.servigistics.com)  
+1 888.942.8623

All content is Copyright © 1999-2006 Servigistics, Inc. All rights reserved. No portion of the content may be reproduced, stored or transmitted in any form, or by any means, without prior written permission from Servigistics. The trademarks, logos and service marks ("Marks") displayed are the property of Servigistics or other third parties. Users are not permitted to use these Marks without the prior written consent of Servigistics or such third party. "Servigistics" is a trademark of Servigistics, Inc. Product functionality is subject to change without notice.