

Soaring Service Levels

SERVICE PARTS MANAGEMENT



“Services organizations are moving from a traditional aircraft and part sales relationship to a more complex and cooperative environment where vendor incentives are structured to increase system up-time and reduce the overall investment in parts. Servigistics is the partner who can help.”

CHALLENGE:

After a series of acquisitions, a leading global provider of integrated avionics, engines, systems and service solutions determined that it needed a decision support platform in order to provide superior service to these new customers. Aligning service processes made for a large, complex, and costly problem. Therefore, this decision represented a major organizational transformation to align business resources with customer needs.

The new service goals included:

- Improving first-time fill rates
- Enhancing competitive differentiation
- Improving service levels
- Reducing lead times & inventory

RESULTS:

By replacing its first-generation service parts management solution and then integrating Servigistics into SAP, this aerospace manufacturing company is equipped to provide world-class service - even with the higher volumes from the acquisitions - at an overall lower cost. With Servigistics, the company:

- Increased service levels to 91%
- Reduced supplier lead times by 15%
- Improved on-time delivery by 40%

In the aerospace and defense industry, maximizing asset uptime, optimizing the spare parts supply chain across disparate business units and geographies, effectively gauging and managing pricing and capturing service-related knowledge are top priorities for best-of-class companies.

This leading global provider of integrated avionics, engines, systems and service solutions was known in the market for its world-class service. However, due to a number of acquisitions, this aerospace provider faced a number of disparate systems in the service business. The resulting amalgamation increased IT and maintenance costs due to insufficient communication between existing systems and the lack of system-wide visibility.

NEED TO POWER-UP

The aerospace manufacturer underwent a lengthy evaluation of service parts management solutions. Since the division was implementing SAP worldwide, the SAP solution was considered as the first option. However, after a lengthy review, it was concluded that the current planning process, other solutions, and SAP could not meet the unique aerospace requirements, particularly in respect to rotatable pool management and repair planning. As part of the evaluation process, the aerospace company determined it needed a solution that could:

- Implement quickly
- Improve customer service levels across a network of warehouses and R&O shops
- Reduce inventory

CASE STUDY: SERVICE PARTS MANAGEMENT

“After evaluating several traditional supply chain and planning vendors, [we] determined that Servigistics was the only vendor that could support [our] unique requirements for service parts planning.”

- Support the unique needs of the aerospace business
- Support multiple disparate business units
- Integrate easily with legacy systems, while providing an easy upgrade path to SAP
- Require minimal IT resources

SCOPE

- Over 150,000 part numbers
- Central distribution center
- 14 R&O shops
- Exchange pool business unit
- Rotable, repairable, and consumable forecasting and planning
- Integration into SAP and a variety of mainframe legacy systems

REVVING UP FOR SUCCESS

By replacing its first-generation service parts management solution and then integrating Servigistics into SAP, this aerospace manufacturing company was equipped to provide world-class service - even with the higher volumes from the acquisitions - at an overall lower cost. With Servigistics, the company achieved:

- Increased service levels to 91%
- Reduced supplier lead times by 15%
- Improved on-time delivery by 40%

That's one way to get service levels soaring.



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