

Chip into the Future with Service

SERVICE PARTS MANAGEMENT



"The Servigistics solution has helped us dramatically improve our forecasting accuracies."

CHALLENGE:

Axcelis Technologies required a Strategic Service Management Solution that would increase its first-time fill rates while maximizing its customers' experience. Axcelis turned to Servigistics for a comprehensive solution that would:

- Deploy quickly without any disruptions to customers' service levels
- Scale globally and accommodate multiple languages and currencies
- Improve service parts forecasting accuracies
- Improve first-time fill rates

RESULTS:

Servigistics responded with an integrated Service Parts Management solution that:

- Increased first-time fill rates from 82% to 93%, a company high
- Increased planner productivity
- Improved global parts visibility and control

Axcelis Technologies, Inc., provides silicon chip production equipment to the world's leading semiconductor companies, including IBM, Motorola, NEC, Texas Instruments and Toshiba.

Axcelis' equipment is mission critical to the overall operation of their customers' businesses. If a system goes down, it can result in significant delays and millions of dollars in lost revenue to its customers. To support these demanding requirements and maximize customer service, Axcelis needed a service parts management solution to manage its global parts inventory.

MAKING THE RIGHT CONNECTION

Axcelis' philosophy is one of providing value. A key feature of its value is making certain that customers have the correct service parts when they need them. Each piece of Axcelis equipment has hundreds of parts, costing as much as \$3 million. To support its customer base, Axcelis required a solution that would increase its first-time fill rates while maximizing its customers' experience. Traditional supply chain vendors could not support such a complex and sophisticated service operation, which includes 10,000 part SKUs, nor could they deploy a system in a tight time frame.

Axcelis required a solution that would:

- Improve first-time fill rates
- Scale globally and accommodate multiple languages and currencies
- Deploy quickly, without any disruptions to customers
- Improve service parts forecasting accuracies

Seeking a more scientific approach to its service parts inventory and a partner with the same customer focus, Axcelis chose Servigistics, to deliver immediate results through a speedy implementation, to support the company goals.

REACHING FOR THE BOARDS

Servigistics was deployed worldwide in 12 weeks, which included integration with Axcelis' legacy inventory management system. The implementation plan created during the first week of the project took into consideration every part stocking location—including customer locations, data feeds from the company's inventory management system and service level commitments—to develop more accurate forecasts.

“Servigistics really went above and beyond our expectation in terms of helping us implement this product. We had dedicated people helping us through every step in the implementation.”

SCOPE

The Servigistics solution was used to manage Axcelis’ service parts globally, consisting of:

- 10,000 SKUs
- 80 stocking locations worldwide

A DIRECT CONNECTION

“The Servigistics solution has helped us dramatically improve our forecast accuracies,” stated Sarah Costello, Vice President of Worldwide Operations for Axcelis. “A key measurement in our industry is the first-time fill rates. Prior to implementing Servigistics we were at 82%, and after implementation we achieved 92 – 93%.”

Based on an initial ROI analysis, Axcelis improved in every area the company measured. Overall, Axcelis increased on-time service and reduced broken call rates by 50%, saving the company over \$400,000. Assessments also indicate that planner productivity increased, saving Axcelis nearly another \$400,000.

SERVICE SUCCESS

“The partnership with Servigistics has definitely helped Axcelis to differentiate itself amongst its competitors. Service is the key, and the partnership with Servigistics has allowed us to deliver to our customers,” said Sarah Costello. “Aside from reaping immediate benefits, Axcelis utilizes Servigistics to support our improvement efforts that are focused on long-term planning and optimization. The system paid for itself in just six months.”



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