

## Superior Service Parts Management Delivers 99% Service Levels

### SERVICE PARTS MANAGEMENT



"Servigistics is to parts planners what spreadsheets are to accountants."

**MARY YOUNG**  
Director of Worldwide Logistics  
McDATA

### CHALLENGE:

Saddled with a manual service parts planning process that had outlived its usefulness and cost-effectiveness, McDATA sought a global Strategic Service Management Solution that would deliver on several critical requirements:

- Enable global service parts visibility and control
- Reduce costs and eliminate inefficiencies
- Optimize inventory
- Maintain high service levels
- Accommodate multiple product lines
- Scale to meet rapid business growth

### RESULTS:

Servigistics responded with an integrated Service Parts Management solution that exceeded McDATA's expectations. Success was measured by:

- Achieving 99%+ first-time fill rates
- Gaining complete, global visibility and control of service parts inventory
- Eliminating inefficiencies
- Reducing inventory costs by \$1.5 million the first year

## McDATA is the expert in cost-effective and reliable storage networking solutions.

McDATA Corporation is the leading provider of storage networking products and solutions for the enterprise. Leading businesses around the world have depended on McDATA to ensure continuous availability of their mission-critical business information. This mission-critical dependency requires McDATA to maintain aggressive service levels of 99%. For McDATA to deliver these aggressive levels, the company must have the right part, at the right place, at the right time. With more than 10,000 unique service parts spread across 350 stocking locations worldwide, McDATA needed a service parts management solution capable of providing global parts visibility and control.

### REDUCE COSTS WHILE MAINTAINING 99% FILL RATES

McDATA's goal was to maintain its 99% first-time fill rate for more than 2,000 customers while decreasing inventory costs. McDATA also required a solution that could quickly adapt to the company's exponential growth and integrate with its third-party logistics provider, Choice Logistics, as well as its Siebel CRM system.

McDATA needed a solution to:

- Maintain aggressive service levels
- Reduce costs and eliminate inefficiencies
- Reduce service parts inventory
- Increase service revenue
- Integrate with existing systems

The challenge was to find a scalable solution that delivered inventory performance analysis and management.

### INCREASING EFFICIENCY

Understanding the strategic value of after-sales service, McDATA turned to Servigistics to provide a highly scalable Service Parts Management solution. Proving to be the only vendor that met all its requirements, Servigistics enabled McDATA to remove labor-intensive service processes, reduce cost and improve service profits while maintaining 99% service levels.

“When I talk about Servigistics to other people, I can’t tell them enough about the benefits of Servigistics. All I can say is that it’s life altering.”

**MARY YOUNG**  
 Director of Worldwide Logistics  
 McDATA

**SCOPE**

The Servigistics solution was implemented across McDATA’s 350 worldwide stocking locations to manage the 10,000 unique service parts required to service 2,000 customers. The implementation required seamless integration with Siebel CRM software and Choice Logistics, McDATA’s third-party logistics provider.

**ACHIEVING SERVICE LEVEL NIRVANA**

McDATA met its main objective of reducing inventory without sacrificing its customer service levels and achieved the following results:

- Exceeded the 99% first-time fill rates
- Gained complete, global visibility and control of service parts inventory
- Eliminated inefficiencies
- Reduced inventory costs by \$1.5 million the first year

Recognizing the strategic value of after-sales service, McDATA continues to give its customers 110%.

**STREAMLINING FOR SAVINGS**

“Having the right part, at the right place, at the right time is key to delivering the superior service experience that McDATA’s customers have come to expect. The Servigistics solution has enabled McDATA to quickly improve the management of our service parts inventory while reducing inefficiencies and cost; this is huge,” said Mary Young, Director of Worldwide Logistics for McDATA.

“Knowledge is priceless in service parts planning, and Servigistics provides the knowledge and decision support necessary to make the right parts planning decisions required to meet our customers’ diverse needs.”



[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.