



Learn how Teradata created direct control, management and global visibility into all their service parts

Teradata (NYSE: TDC), a global leader in analytic data platforms, marketing and analytic applications and consulting services, helps organizations become more competitive by increasing the value of their data and customer relationships. Teradata is a \$2.7 billion company with more than 10,000 employees and 2,400 customers in 77 countries. They are a Top 10 Public U.S. Software Company and one of Forbes' "World's Most Innovative Companies."

Teradata's Customer Services Organization (CSO) is comprised of over 500 customer service reps covering over 40 countries. They have 2 primary Distribution Centers, 100 Field Warehouse Locations and over 500 Customer-dedicated Stocking locations managing 2000 Active SKU's (6000 total SKUs) in their service supply chain.

"Bringing all of this system functionality and these business processes in-house at the same time was an enormous challenge for Teradata. We could not have done it, without the expertise of Inspirage and the support from Oracle."

Todd Bollenbachern
VP, Global Service Logistics

Challenges

As a former subsidiary of NCR, Teradata had been using NCR's service parts inventory planning and execution systems since it was spun off as separate business in 2007. In 2012, Teradata launched an initiative to bring its service parts planning, execution, and logistics systems in house and needed to gain additional efficiencies that were missing from the NCR solution:

- Move from a once a month batch-oriented update to real-time integration between the service parts business and the core ERP system.
- Reduce the accounting and service organization's reconciliation workload.
- Provide consistent and improved costing and valuation of service parts inventory based on part condition.
- Improve collaboration with Teradata's contract manufacturer, outside repair vendors, and 3PLs using EDI and improved business processes.
- Integrate Teradata's legacy real-time monitoring system and field technician work management system with the service parts management system to reduce technician workload and improve visibility and management of trunk stock / site spares.
- Consolidate item master data to a single point of truth for ERP and service management visibility and control.

Solution

Inspirage was brought in as the Systems Integration (SI) partner to help Teradata transform their service parts business using Oracle's Planning, Logistics and Service solutions. As part of the transformation, the Oracle / Inspirage solution needed to provide the flexibility to handle 3PL warehousing and logistics and well as in-house owned logistics services. There was a critical requirement from the CFO to maintain different valuations for parts, based on condition, to provide better tracking of current inventory value. The previous solution required parts serialization to accomplish condition-based valuation. The Inspirage/Oracle solution allowed them to avoid the added costs associated with serialization to achieve the CFO goal.

A cross-organizational design process was necessary to accommodate over 600 intercompany flows to handle material transfers. Inspirage designed and deployed transfer price logic that greatly reduced the price list maintenance workload and complexity. In addition to these internal improvements, the solution improved the collaboration with Teradata's 3PL/contract manufacturer for NPI to end-of-life parts management.

To complete the technician-to-material provision loop, Inspirage provided integration with Teradata's legacy customer equipment health monitoring and field service systems for touchless response to technician service requirements.

Lessons Learned

- **Early design decisions** especially those related to 3PL and EDI implementation were critical to solution development.
- **Training** for field service technicians and user adoption/ change management was critical for success.
- **Consolidated visibility** resulting from the integration of finished goods contract manufacturing and service parts supply chains is yielding early wins.
- **Direct control** and visibility of the condition and location of all service parts has raised awareness to critical business issues.

Learn More

Find out how Inspirage can help you to optimize your **Service Parts Planning**. Contact us at info@inspirage.com.

Results

- Eliminated non-value workload associated with multiple ERP / Service Planning and Execution system.
- Improving NPI processes with collaboration between contract manufacturer, outside repair vendors, and 3PLs.
- Reduced field service response times and amount of hidden field service trunk stock.
- Significantly improved repair planning and financial control based on part condition visibility and costing (New, Repaired and Defective).
- Increased global parts visibility resulting in lower inventory and reduced expediting and fire-fighting.
- Reduced inventory balance sheet reserves as a result of improved financial, asset, and forecast management.
- Mitigated risk by satisfying stringent financial control and audit requirements related to service parts inventory valuation.
- Lowered IT costs operating expenses by replacing multiple legacy systems into a single platform.

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Inspirage is the integrated supply chain specialist firm solving business critical challenges from design to delivery. The company delivers end-to-end consulting and implementation solutions that link Innovation Management, Supply Chain Management and Logistics Management. Inspirage partners with their customers to break down information silos and optimize performance to accelerate innovation, fuel growth and achieve operational excellence.