

Case Study: Leading Supplier of Point-of-Sale (POS) Technology

Company Description: The No. 1 supplier and service provider of retail POS technology to independent grocers and regional chains, as well as the traditional retail store environment. This organization is a wholly owned subsidiary of a global public company, and has operated in North America for over 30 years with over 1500 employees in the US, Canada and the Caribbean.

Objectives: To reduce the quantity of vendors in their parts supply chain. To streamline the procurement and delivery processes, and thus drive these costs out of their field service model. To significantly reduce the levels of field service inventory while continuing to successfully meet it's mission critical 24x7, 2-hour Service Level Agreements (SLA).

Challenges: Core business is in the sales/installation of new POS product and the delivery of the associated maintenance service. Management of over 30+ vendors for repair, reverse logistics and inventory/supply chain management was overburdening their internal logistics organization, resulting in stock-outs, SLA penalties, and ongoing supply chain issues.

Return on Investment. By utilizing SDA's experience in the area of supply chain logistics and vendor managed inventory (VMI) programs, the customer was able to reduce >30 vendors to one primary vendor. A robust EDI integration and transfer of all downstream vendor management functions to SDA resulted in a streamlined supply chain process that delivers a significantly reduced replenishment pipeline, lowered field inventories through parts pooling, a reduction of their overall average part cost, and provided a 'one-throat to choke" vendor alliance

“By utilizing SDA's experience in the area of supply chain logistics we significantly reduced our overall logistic and repair costs.”

Since 1992, System Design Advantage, LLC (SDA), has provided a broad spectrum of parts, logistics and depot repair services to major OEMs, IT equipment service providers, SMB and large blue chip corporations. Headquartered in Minnesota, SDA has a network of repair depots and stocking facilities throughout North America.