

# Westernacher Consulting – We optimise your Service Parts Logistics and Supply Chain with SAP Solutions



## Service Parts Management

### Service Parts Management with SAP SPM

#### Planning - Procurement - Warehousing - Fulfillment - Returns

Even the best companies can't be successful if their service parts don't arrive at the right place, at the right time and in the right quantities. Two critical success factors are:

- The ability to provide superior service levels to both your customers and engineers
- Minimising operating costs associated with procurement, logistics, and inventory

Successful businesses focus their service parts organisations on these critical factors, along with innovative marketing and pricing strategies. To achieve these goals, "best in class" processes are required, as well as assistance from appropriate IT systems, guided by experienced SPM experts.

Westernacher is a **SAP Special Expertise Partner** who can help you find the best solutions to the challenges Service Parts Managers face every day. SAP SPM can quickly and efficiently achieve the following key targets of service parts management:

#### Key Targets

- High transparency in the whole supply chain
- Active market processing to increase sales volume
- Improvement of service levels with reduced inventory
- Tightening of delivery chains and reduction of logistics costs
- Optimisation of warehouse and return processes
- Creation of smooth processes from planning to returns

Westernacher supports businesses to develop solutions in the area of service parts management and carry out SAP implementations. We primarily work with the SAP developed solution Service Parts Management (SPM).

#### Challenges for Service Parts Manager

- Limited transparency in the whole supply chain
- Frequently self-developed, individual tools for requirement demand prognoses
- No active market processing to increase sales volume
- Lack of global availability check in real time
- Service levels can only be kept stable under high costs
- Inefficient purchasing and supplier management
- No optimal integration of suppliers into the supply chain
- Missing global warehousing strategy, inefficient warehouse management
- No optimal return, warranty and credit management
- No continuous supersession chains for service parts
- No integrated end-to-end process from planning to returns

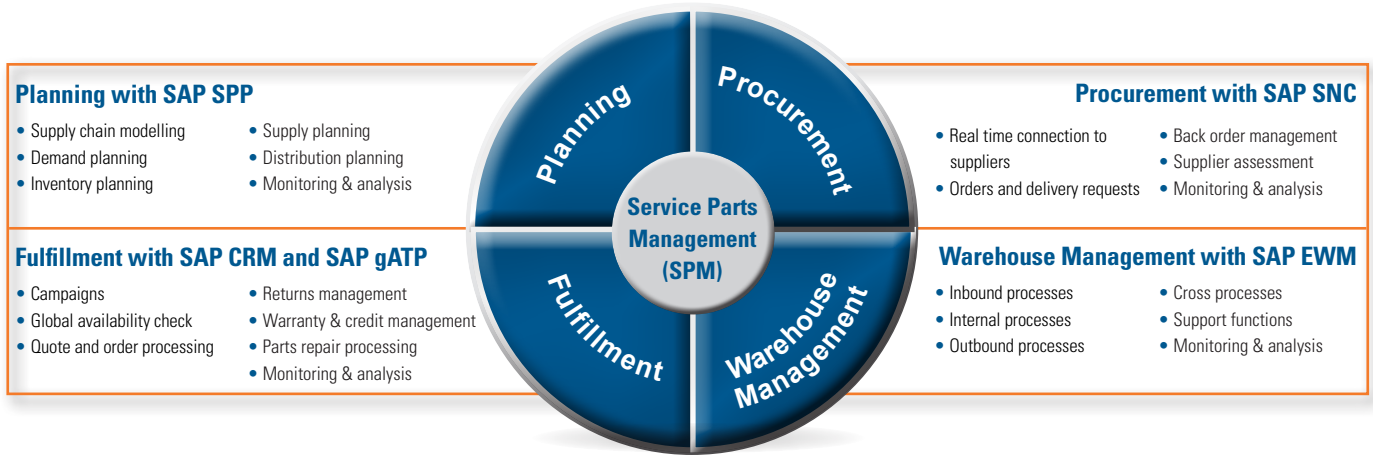
#### Our Service Portfolio

Excellence in Business & IT since 1969.

- Strategy, process and IT consulting
- SAP feasibility studies
- SAP implementation and add-on programming
- Stock optimisation strategies for service parts
- Development and implementation of KPI and BI solutions
- Change management

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## Service Parts Management with SAP SPM



**Service Parts Planning: SAP Service Parts Planning (SPP)** was developed specifically for the service parts business. It accounts for multilevel distribution structures with vertical and horizontal product flows, including forwards and backwards directed logistics. Since service parts demand tend to be sporadic and unpredictable, effective Planning needs to take this into account. Proper forecasting methods are important to ensure optimal inventory and storage levels. Returns must also be considered in the planning process. Service parts tend to have long life cycles of up to 25 years, with complex supersession chains that can be mapped and planned efficiently. The complete supply chain network of a service parts organisation is modeled and represented by a structure called "Bill of Distribution". The service parts planning process is executed along this supply chain structure and all distribution locations.

### Service Parts Procurement: SAP Supply Network

**Collaboration (SNC)** ensures seamless integration of your suppliers as a permanent part of your supply chain network, based on the "best fit strategy" to better manage and collaborate with your suppliers. Purchase orders and stock transfers can be efficiently processed and controlled, critical parts deliveries can be real-time monitored and unplanned situations resolved early, in close collaboration with suppliers. Finally a supplier performance assessment functionality is also included.

### Service Parts Warehouse Management: SAP Extended

**Warehouse Management (EWM)** facilitates optimal processing of large amounts of service parts with different requirements to the warehouse logistics department.

EWM allows you to develop optimal routes, efficient inbound and outbound processing strategies as well as efficient use of resources and fast response times.

### Service Parts Fulfillment: SAP Customer Relationship Management (CRM)

including global availability check (gATP), ensures efficient task planning and execution for superior order processing, as well as customer oriented offer and request processing. With gATP, availability and delivery times can be confirmed immediately at the time of customer request.

Returns are commonplace in the service parts business, due to defective parts, warranty returns or other credits. The handling and control of internal and external repair requests, e.g. with substitution parts, completes the service parts process fulfillment with SAP CRM.

### Our Offer for You:

Please contact us to schedule a free, live demonstration of SPM. We'll show you the many ways SPM can be used to benefit your company's Service Parts Management business.

#### Your contact person



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