

# PTC Service Parts Management Solution

## Increase Parts Availability and Equipment Uptime while Reducing Inventory Costs

In order to deliver world class service profitably, service organizations must maintain the highest levels of equipment availability at the lowest possible cost. Compound part relations, intermittent demand, multiple sources of supply and complex supply chain flow are just a few of the barriers preventing you from achieving this goal.

PTC Service Parts Management (SPM) specifically addresses the challenges facing global service supply chains. The PTC Service Parts Management solution is a fully-integrated solution offering the most functionally rich solution in the market today. With over 200 customers, PTC has the largest install base of Service Parts Management customers of any software vendor in the world.

# The Greatest Financial Benefit for your Organization

Companies using PTC Service Parts Management achieve the highest customer loyalty, profitability and competitive advantage. Robust parts forecasting and optimization combined with what-if scenario modeling allows you to enter into service contracts more confidently, with a better understanding of inherent risk. This paves the way for success with diversified service offerings, like Product as a Service, that will open up new revenue streams. Clients that use this software experience:

- Up to 25% percent increased part availability.
- Up to 35% percent inventory reduction.
- Increased asset up-time and availability.
- Reduced total cost of repairs and orders.
- Improved service levels and customer satisfaction.
- Increased profitability and revenue.

#### Your Success is our Success

ERP and supply chain software can't handle the intricacies of solving your service parts management problem. You need a best of breed solution that addresses the unique complexities of the service supply chain and allows you to monitor service performance against KPI's with dashboards that display functional details for action and analysis.

We've helped many service executives overcome the hurdle of justifying specialized SPM software and stand behind a 100% track record of over delivery on the business case we propose. We can help you quantify and prove ROI and make an iron clad business case to the key decision makers in your company. Our SPM experts have helped to make project leaders into heroes for their organization.



Dashboard provides Integrated performance monitoring with global visibility of standardized KPI's

## Making the Case

Let us help you get started by identifying where you stand today and providing specific recommendations to share with your colleagues. Get a customized report based on your organizations parts strategy and inventory needs. Take the <u>PTC Service Parts Management Benefits Assessment</u> to rapidly quantify your current capabilities and identify direction for next steps based on maximizing your ROI. Implementing a service parts management solution is a critical buying decision and a real commitment. PTC will partner with you to see the project through and ensure your success.



Data from connected assets is used to forecast and optimize service inventory

# **Comprehensive Capabilities**

The PTC Service Parts Management software can house complete product configurations, model probabilistic maintenance bills of material (BOMs), and direct the rebalancing of materials across global networks to achieve the highest part availability and equipment uptime. PTC Service Parts Management is a single system ensuring that proposal development, contract negotiations, initial provisioning, forecasting, strategic planning and day-to-day tactical planning all have common data structures and modeling assumptions.

#### Unrivaled Approach to Advanced Parts Forecasting

Creates the most accurate forecast possible for every level of the supply chain by using statistical algorithms, installed-base data, causal factors and maintenance requirements

- Addresses highly sporadic, intermittent and low volume demand using proprietary methodologies that are extensively tested and successful in the field
- Chooses the appropriate method to minimize forecast error through an automated best-fit process, specially designed for service parts

- Employs advanced, multi-causal forecasting to incorporate multiple causal factors e.g. operating hours, power cycles, adaptive failure rate/MTBF estimation and use of time phased failure rates
- Includes maintenance event-based forecasting and life-limited part forecasting
- Utilizes data directly from connected assets to forecast and optimize service inventory

#### Sophisticated Inventory Planning and Optimization

- Determines the lowest cost solution to achieve desired service levels using Multi Indenture Multi Echelon (MIME) inventory optimization
- Differentiates service levels by contract, customer, equipment, location with a combination of metrics such fill rate, equipment availability and customer wait time
- Optimizes to inventory investment and new buy targets
- Minimizes new buys by optimal burn down of excess inventory and makes best use of existing stock
- Employs different kind of multi-level repair attributes including wash rates, lead times, variances etc. to model accurate share of demand going through repair vs new buy process to predict correct service levels.

#### **Innovative Scenario Modeling**

- Offers flexibility to adjust many decision parameters and analyze the impact on inventory investment and service levels by using what-if scenario planning
- Enables strategic decision making and analysis for contract pricing, reliability/cost tradeoffs, and determination of long-term expenditures for procurement and repair
- Facilitates rich exception based workflow and views for reviewing, comparing, analyzing, modifying results and performing what-if analyses

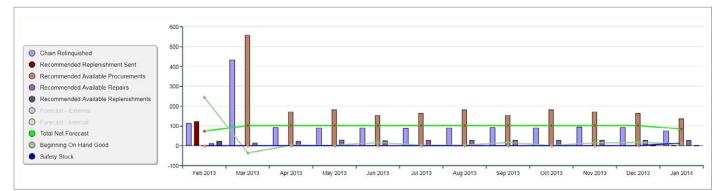
#### **Robust Lifecycle Analysis**

- Manages transitions through the product lifecycle, including new product introduction, end-of-life, and product configuration changes
- Recommends spare parts to be sold for the customer to support a new asset or set of assets through Initial Provisioning (IP)
- Utilizes Last Time Buy (LTB) to leverage demand of parts that have already gone through end of life by identifying common characteristics among those parts then grouping through clustering techniques

#### Advanced Order Planning

Recommends the most effective way to repair, replenish, rebalance and buy materials throughout the supply chain

- Advises best dates for repair and procurement orders through Optimal Time Phased Order Planning, minimizing procurement and avoiding backorders
- Incorporates real business constraints such as vendor and company calendars, order/pack size limits
- Models real life part chains to maximize use of existing material such as replacement, alternate, repair options and substitute parts with one way or two-way interchangeability
- Supports real business scenarios with comprehensive, configurable fair share inventory re-balancing rules and prioritizations
- Enables interactive planning using an intuitive planner dashboard to do what-if analyses and modify plans
- Reduces shortages and excess by intelligent identification of expedite and deferral candidates



Graphical view of an order plan illustrating how the system makes the best use of existing stock

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