

Designing a distribution model for the future without breaking the bank

Certified Retail Solutions specializes in delivering high-quality systems and services to help retailers manage their national technology deployment and on-site maintenance needs. Headquartered in Dover, N.H., Certified's passionate focus on hardware maintenance has set the standard for 24/7 customer support for hardware systems that include point of sale, printers, scanners, customer kiosks and telecommunications.

Setting up a wish list

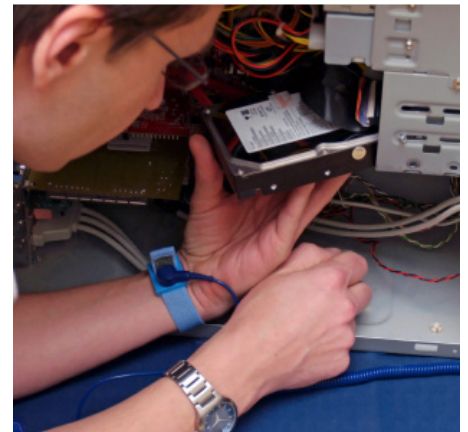
Although Certified was operating a field distribution model that was capable of meeting current needs, the provider wanted to explore ways to support projected long-term growth — without incurring any additional fixed expenses tied to owning and operating an extensive warehouse network or investing in new systems. Certified also wanted to more cost effectively and efficiently support operations in a way that would still provide the flexibility and scalability needed to maintain a competitive edge.

Doing more with less

Because service level agreement (SLA) attainment is critical to success, the first order of business for Certified was to develop a distribution solution that could enable the company to maintain flawless service while cutting costs at the same time.

That's one of the main reasons why Certified chose FedEx Critical Inventory Logistics®. By utilizing the solution's network of strategically placed forward stocking locations (FSLs) that provides local or regional access to parts, Certified has actually been able to significantly reduce the number of field locations where parts are stored while maintaining four-hour SLA commitments for North American customers.

"Having an efficient FSL network is key to our ability to deploy parts cost effectively," explained Bill Lovejoy, vice president of Certified. "The ability for our technicians to walk on site with service parts in hand is a major competitive advantage. The result is that our SLA attainment rate and first-time fix rate far exceed any best-in-class standards."



Since implementing the FedEx Critical Inventory Logistics® solution, Certified Retail Solutions significantly reduced the number of field locations where parts are stored while maintaining four-hour service level agreement commitments for customers.

By moving the central stocking location from an East Coast location in New Hampshire to the FedEx SupplyChain Global Distribution Center (GDC) in Memphis, Tenn. — which is in close proximity to the FedEx Express super hub — Certified has also benefited from later shipping cut-off times. Now, the customer can place orders as late as 11 p.m. CST for next-day delivery.

FedEx Critical Inventory Logistics tools provide the customer with real-time visibility to inventory levels and order and transportation status and also the ability to generate reports at the location level.

Focusing on what matters the most

The enhancement to Certified's field distribution model has not only had a considerable positive impact on the company's bottom line but has also provided the organization with an opportunity to undertake a critical shift in focus. Prior to implementing FedEx Critical Inventory Logistics, Certified was organically building infrastructure to support the logistics network. Now, the company can concentrate on the core competency of providing high-quality products and services to customers.

On the flip side, FedEx SupplyChain is focused on Certified's logistics, accurately managing and optimizing inventory from receipt at all facilities, to final delivery to customers and returns — all with the reliability and visibility that FedEx has built specifically for the service parts industry.

Keeping an eye on the future

By collaborating with FedEx SupplyChain, Certified has succeeded in implementing a comprehensive field service distribution model that will support goals and strategies for both geographic and business-line growth for the long term.

"There's no doubt that FedEx SupplyChain can meet our need to have a scalable distribution network that can accommodate seasonal business spikes and our future growth plans," said Lovejoy. "With the FedEx global logistics network, we have the ability to support our clients' operations in every region of the world."

Certified and FedEx SupplyChain continue to collaborate on ways to improve inventory management even further as well as options for same-day inventory replenishment.

"We think of our relationship with FedEx as an alliance. We're great at delivering high-quality systems and service; FedEx is great at logistics. The combination allows us to compete with anyone in our market space," concluded Lovejoy.

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More info

- Contact your FedEx account executive
- Go to fedex.com/us/supply-chain



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