

## A FORSYTHE CASE STUDY

# Effective Maintenance Management

## A Large Billing Services Provider

### Business Challenge

A large billing services provider to the telecom industry was concerned about how to manage its equipment maintenance coverage more proactively, efficiently, and cost-effectively. With six locations, hundreds of major devices requiring different levels of service, and a fluid environment in which machines were regularly moved between locations and functions to maximize performance and reduce cost, the task of making sure they had the right maintenance on the right machines in the right locations at all times had become an administrative nightmare for the company's procurement group.

### Solution

Forsythe began by working directly with the manufacturer to consolidate the company's varied maintenance contracts into a single, multi-level contract with coterminous multi-year service on all covered assets. Forsythe then established a maintenance management program whereby the company notifies Forsythe of all moves/adds/changes/deletes as they occur and Forsythe processes them with the manufacturer and then audits the revised contracts to ensure that all updates have been made accurately. Ongoing auditing is crucial for such a fluid environment to ensure that the appropriate service level is in place for each covered device, and that current information is in the system to guarantee service can be carried out—including replacement parts being dispatched to the proper location—within the parameters of the service level. If necessary service levels are not kept aligned as assets are moved, too little or too much coverage can lead either to unacceptable system failures or to significant unnecessary costs.

Since the initial maintenance alignment, Forsythe has continued to process all changes as they occur, provide regular updated reports, review the contract monthly with the company to verify all changes, and meet quarterly with the company to review recent changes and anticipate what will be required during the coming quarter. In addition, maintenance coverage on any new equipment the company purchases through Forsythe is automatically added to the existent contract.

### Results

With Forsythe's help, the company is keeping its multi-level maintenance coverage aligned with its assets while avoiding administrative burden. By doing so, it is saving hundreds of thousands of dollars over the life of the contract by: 1) eliminating over-coverage; 2) receiving better manufacturer discounts due to the longer term of the contract; 3) obtaining a greater volume discount by including all covered equipment under the same contract; and, 4) protecting against price increases with a multi-year contract. As an example of the first point, Forsythe processed 94 change requests in the first six months of the contract resulting in a savings of over \$145,000 during the life of the contract.

Forsythe's strong, multi-client relationship with the manufacturer, the extensive experience of its dedicated maintenance contract management team, and its position as an independent auditor to the maintenance contracts also means that credits are more readily obtained and discrepancies more quickly resolved. Finally, a single, consolidated maintenance contract has made the company's budget process easier because the total expense is more clearly delineated and much of the cost can be predicted.

For more information about Forsythe's offerings, visit [www.forsythe.com](http://www.forsythe.com)

