

Case Study:

Helping a Global Technology Company Meet Increased Demand



Challenge

To meet anticipated demand for its largest product launch ever, this global technology company doubled the production capacity of its offshore media manufacturing branch. In addition to the physical changes associated with this growth, new systems were needed and so were new ways of looking at typical supply chain challenges. To help address these challenges, this client engaged Point B to help redesign its existing supply chain and manage critical IT tasks associated with the growth.

Approach

The expansion of the production facility to accommodate the upcoming product launch required several crucial modifications to existing systems. Working closely with leadership in the corporate and offshore locations, Point B helped the organization modernize its existing supply chain.

First, a new ERP system was needed. The existing ERP system had been in place for over two decades. While well-loved by employees, it didn't scale to meet the anticipated product demand. Point B led an objective software selection process in which it helped the client evaluate and choose between two different ERP solutions. It then hired a development partner, and managed the installation and deployment process. Customizations were necessary to the out-of-the-box solution to ensure that it met requirements of the new supply chain. Software upgrades are rarely just about software, so Point B also helped the client adjust to the change, promoting new behaviors to ease the transition and increase adoption.

Second, in addition to the new ERP system, key components of the supply chain needed to be redesigned to accommodate the digital download of its product. This client knew that in addition to the traditional physical media of CDs and DVDs, a large number of its

customers would now want to download the new product. To accommodate this need, a new data center was built. The data center could have been located anywhere, but to take advantage of lower per-product tax consequences, it was built in the same location as the media manufacturing branch. While beneficial from a tax perspective, the location presented numerous challenges because of its geographic location and low data bandwidth. Point B helped design a data center with increased bandwidth, also capable of withstanding the geographical challenges.

Results

With our help, the client successfully met the demands of its largest product launch ever. In addition:

- This project helped lower the client's effective tax rate by 37% because of the offshore location of the media manufacturing branch and new data center.
- The client achieved increased operational efficiencies from the redesigned supply chain.
- The client realized increased business intelligence and financial reporting capabilities because of the integration provided by the new ERP system and SAP.

About Point B

Point B is a management consulting firm. We help our clients develop strategic insights and translate them into impact. Point B serves organizations from visionary start-ups to Fortune 100 companies across a wide range of industries, including healthcare, technology, retail and public sector. Our clients look to us for industry and functional expertise combined with our ability to execute.