Optimizing Integration and Logistics to Increase Product Availability and Configuration Flexibility

Reducing Cycle Times for Increased Delivery Rates

The Business Need

Seeing data as an asset that gains value continuously and is rich with business information, Quantum Corporation offers software, services and solutions that help companies store, protect, manage and enrich their data so they can easily extract insights from it for decades to come.

Some of Quantum's key data management solutions are built using systems products from a specific original equipment manufacturer (OEM). Quantum used to buy directly from the OEM, but faced long lead times because the products were manufactured and shipped from outside the US.

"We ship the majority of our revenue in the last several weeks of each quarter," said Jeff Jeansonne, Senior Manager, Business and Commodity Management, Supply Chain at Quantum. "We need to have the right products positioned and available, and we need the integration capacity to configure and ship those systems in a timely manner."

> **One of the biggest advantages of partnering with Tech Data* is their ability to position inventory before orders come in. They've helped us reduce cycle times dramatically.**
>
> *—Jeff Jeansonne, Senior Manager, Business and Commodity Management, Supply Chain at Quantum*

The Solution

In 2018, Tech Data** reached an agreement to build and distribute systems products from the OEM. Tech Data** already had extensive experience distributing its components and building systems to order, which led to the agreement. In this agreement, the OEM would no longer sell its systems products directly. Instead, those products became available solely through Tech Data**.

The OEM also exited the systems manufacturing and configuration business, at which point the services organization of Tech Data** — Shyft Global Services — was brought in to complement and expand the partnership. Thanks to more nimble processes with local integration and logistics centers, Shyft dramatically reduced the lead time for

assembly from three months or more to a matter of days. This meant that Quantum and its end customers could receive configured systems much faster than before.

Buying through Shyft produced several important advantages for Quantum. For one, with the physical space and the robust management systems to stock customer-owned inventory, Shyft provided faster build and ship times. "One of the immediate benefits we experienced was an optimized supply chain," Jeansonne said. "Tech Data* began stocking all the systems products we use at their facility in Phoenix, Arizona. We no longer had to wait for product to ship from abroad. And we had product when we needed it."

Thanks to Shyft's centralized and localized integration and logistics centers, partners can quickly deliver finished products to their end customers. "Tech Data* enabled us to offer a higher degree of configuration," Jeansonne said. "Now, based on our forecast, Tech Data* can pre-position inventory and even pre-build orders at quarter closes, which is very important for us. When we drop an order, Tech Data* can pull a chassis, pull a drive and do the final integration. The lead time from when an order drops to when it ships is much shorter — it typically takes just two to four days."

Shyft's lead time mitigation has reduced cycle times for specific products Quantum and its customers need, delivering products to their customers more quickly.

The Result

Working with Shyft as its partner for the OEM's systems products, integration and related services has simplified the way Quantum operates. "Tech Data* has helped us reduce the complexity of doing business, and increased flexibility," Jeansonne said. "The two go hand in hand."
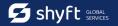
Quantum's relationship with Shyft has continued to evolve. "One important way our partnership has scaled is in the number of configurations we offer," Jeansonne said. "Tech Data* has been very instrumental in helping us implement new products, configuration options and permutations. We have about 300 bills of materials (BOMs) that Tech Data* ships today. We want to be able to sell whatever the customer wants, whenever the customer wants it. And I'm very pleased with Tech Data's* ability to deliver on that goal."

The partnership has also expanded to include reverse logistics. "We support customers with try-and-buy offerings and proofs of concept, and sometimes they choose not to make the purchase," Jeansonne said. "We'll have that hardware returned to Tech Data* and put through a well-defined refurbish and retest process, which helps us minimize stranded inventory and turn it into usable capital. We weren't scoped for these services when we first partnered with Tech Data*, so they've been very helpful in getting us to where we are today."

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"The Tech Data*–Quantum relationship is a true testament to the value of a services partnership. What started as a distribution agreement expanded naturally into Tech Data* also delivering key services for Quantum, which enabled Quantum to then more efficiently and effectively deliver its solutions and maintain a great customer experience," said Maghen Hannigan, Vice President of Global Alliances and Integration, Tech Data*. "No matter what type of product or solution a Tech Data* customer provides, they can rest assured that Tech Data* has the service capabilities to help them overcome challenges and achieve their long-term goals."

*Tech Data Global Lifecycle Management is now Shyft Global Services
**Tech Data is now TD SYNNEX

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About Shyft Global Services

Shyft Global Services is a leading technology lifecycle service provider that partners with companies around the world to shift the way they do business. Powered by a robust global logistics network, team of outsourcing experts and decades of experience, Shyft's end-to-end product and customer lifecycle services enable technology companies to reinvest in growth, transformation and innovation. Ready to shift your business forward? Learn more at shyftservices.com.

Shyft Global Services is a division of TD SYNNEX (NYSE: SNX).

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