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Intelligent Parts Distribution

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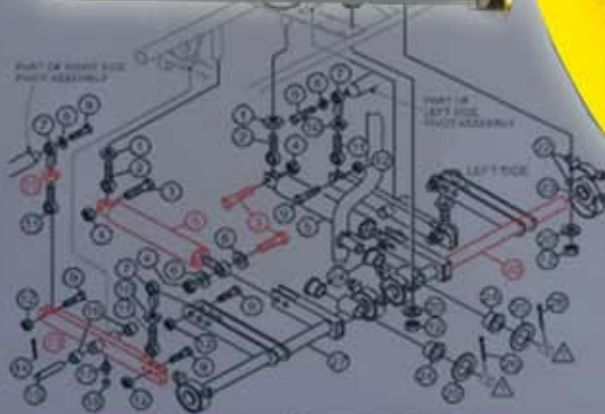
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Intelligent parts distribution

Supplying the right parts keep end-users on the job.

Sakai America, Inc., the North American arm of the ride-on compactor producer, recently launched SmartEquip's Inc. Parts & Service Manager system. SmartEquip's web-based parts ordering and product support system brings accuracy and efficiency to the parts ordering process.

It's the latest move in a trend that has parts distribution systems becoming more sophisticated. The trend in many ways follows that of the machines themselves. OEMs are using technology to make the machines easier to use — which at the same time protects the components from operator error. With systems such as those offered by SmartEquip Inc., manufacturers, dealers and rental houses can save time and money while avoiding errors.

Alex Schuessler, president and CEO, SmartEquip,

Norwalk, CT, calls it “intelligent parts distribution.”

Every year, finding good technicians becomes more difficult. The shortage seems to be getting worse. It is becoming more important to have systems in place to make it easy to do diagnostics and to order the correct part.

Tasked in the mid-1990s with setting up equipment rental stores throughout North and South America and eventually 45 countries around the world, Schuessler came to believe there had to be a better way to manage the parts coun-



SmartEquip gives mechanics instant access to updated parts information.

ter. “Finding the right part IDs, their current pricing, locating where the part is and what it fits — all of that was difficult to perform.”

Schuessler started looking at the history of parts ordering and distribution. It all began with, and often returned to, books. At “one point people put stuff on Microfiche, which was cheaper to produce than a large book, but they didn’t work well for mechanics and parts managers, and shops went back to books. Everybody told us by

the time they unwrapped the book it was already out of date. Then, the information was put on CDs. That didn’t work so well because it seemed that every OEM’s CD was different, and it missed the same important updates the books did. Plus, neither the book nor the CD could enable you to order parts.

“When manufacturers and dealers started using the Internet, they found it was a little better. But if you ask mechanics if they prefer Internet or the books, they prefer the book.”

Schuessler decided the Internet could be made to work, but would only work if you could get the right information to the mechanic while he is doing the service or repair. It was important to offer him correct, up-to-date parts information as he is doing the job.



On the same screen he would also need to be able to simultaneously check his, the dealer’s, and the manufacturer’s parts inventories to allow for intelligent parts distribution decisions.

SmartEquip was founded in 2000. It provides gateway solutions for the construction equipment industry such as equipment lifecycle management applications delivering parts, service, warranty, telematics and other real-time transactions across an electronic network that connects manufacturers, distributors and fleet owners.



Above and right: Lift equipment manufacturer JLG was one of the first companies to sign on with SmartEquip Inc. for assistance in streamlining JLG’s parts distribution system.



JLG and Multiquip were two of the first OEMs to sign on, and have been important partners.

With a SmartEquip system, "OEMs will save money because it is electronic," says Schuessler, "but at the same time they are saving a lot of money and time for the dealers. It is more efficient for them to do servicing and maintain their parts inventory, as well as for the end user like the rental company, which now becomes more efficient at equipment repair and service."

"We chose SmartEquip to serve our expanding dealer network and grow market share by providing the most advanced equipment support and parts ordering solution available," says Dave Brown, Sakai America's vice president, sales and marketing.

Parts & Service Manager — powered by SmartEquip — provides a single platform for manufacturer service documentation and electronic commerce transactions — delivering continually updated product

information to users, including parts diagrams, parts pricing, equipment diagnostics, service manuals and equipment specifications. Parts & Service Manager contains a secure pipeline for streamlined order placement, providing real-time on-line parts availability and accurately transmitting the order data directly from the customer to Sakai's ordering system.

The system is self-updating, all fed by live servers maintained by the manufacturer or by SmartEquip. When a change is made to a part drawing, a part number, or its price, the dealer sees an updated version immediately. Dealers or rental houses with a mixed fleet of equipment will see everything through the same interface.

With SmartEquip's system, things that used to take more than 25 minutes with a great potential for errors now takes six minutes or less. In some cases Schuessler has seen an error rate of 25%. With "Smart Equip the errors basically go away."



Getting the correct parts from the warehouse to the shop floor is crucial.

"Using a SmartEquip system, by the time a work order is created our system already recognizes the serial number of the equipment," says Schuessler. "It sees the parts the service guy has in inventory, at his location and other locations, as well as what is available at the dealers and, if appropriate, from the manufacturer.

"The service guy will see what the correct part number is today, how it can be shipped, and if there are any associated safety alerts. We're not just taking information from the book and putting it on a computer screen. The system intelligently threads this information into the whole repair process, saving users a lot of time and money."

SmartEquip™

Real time. Real results. Real value.

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