

# PROJECT BRIEF



*Business Problems  
Challenges  
Deliverables  
Outcomes  
Data Sources  
Technology*

## WARRANTY COST REDUCTION

### CUSTOMER:

Fortune 500  
Manufacturer  
– Midwest USA

### PROJECT:

Warranty Cost  
Reduction

### BUSINESS PROBLEM:

The client is a manufacturer of residential and commercial turf maintenance equipment. They have a complex supply chain with a significant number of vendors. Most of the material that is supplied by vendors forms part of a sub-assembly which eventually ends up a part of a manufactured piece of equipment that is sold through a commercial distributor or retailer. The issue the client was experiencing was related to their ability to connect warranty claims to the vendor part that failed. In most cases there was not an efficient way to tie the warranty claim back to the vendor which resulted in the warranty costs being borne by the Client. The supply chain team figured out that by using a number of data points that existed within their systems they could link the warranty claim to the vendor part and then charge the vendor back through the invoice payment process. Prior to this project, the process to create the linkage between warranty claim and vendor part would require a series of queries from different systems that would be integrated using a desktop data base package. However, given the thousands of transactions that occur on a daily basis, this process was not practical. There was an urgent need for a reporting solution that (1) did not require manual preparation (2) delivered accurate results on demand and (3) provided the flexibility to drill into the detail and look at the data from different perspectives.

### CHALLENGES:

- Data would have to be integrated from two ERP systems; of which one was located outside of the United States.
- The data sources required to deliver the reporting solution originated in several entity areas (eg. Vendor) of the ERP that were complex.
- The reporting solution had to be highly intuitive; requiring minimal training.

### DELIVERABLES:

- A series of de-normalized star-schemas were created and implemented; these schemas would also conform to the existing dimensions in the current data warehouse.
- The current reporting tool, owned by the client, was used to deliver the reporting environment; the reporting environment was object based, which allowed users to “drag and drop” for report creation.

### OUTCOMES:

- The supply chain team now had a way to determine which vendors were linked to specific warranty claims in a matter of minutes.
- Warranty costs could now be allocated directly to a vendor which reduced the Client’s warranty expense.
- The data collected from this project could be used in the creation of a vendor scorecard.

### DATA SOURCES:

- SAP
- Oracle 8i

### TECHNOLOGY USED:

- ErWin
- Informatica
- Oracle 10G
- Business Objects

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