

# 360° Solutions for a Digital World

arvato digital services



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BERTELSMANN

## Case Study: Software Turnkey Fulfillment

### *Optimized turnkey solution for software publishers*

#### Challenge

Initially the client's products were produced and shipped by another vendor from EMEA. The situation was characterized by cost inefficiency, low production flexibility and poor quality/ lead time. Starting from this level it was arvato's challenge to satisfy the following requirements:

- Cost optimized material sourcing
- Ability to cope with high demand fluctuations without capacity constraints
- Increase product and service quality
- Enhancing the lead times
- Set up of automated processes for increased quality and less room for manual errors
- Grant full visibility of all processes to the client

#### Case Study Overview

arvato is one of the leading global service providers for IT & High-tech industry. arvato takes responsibility for the entire sourcing of packaging material, software components, assembly of final products and steers the transportation to the customer.



#### Purchasing

arvato provides an integrated infrastructure for end to end software turnkey fulfillment and is a strong partner in proactively developing and implementing streamlined, optimized processes.

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## Scope of Business

arvato's scope of business includes

- MRP and sourcing of product components and packaging materials
- Assembly of all products with components from Tier 1 suppliers
- Pick, pack & ship to end users and distributors
- Fulfilment to 7 countries in EMEA
- Outbound freight management
- Logistics management of returns and reships



## Solution

arvato provides a cost efficient and robust software turnkey fulfilment solution with:



- Identification of top component vendors (quality and cost)
- Cost efficient freight management and consolidated freight sourcing
- Customized kitting & assembly process with high production flexibility
- Comprehensive quality and inventory control
- The logistics flow is supported and steered by arvato and the clients integrated IT systems. The two systems are interacting via an EDI interface
- Implementation of a SAP Business Warehouse reporting system including on-demand reporting
- State-of-the-art warehouse with profound security arrangements

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## Major Results

arvato's approach achieves the following improvements:

- One single service provider for the entire process from sourcing of components, manufacturing to logistics and freight management
- Benefit from arvato's experience and expertise as 3PL and 4PL vendor in B2B and B2C business
- Real-time information and visibility to all supply chain partners and throughout the entire supply chain
- arvato proactively develops and implements streamlined, optimized processes, that increase the client's operational performance

