



MANUFACTURER IMPROVES SERVICE WITH NEW .NET-BASED SYSTEM

KOMATSU EUROPE INTERNATIONAL

/// CASE STUDY



A new claims and warranty system relying on .NET architecture helped one of the world's leading construction equipment companies complete its transition from an outdated mainframe infrastructure to a next-generation enterprise environment.

CLIENT PROFILE

www.komatsueurope.com

Komatsu's European division, Komatsu Europe International continues the tradition of building high-quality industrial machinery which has helped it gain a reputation as a worldwide industry leader.

Industry: Manufacturing

Founded: 1967

Business Needs Addressed:

Innovation
Productivity

"The new system processes the information we need when a customer wants to make a warranty claim via his dealer. In addition, the dealer is now able to enter information directly into the system, for example with the request to refund certain costs or parts. The system then advises the Komatsu employee whether the claim is admissible or not."

Chris Borremans
General Manager, European IT
Komatsu Europe International

Komatsu wanted a new warranty and claims solution

As one of the leading manufacturers of industrial off-road machinery and vehicles in the world, Komatsu's operations are vast, spanning multiple continents and divisions. Komatsu Europe International (KEISA) manages operations and sales for Komatsu's construction and mining interests in Europe, the Middle East and Africa. About 90 percent of Komatsu's production takes place on a built-to-order basis, which makes high-performance IT capable of supporting machine orders, parts distribution and warranty administration worldwide an absolute must.

However, the 15-year-old mainframe-based warranty application that supported three of the company's four European factories had reached the end of its life cycle. So KEISA set out in search of a robust new warranty and claims solution that could enhance the accuracy and quality of data gathered during the claims process while strengthening collaboration across Komatsu's various divisions. The existing mainframe application was only available to KEISA's internal users so business with external dealers, distributors and suppliers had to be handled manually. The company mailed/faxed claims to data-entry companies who then entered this information into the system, a time-consuming process that often left dealers and distributors unsatisfied. Clearly, KEISA needed to modernize its laborious paper claims processes. This would ensure more efficient and reliable claims entry and approval processes, resulting in lower costs associated with human error and inefficiencies. To make it happen, the earthmoving equipment leader made its move to EDS, an HP company.

EDS developed a robust .NET-based application

To develop a centralized, streamlined application for the After Sales & Warranty group, KEISA service managers across all four European factories had to agree on a common set of business processes. EDS then conducted an architecture study to help define the requirements for the new application.

AUTOMATED DEPLOYMENT FOR FASTER RESULTS

EDS reused existing .NET code, which in combination with daily builds and automated deployment, helped the development team focus on the more complicated task of implementing business logic. As a result, EDS built a complex warranty and claims application from scratch in less than one year.

The team relied on Microsoft's SQL Server 2000 database to develop the .NET environment and its Visual Studio 2003 solution as the front-end system for the migration. EDS also integrated Microsoft's Biztalk 2004 business rule engine into the .NET application.

Services featured

- Applications Development Services
- Applications Modernization Services

"EDS remains a big name with an impressive list of references. We knew EDS would be a stable partner for us, but also one who works according to proper methodology."

Chris Borremans
General Manager, European IT
Komatsu Europe International

Driven by KEISA's cost-cutting vision and need for greater functionality, EDS recommended implementing the new application using Microsoft .NET technology. When designing the new architecture, EDS customized a reusable set of components specifically to KEISA's needs, enhancing the best that was already available in EDS' proven portfolio. The team chose a phased approach to application development and implemented the solution in four six-week phases. This allowed key users the opportunity to test the application at each stage and make recommendations in order to ensure optimum usability.

With user buy-in secured, EDS installed the new warranty application on Komatsu's central servers, transitioning all four factories and the entire Komatsu operation from an aging mainframe environment to a next-generation enterprise architecture.

"It is a big step to move from a mainframe screen to a .NET screen," says Chris Borremans, general manager of European IT at KEISA. Indeed, a one-week training program to acclimate independent distributors convinced KEISA service managers that the application was fool-proof, and with that, the application went live throughout Europe.

Komatsu streamlined internal processes and improved service for dealers and distributors

"We shut down the mainframe in Vilvoorde on February 1, 2005," continues Chris Borremans. "In the meantime we have also completed the data conversion and have transferred to the new system."

Although the rollout to dealers and distributors is ongoing, many can already access and process claims in the warranty application fast and flawlessly from anywhere at any time. In addition, everything from machine delivery and inspection to damaged part return and claims collection is streamlined and centralized. As a result, the company has been able to significantly increase supplier recharge for damaged parts and better evaluate the validity of claims - both of which contribute directly to KEISA's bottom line.

What's more, better quality claims data provide an important resource for service improvement that was not possible with the mainframe solution.

Today, the best-in-class application supports sales and distribution for more than 150,000 machines, 2 million parts and 300,000 claims, not to mention more than 300 dealers and distributors who will soon enjoy effortless access to KEISA's systems - ultimately strengthening Komatsu's relationship with this market and its customers.

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