



Avocent is the leading provider of KVM (Keyboard Video Mouse) switching, remote access and serial connectivity solutions.

Hitachi Consulting helped Avocent implement a worldwide system that touched every major business process, resulting in more accurate planning and forecasting, automation of manual processes, increased on-time deliveries, reduction in inventory, and fewer stock outs.



C Case Study: Avocent

Business Challenge

Avocent is the leading supplier of KVM switching and network connectivity solutions to companies such as Dell, IBM and Hewlett Packard. They have grown more than 50 percent in the last four years. However, with business systems on the verge of constraining continued growth, and accounting functions heavily supported by manual processes, Avocent knew they needed a change. They wanted to improve and better integrate shipping and receiving processes, and needed better visibility and management of inventory, which is spread across 28 locations around the world, including many bonded warehouses.

Avocent also needed to address its struggle to meet the demands of a growing global customer base. Customers wanted a standard experience anywhere in the world, but some Avocent systems didn't talk to each other. Their customers also wanted to do business electronically and have instant access to inventory and shipment information, but Avocent's systems couldn't support it. Avocent's management lacked visibility into customer data worldwide.

To keep its competitive edge, Avocent made the decision to invest in a broad-based business system that could lay a foundation for efficiency and continued growth.

The Solution

Avocent engaged Hitachi Consulting to perform a strategic technology assessment of their current systems and develop a road map for future improvement. Next, they evaluated several software vendors to determine which would best support Avocent's business model and planned growth.

"During the evaluation phase, we gave Hitachi Consulting two small test projects. I was especially impressed with how they led us through an evaluation of vendors without inserting any bias. Based on those successes, we hired Hitachi Consulting for the entire worldwide implementation project."

Dusty Pritchett
Avocent Sr. VP Finance & CFO

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Avocent selected SAP as its technology platform and set a substantial goal to automate its finance, supply chain, logistics, order management, human resources and reporting functions. They divided the project into phases so results could be achieved quickly. The first phase included full implementation of the system in the U.S. in a mere eight months. Subsequent phases would address the international offices and additional functionality.

Business Benefits

With a single, integrated system in place, many manual processes have been eliminated. Inventory and customer information has been consolidated and the Avocent Web site is fully integrated with its order entry system. Additionally, a self-service portal allows employees to update their own information. These changes have eliminated the need for manual reconciliation and resulted in more accurate data and a quicker resolution of issues.

With this common platform, Avocent can better manage demand and inventory with its key OEM and distributor customers, which in turn leads to more accurate planning and forecasting.

Avocent is realizing reductions in inventory, lower logistics costs and improved on-time deliveries.

They are looking forward to even greater gains as the international operations come on board and as the focus turns to optimizing the system and finding new ways to work with customers.

The end result a foundation for future growth and world-class customer service.

"Hitachi has been a real partner to us. They did a good job of transferring knowledge to our people and worked hard to keep us on time and on budget."

Dusty Pritchett
Avocent Sr. VP Finance and CFO



About Hitachi Consulting

As Hitachi, Ltd.'s (NYSE: HIT) global consulting company, Hitachi Consulting is a recognized leader in delivering proven business and IT solutions to Global 2000 companies across many industries. We leverage decades of business process, vertical industry, and leading-edge technology experience to understand each company's unique business needs. From business strategy development through application deployment, our consultants are committed to helping clients quickly realize measurable business value and achieve sustainable ROI.

Hitachi Consulting's client base includes nearly 30 percent of the Fortune 100 as well as many leading mid-market companies. We offer a client-focused, collaborative approach and transfer knowledge to our clients throughout each engagement. For more information, call 877-664-0010 or visit www.hitachiconsulting.com

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