



# SUPPORTING THE SECURE ENTERPRISE & FACILITATING GLOBAL GROWTH:

## *Case Study for Blue Coat Systems*

### ▶ BACKGROUND

Blue Coat Systems, Inc. is the technology leader in Application Delivery Networking. Blue Coat ProxySG and PacketShaper appliances and ProxyClient client-based solutions are deployed in branch offices, Internet gateways, data centers and to remote and mobile workers to provide application visibility, acceleration and security across the distributed enterprise. Blue Coat has installed more than 110,000 appliances and serves more than 15,000 customers worldwide. The company's global footprint encompasses North and South America, Europe, the Middle East and Asia Pacific.

### ▶ CHALLENGE

Blue Coat serves the world's leading financial, energy, health, media and telecommunication enterprises as well as government entities. With such a large and diversified customer base, Blue Coat places a high priority on service part fulfillment and the company's customers have high expectations for rapid turnaround and shipment, posing logistical challenges for service parts deployment.

The complexity of managing these parts on a global basis created the need for real-time inventory visibility.

To help meet the high quality of service customers expect from Blue Coat, the company sought a service parts expert to manage time-definite fulfillment requirements. Additionally, as the company continues to expand internationally, it required a scalable service parts partner that could manage the complexities of import and export regulations. Since the partner would be representing Blue Coat and was expected to adhere to unwavering high standards, choosing the right vendor was crucial.

### ▶ SOLUTION

Blue Coat required a logistics provider that operated from a single global system and provided real-time inventory and order tracking. Plus, the company needed proactive management of its service parts supply chain and wanted a provider with flexibility, customization and international expansion as central core competencies.

After thorough due diligence, Blue Coat selected Choice Logistics to fulfill its service parts objectives. Choice's account management and international teams immediately began collaborating with Blue Coat to become familiar with all aspects of its business requirements and processes and.

To that end, Blue Coat chose Choice and its proprietary system, which provides a single point of real-time inventory access and visibility. Built with the flexibility to address each client's unique requirements, Choice's system was customized to provide the tools Blue Coat needed to maximize assets, while efficiently fulfilling

### *CUSTOMER QUOTE*

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"From the call center to inventory management and the control desk, Choice keeps us informed, so there are no surprises for us or our customers."

**Brian Hays**

*Senior Manager of Service Parts  
Blue Coat*

**Blue  Coat<sup>®</sup>**

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service parts orders worldwide. Choice also dedicated an account management team to consistently monitor inventory and work with Blue Coat on a personalized basis, ensuring that obligations have been met and that the service parts operation runs smoothly.

“Communication with our providers is critical to our ability to effectively fulfill service parts orders and meet the high expectations of our customers,” said Brian Hays, Blue Coat’s senior manager of service parts operations. “From the call center to inventory management and the control desk, Choice keeps us informed, so there are no surprises for us or our customers.”

It was also critical for Blue Coat to offer seamless service to each customer regardless of location. To service the worldwide customer base in a timely manner, Blue Coat utilizes approximately 60 Choice strategic stocking locations (SSLs) and four of Choice’s regional distribution centers (RDCs). The fulfillment consistency that this extensive reach provides has enabled Blue Coat to strengthen customer relationships and scale its service model as the business expands.

## ► RESULTS / BENEFITS

With a 99 percent on time performance, Choice enables Blue Coat to provide its customers with four-hour and next business-day service parts delivery.

“In the two years that I have been here, I can’t recall a customer complaint based on Choice’s performance, which is exceptional,” said Hays. “We have the confidence of knowing they’re in control of our service parts supply chain.”

With extremely accurate tracking capabilities, Choice has improved Blue Coat’s returns process from an average of 41 days to just 20 days. This level of efficiency reduces inventory cost and provides a consistent flow into Blue Coat’s repair operations, which reduces repair turn around time. Additionally, stock-outs have diminished from 18 percent to under half of one percent.

Choice’s vast global network of over 380 SSLs and their willingness to forge new territory in markets that Blue Coat seeks to penetrate also facilitates ongoing expansion. To reflect this commitment, Choice regularly corresponds with Blue Coat to discuss international expansion initiatives.

“We appreciate Choice’s willingness to scale with our business requirements and its emphasis on global expansion” Hays said. “This level of interaction and dedication really differentiates Choice in the industry and helps us to differentiate Blue Coat with our customers.”



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