



## **KEEPING THE NETWORK RUNNING:**

### *Case Study for Occam Networks*

#### **▶ BACKGROUND**

Occam Networks ([www.occamnetworks.com](http://www.occamnetworks.com)) is a well-known provider of broadband products and solutions for hundreds of telecom service providers. Established in 1999, the company is headquartered in Santa Barbara, California with additional facilities throughout the state.

Occam offers high value products for scalable broadband access networks including blades, chassis, optical network terminals, remote terminal cabinets and management tools. Occam's "Broadband Loop Carrier" equipment utilizes Internet Protocol- and Ethernet-based solutions to improve voice, data and video applications.

#### **▶ CHALLENGE**

Occam's customers rely on them to provide a wide variety of advanced mission critical network equipment and high value service parts on a "faster-than-next-day" basis. Because of the expense and complexity of the equipment and services offered, Occam must be prepared to react to customer demands for critical service parts at a moment's notice. Extended downtimes can compromise contractual obligations and risk jeopardizing customer relationships, which Occam seeks to avoid at all costs.

With an average of over 500 service parts shipped on a monthly basis ranging in value from \$5,000 to over \$25,000, it is crucial that Occam manages inventory as efficiently as possible to maximize resources, reduce over-stocked inventory and eliminate lost parts. It is also a critical that parts and primary equipment deliveries are separated to keep operations running smoothly.

In order to maintain service level agreements, Occam cannot afford inefficiencies at any point in their service parts supply chain. Occam's customers rely on them to prevent downtime in their telecom infrastructures, ultimately helping them maintain revenue and customer loyalty with end-users. In addition, critical emergency communication services are carried over the network, which can have significant implications on public safety.

Because of these demands, Occam requires near-perfect forward and reverse critical inventory logistics operations to meet customer's essential service parts needs. With such strong customer commitments, and a desire to remain focused on their core competency of providing the best redundant high-speed access equipment available, Occam sought a partner with the expertise to meet their service parts logistics needs.

#### ***Additional Benefits from Occam's relationship with Choice Logistics Include:***

- *Reduced overall service parts inventory by approximately 25 percent*
- *Improved next-day delivery SLA performance by 20 percent*
- *Reduced shipping and freight costs by 30 percent*
- *Provide next-day replacement service to remote locales*

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Further, Occam's emphasis on global expansion dictated the need for a company with the flexibility and infrastructure to support international growth. They conducted a thorough search of candidates that could meet their requirements and ultimately selected Choice Logistics to streamline and simplify a complex service parts operation without disrupting the standard equipment delivery process.

## ► SOLUTION

Choice conducted in-depth due diligence of Occam's service parts logistics needs and created a customized supply chain solution that would provide the highest level of service as efficiently and economically as possible for both forward and reverse logistics. Choice assigned a dedicated specialist to oversee Occam's global service parts logistics operation, allowing them to focus on their core competencies of primary equipment and servicing their customers' support needs.

Choice worked with Occam to identify a strategically located distribution center in Atlanta to meet Occam's customer service level agreements, with additional sites to be added according to market demand. Choice also leveraged its proven processes in reverse logistics so Occam can control the repair and refurbishment process. What's more, Choice's sophisticated proprietary Web-based applications and technology seamlessly integrate with Occam's internal operations to manage inventory and ensure parts are where they are needed, when they are needed.

## ► RESULTS / BENEFITS

Choice's high level of client service, along with the flexibility and accessibility of its infrastructure, gives Occam the scalable logistics solutions they need to satisfy their customers' needs. Choice's efficient Web-based interface enables the expedited services Occam requires to ensure orders are processed and distributed as quickly as possible.

As a result, Occam has reduced its service parts inventory globally, creating less overhead and an optimized supply chain for critical parts. In addition, by streamlining the reverse logistics process, new service parts replenishment has also been significantly improved. Choice is now Occam's trusted partner for their expertise needed to fulfill ongoing business objectives.



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