



communications

Microdyne Outsourcing, Inc.
Client Case Studies

Reverse Logistics and Depot Repair and Refurbishment

**Repair is not like the contact center -
how can you assist my company in this endeavor?**

Microdyne Outsourcing provides contact center support to a major manufacturer of printers and other peripherals. In addition, the fully integrated solution developed for this client includes running an award-winning depot repair, logistics and refurbishment program on an insourced basis. The employees are Microdyne employees, and the solution is a unique Microdyne solution.

The Microdyne Solution

Microdyne's engineering team meets regularly to determine which areas of the insourced operation work according to our client's and our specifications, and which areas can be improved upon to maximize efficiency and reduce costs. Within the past year, the team identified the following areas, and implemented resolutions:

- Evaluate restructuring shifts/work hours.
- Reduce parts cost by implementing a recovery process. Obtain equipment from inventory, identify targets, build fixtures, and implement.
- Evaluate the Team Lead job duties/positions and restructure to reduce labor costs.
- Eliminate kit items from Exchange units, create slipsheet notifying customer to retain. Return defective unit less kit items.
- Reduce labor costs by combining the final QA audit and check-out functions and relocating the on-line auditors and combining the cleaning and bagging operations.
- Reduce labor costs by relocating and consolidating the cleaning operations to the packaging line.
- Move low skills tasks from Techs to Depot Associates and replace Repair Associate B positions with Repair Associate C positions.
- Changed process flow from push to pull.

The comprehensive nature of the team's analysis and the subsequent changes and modifications to our client's programs resulted in estimated savings of **\$1.3 million dollars, and a 25% gain in productivity.**

Results and Relationship Direction

The client was extremely pleased with the results from Microdyne's operation of their facility. The facility has since been upgraded and, as we pass the decade mark of this insourcing relationship, is now running more efficiently than ever. Microdyne anticipates running the facility for the next several years, and proactively working with the client on new solutions as many products reach end-of-life and new products are introduced to the public.