



Case Study

Business Challenge:

Microsoft Home and Entertainment Division needed to further streamline and improve the efficiencies of their retail returns processing as part of their plan to incorporate their distribution returns in the United States into the program.

Approach:

The division called on Ingram Micro Logistics to investigate all elements of the division's returns processing, including using Microsoft's proprietary Global Returns Tool with Ingram Micro's Impulse system to develop a one-to-one inventory monitoring system.

Solution:

Ingram Micro Logistics quickly deployed IT infrastructure solutions and its world-class logistics system to bring greater efficiency to Microsoft's retail returns processing, providing a seamless system for credits, product disposition and reporting that was expanded to include Microsoft's distribution partner returns.

Microsoft Home And Entertainment Division Improves Efficiencies On Returns With Help From Ingram Micro Logistics

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- Mike Quinn, general manager,
North America Operations Center,
Home and Entertainment Division,
Microsoft

When Ingram Micro Logistics (IML) launched in June of 2000, Microsoft Home and Entertainment was one of the division's first customers. Microsoft entrusted its retail returns processing in the United States to Ingram Micro, who became responsible for consolidating and processing product returns on Microsoft's behalf from over 14,000 retail outlets located throughout the United States, with a focus on providing seamless systems for credits, product disposition and reporting to Microsoft.

In the years that followed, IML and Microsoft worked together to institute practices that would improve their supply chain performance. The collaboration worked so well that Microsoft renewed its contract with IML for the retail business *and* handed IML all returns processing business from their distribution partners in June 2003.

Cutting-Edge Tools for Retail Returns

Ingram Micro Logistics' main focus was to quickly integrate Microsoft's proprietary Global Returns Tool, which together with Ingram Micro's Impulse system, creates a seamless electronic connection for reporting and credit processing between Ingram Micro, Microsoft and its key retail customers. Ingram Micro Logistics implemented the new Global Returns Tool within 90 days, providing a system-to-system database interface for reports on returns tracking, shipment status and credit processing.

In addition to better efficiency in electronic reporting through the Global Returns Tool, Ingram Micro Logistics worked with Microsoft to create unique practices for tracking and managing returned merchandise. Also, Ingram Micro Logistics and Microsoft deployed closed circuit televisions for better security practices and shipment verification, minimizing time for pay-out to retailers and decreasing costs to Microsoft associated with the dispute resolution process.



Now Ingram Micro Logistics accepts returns on behalf of Microsoft, providing a secure solution for inventory verification and disposition through various channels.

“Microsoft strives to better serve its business partners and improve the efficiency of its supply chain through innovative solutions, which is a direct match to our mission,” said Bryan Moynahan, vice president and general manager, Ingram Micro Logistics. “Together, we’re working to create unique tools and metrics that push the limit on performance and deliver a new level of support and satisfaction, along with better cost savings for Microsoft.”

“Consolidation of our retail and distribution returns program with Ingram Micro Logistics has given us the economy of scale and expertise we needed to better serve our customers and manage costs,” said Mike Quinn, general manager, North America Operations Center, Home and Entertainment Division, Microsoft. “Working with Ingram Micro, we’ve created a reverse logistics process that hums with efficiency and exceeds our metrics for supply chain excellence.”

Conclusion

Since taking over both Microsoft’s retail and distribution returns programs, Ingram Micro Logistics has delivered more efficient reverse supply chain performance, improved customer service levels and reduced costs for returns processing. The company’s ability to integrate enhanced features like Microsoft’s Global Returns Tool and closed circuit surveillance cameras have brought special benefits such as improved reporting, better dispute resolution and security practices.

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Leveraging 25 years of supply chain experience on behalf of manufacturers and retailers

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- Reverse Logistics
- Customer Care
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- Electronic Connectivity and IT Integration

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1610 East St. Andrew Place
Santa Ana, CA 92705-4931
Phone: (714) 382-4845
Fax: (714) 566-7994
E-mail: imlsales@ingrammicro.com