

OVERNIGHT PARTS DELIVERY

Modern takes steps to have even slow-moving parts available to customers by 7 a.m.

PBy the clock, the difference between 7 a.m. and 10 a.m. is just three hours. But for a contractor needing a replacement part for a machine that's down, it's often much more than that.

"If a contractor doesn't have the needed part by the time his crew arrives for work, there's a good chance he's going to send his employees home rather than pay them to sit around and wait," said Bill Crandall, Modern Machinery Vice President of Finance and Operations. "That means a full day's worth of production is lost, which for a contractor can be very significant."

To help customers avoid those lost days, Komatsu and Modern Machinery have teamed up to substantially improve parts availability throughout Modern's vast territory. The effort started last fall when Komatsu opened a regional parts depot in Portland to stock slow-moving parts (an indication of the program's success is that the depot's parts inventory has almost doubled in just a little more than six months). At the same time, Komatsu and Modern instituted a delivery system to ensure that those parts would arrive overnight at as many branches as possible so they'd be available to customers when the doors opened at 7 a.m.

Two trucks meet in the night

To achieve that, Modern has two trucks that leave at 6 p.m. the day before — one from the Komatsu parts depot in Portland heading north, the other from Modern's forestry parts warehouse in Spokane heading west. Both are carrying parts that were ordered that day. The northbound truck, loaded with Komatsu parts, makes stops at Modern's branches in Rochester and Kent, Wash., before meeting the Spokane truck just east of Seattle to trade loads. It then retraces its route, dropping off any forestry parts that are needed at branches on the return trip to

Portland. The other truck heads back to Spokane to deliver Komatsu parts to that branch. When the truck arrives in Spokane, a fresh driver immediately heads for Missoula and Kalispell, Mont., to deliver parts to those branches.

"Thus far, our trucks deliver to Washington and Oregon and we just added Montana to the route," said Modern PSSR Manager Marty Brendal. "We're covering our Eugene store with a separate carrier and our Billings branch is served by the Komatsu parts depot in Denver. That leaves only the southern Idaho branches off the early-morning parts-delivery service. Even though we have next-day availability to those locations, we will continue to examine our options to upgrade services there.

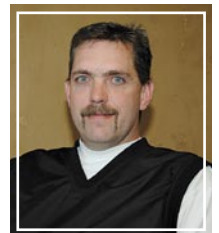
Modern Machinery's overnight parts delivery service runs Monday through Friday, and is free of freight charges to the customer.

"One of our goals is to help Modern Machinery's customers reduce equipment downtime, and certainly, this overnight parts-delivery system helps us accomplish that," said Crandall. ■

Modern Machinery has instituted an overnight trucking system so that even slow-moving parts, including large components like this transmission, are available to customers at most branches when the doors open at 7 o'clock the following morning.



Bill Crandall,
VP of Finance
and Operations



Marty Brendal,
PSSR Manager

