



Managing distribution costs and enhancing customer satisfaction for Varian Medical Systems

Varian Medical Systems is the world's leading manufacturer of medical devices that help millions of people around the world beat cancer and other serious medical conditions.

Finding a balance between cost and efficiency

One of the greatest challenges for a company such as Varian that's focused on saving lives is to provide world-class service at a reasonable cost. With a global footprint and life-saving mission, Varian needed to maintain a service parts distribution network to support its team of field engineers who repair equipment on-site at customer facilities. This network had to help improve response times and increase customer satisfaction worldwide.

While the company was operating its own regional service parts distribution network, it was not cost effective to continue to maintain this physical infrastructure around the world.

Varian set out to find a logistics provider that could manage this function and achieve several ambitious objectives:

- Improve response times and increase customer service expectations globally.
- Provide ready access to accurate, usable data from distribution records, including serial number control.
- Maximize responsiveness when faced with fluctuations in demand or delivery speed.
- Manage anticipated changes in volume without increasing fixed costs.
- Maintain focus on providing continuous improvement in both performance and fulfillment operations infrastructure.



Providing worldwide parts distribution

Varian ultimately chose FedEx Critical Inventory Logistics® to help tackle these challenges head on. Operationally, FedEx forward stocking locations (FSLs) around the globe support same-day parts delivery for the customer — handling outbound orders, returns processing and order picking by serial number and expiration date.

Additionally, because Varian's IT platform is now integrated with the FedEx Critical Inventory Logistics information system, the customer can plan events based on the knowledge that products will be available at the right time and the right place.

Achieving better responsiveness while keeping costs in check

The reliability provided by FedEx helps ensure that Varian's expedited or emergency orders will be filled even beyond standard service hours using next-flight-out or courier delivery options. And, to make sure that critical orders arrive as scheduled, FedEx offers tracking and tracing capabilities 24 hours a day, 7 days a week, 365 days a year via fedex.com and FedEx Command and Control customer support.

Varian was able to move more finished goods into FSLs and closer to where they are needed, and the customer has also been able to reclaim valuable square footage within its manufacturing facilities.

"Because of our access to the FedEx® network and its reliability, we can meet our customers' demands — regardless of time zones," remarked Scott Tredennick, senior director of Global Logistics for Varian. "With a full range of FedEx services specifically designed to handle critical parts, we are better equipped to continually enhance our customer responsiveness and manage our distribution costs."



Strike the right balance between cost and efficiency for your global field service supply chain

If you need to gain more visibility, speed, control and support for your time-sensitive, high-value repair parts and finished products around the globe, you can count on FedEx Critical Inventory Logistics to help you deliver on aggressive service level commitments. For more information, go to fedex.com/critical-inventory-logistics.

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