



Taipei, Taiwan

THE TEST OF TIME

FarEasTone, Taiwan, benefits from long-term spare parts support from Ericsson

FarEasTone is a well-established operator in Taiwan, looking to benefit from outsourced spare parts management. They began working with Ericsson in 1999. Six years on, the solution is going from strength to strength.

FarEasTone is Taiwan's leading mobile operator, with a broad range of services and nationwide coverage. Over the last six years Ericsson and FarEasTone have worked together to deliver managed spare parts costs for the operator in Taiwan.

Spare Parts Management, an element of Ericsson's Hardware Support services, gives FarEasTone local support, backed by an extensive and efficient global supply organization. The service includes spare parts warehoused by Ericsson, as well as the replenishment of components. Ericsson has now enabled FarEasTone to significantly reduce its investment in hardware. As a result, cost savings have been achieved by minimizing the OPEX and CAPEX associated with maintaining and distributing a large stock of spare parts.

The benefits to FarEasTone have been significant. The Taiwanese operator no longer needs to manage its own spare parts stock and Ericsson can guarantee spares are delivered efficiently where and when they are needed. Urgent, service-affecting requirements, as well as non-urgent spares, can easily be prioritized.

David Y Chang, Key Account Manager, Ericsson, defines the success of the arrangement in operation: "Ericsson's Spare

Parts Management solution provides FarEasTone with improved network performance, predictable support costs, controlled risks and reduced investment. As a result, FarEasTone can direct more resources to maintaining network quality and coverage, while being confident in the reliability of its components."

Ericsson's successful formula stems from the accurate calculation of the cost of spare parts ownership, the cost of FarEasTone's labor and all other associated costs. The success of this service has led to a very close relationship between the two companies.

Tony Wang, Director, Network Logistic Management, FarEasTone, underlines how Ericsson's Spare Parts Management solution has proven to be cost-effective in action: "With an assured quality of spares and hardware components, FarEasTone can focus on network expansion without being distracted by hardware repair and related logistics issues."

Highlights

Customer Objective

- Reduce costs for spare parts
- Ability to focus on core business

Ericsson Solution

- Spare Parts Management solution

Customer Benefits

- Simplified logistics for hardware with minimized risk
- Cost savings in hardware OPEX and CAPEX
- Efficient delivery of high quality parts

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