

# The foundation of our business - Yamaha Motor.

The Modular Distribution System

## About Pentana Solutions

We have been delivering innovative solutions to the automotive industry for over 40 years.

Our focus is exceeding the requirements of a day to day software solution for any automotive organisation. All distributor operations have had a product tailor made to suit their process and operations. We are driven by our customers, our passion for the industry and our expertise in the field. They drive us to always look for the next opportunity.

This allows our customers' businesses to operate smoothly which is a key component to measuring the success of what we do.

# Background

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## About Yamaha Motor

Yamaha Motor Australia, a fully owned subsidiary of Yamaha Motor Corporation Japan, has managed the distribution, marketing and after sales support of the Yamaha brand in Australia for nearly two decades. Since Yamaha took over a fragmented structure of dealers in the mid 1980s, it has successfully steered the brand to market leadership in practically all product categories in which it participates. Today, there are around 400 Yamaha dealerships operating throughout Australia.

## Sophisticated supply chain management

Part of that success is attributable to its sophisticated supply chain management system implemented by the Modular Distribution System (MDS). Yamaha and MDS have had a long and successful business partnership in Australia. Yamaha currently operates a customised version of the enterprise system to manage all information relating to its diverse supply chain. The solution implemented at Yamaha covers the key supply chain blocks of inventory purchasing, shipping, warehousing and dispatch, customised warranty, spare parts and inventory modules, and also financials.

“An off-the-shelf solution presented a reasonably good fit with the business but we had particular goals in mind in relation to warranty and spare parts management”, said Andrew Carruthers, Yamaha’s Chief Financial Officer. “The programming flexibility inherent in the MDS approach was very important to us”.

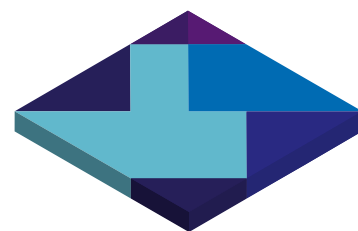
The solution implemented by MDS, known as Yamaha Dealer Connect (YDC), is a complete online interface between head office and the extensive dealer network. YDC provides all Yamaha dealers with on-line pricing and ordering functions for spare parts, and a sophisticated warranty and spare parts management system.

## Easy Warranty Management

“Warranty and spare parts are complex areas, they represent a potentially large source of cost if not managed well, and they are a key part of relationship building with customers and dealers”, Mr Carruthers said.

According to Mr Carruthers, good warranty systems are those that deal with issues as close to the customer as possible. In Yamaha’s business environment this means delegating warranty decisions to the dealer wherever possible.

“Our system has been set up so dealers can assess claims online through an automated system built on established rules, parameters and requirements”, said Mr Carruthers. “In the vast majority of cases, this is done while the customer waits”.



# MDS

# The solution was simple for MDS.

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“It’s the foundation of our business”.

The Yamaha warranty system also interfaces with the spare parts inventory module and workshop software. When an agreed warranty product failure has been identified, parts costs are determined and the dealer’s labour cost is calculated according to set rates and timelines.

“The whole system has been designed to make things happen quickly”, said Mr Carruthers. “Including reimbursement of warranty related costs back to the dealer”.

Once approved, information is downloaded to the Yamaha factory in Japan which then initiates a process to reimburse the dealer through Yamaha. Generally, dealers receive their payment with 7-10 days of completion of a warranty job.

“Yamaha Dealer Connect drives the process from beginning to end”, said Mr Carruthers. “The dealers think it’s great because they can keep customers happy and get paid by the factory quicker than most of their other creditors”.

## Streamlined spare parts ordering

Mr Carruthers also described the spare parts capability of YDC.

“When a customer comes into a Yamaha dealer to buy a spare part, the sales person calls up the motorcycle model on the computer and swings the screen around to the customer. They move the cursor to a specific part or assembly and, with a click of the mouse, they can explode this into 3D schematic that shows and identifies all individual parts. When the required spare part is located, another click of the mouse takes

the spare part reference into the MDS online inventory module where it is priced, availability confirmed, and order issued and a delivery date determined”.

Importantly, this means that all information relating to the order is entered once at the source and automatically transmitted to appropriate data libraries, removing the need for overnight batching and virtually eliminating costly ordering errors.

## First Class Service

Yamaha has not attempted to quantify the benefit of YDC but believes it would be significant.

“Every warranty claim or spare parts transaction we process generates a saving or efficiency gain compared to other business systems we have seen in the industry”, Mr Carruthers said, “But our focus is not so much on costs, but providing a first class service to our dealers and customers”. Through Yamaha Dealer Connect, MDS and Yamaha have been the architects of a quiet revolution in the retailing and support of motorbikes in Australia.

“We are utterly reliant on the system we have jointly developed with MDS,” said Mr Carruthers. “It’s the foundation of our business”.

# Complete Functionality

The Modular Distribution Solution offers 12 key components, that when used in totality, gives Importers and Wholesalers efficiency gains and decreased costs in every area of their operation.

- Vehicle Production
- Vehicle Management
  - DocuSmart
  - PareX
- Data Warehouse
- The Configurator
- Warranty Claims
- Warehouse Management
- Electronic Parts Catalogue
  - PartsEye
  - CAMS
- 5 Star Hub

## Competitive Advantage.

MDS' comprehensive solution includes software, hardware, implementation, integration, training, maintenance and full customer support.

With over 40 years of investment in research and development, MDS products have both the maturity and flexibility needed to support today's automotive sales and aftersales industry.

MDS solutions help companies worldwide achieve a rapid return on their technology investments, streamline processes, optimise routines and give real-time control of the information that flows through their businesses.

As our customers can attest, the MDS software quickly pays for itself by helping to reduce operating costs and capital outlay without cutting quality of service. It lets you allocate your precious resources where they are most needed: looking after your products, sales and customers.

Through it all, Pentana Solutions provides top-level support, from implementation through to training and support. MDS consultants are industry experts with years of automotive experience. They work on-site with your company, sharing best-practice knowledge to provide a smooth transition to a fully optimised and integrated supply chain solution.

MDS' intelligent software is completely scalable and able to grow with your business well into the future.

Start your journey today.  
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