Repairing or Upgrading Electronics: Why Cycle Time Matters

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When handling electronics repairs, upgrades, or returns, including forward or reverse logistics, cycle time matters. The impact of slower cycle time is often felt on cost, such as when viable circuit boards or other parts are unnecessarily replaced when they can be repaired. It can also affect reputation and jeopardize future business if slow repairs or returns upset customers.

In the electronics industry, OEMs and even some repair depots often take weeks or even months to process a defective product. For the OEM, repair often is not part of its core competence, and it may not have the required technical staff or facilities to efficiently provide repair services.

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Increasingly, OEMs and companies relying on suppliers are finding they can save weeks of cycle time and dramatically cut the component repair scrap rate, sometimes by half, by outsourcing to a professional, domestic repair depot that specializes in expediting repairs, returns, and upgrades.

Such a repair depot can streamline the entire repair or upgrade process. This is done via services ranging from component level repair, product modification, and hardware or software upgrades to product testing, kitting, and even direct shipping to the end customer.

For example, Advanced Technical Services (ATS), an ISO 9001:2008 registered company and leading provider of reverse logistics, repair, and related support services, is helping OEMs and companies relying on suppliers to significantly cut their repair cycles and repair costs. The third-party repair firm, based in Carol Stream, IL, which developed its quick delivery capability from decades of working with the automotive industry, can often reduce repair cycle time by weeks or even months when compared to other providers.

To enhance customer system reliability, Eltek, a world leader in high-efficiency power electronics and energy conversion, aimed to expedite return repairs of a rectifier product, an AC to DC power conversion device, for customers in North America without further adding staff or expanding facilities. When the company reached its capacity to repair the rectifier product in a timely way with its existing staff and facilities, it turned to ATS.

After the initial project succeeded, Eltek challenged the third-party repair firm to reduce the repair cycle times and component scrap rate of another third-party repair firm Eltek was using that was not meeting expectations, according to Jeff Carlson, Eltek Director of Service Support, North America.

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“Compared to

another third-party repair firm we were using at the time, ATS was able to reduce repair cycle time from 45 days to 10 days," says Carlson. "It was also able to reduce the component scrap rate from 60 to 10 percent, which reduced our cost under warranty and our customer's cost out-of-warranty. Their skilled work down to the component level, instead of merely swapping components, and their willingness to work with us helped to make this possible."

"They have earned more business from us as they've proven themselves capable," says Carlson. "They have, over the last ten years, become a trusted partner for repairs in the Eltek North American market, handling approximately 45 percent of our total returns. ATS handles many legacy product models for us and helps ensure we achieve our servicing targets."

According to Carlson, as the third-party repair firm has taken on more responsibility for repairs, they have stocked more Eltek product at their facility to expedite the process.

"To support our customers, they'll often do advanced product exchanges with our customers from our consignment inventory," says Carlson. "Upon our request, they will receive, repair, and warehouse the returned product. They track modules by part and serial number and transmit repair data to us, so we can track reliability and improve quality. They'll test the product under environmental loads experienced in the field. Then they'll repackage the product and it ships directly to our customer."

The third-party repair firm is very responsive, and repaired product is rarely returned, which speaks to the quality of repair, according to Carlson.

"They've come through for us and have become a valued partner in ensuring the quality of our customers' experience," says Carlson. "We usually get responses from them within an hour. Recently, when I asked them to complete a job by next week, they finished the job in two days," says Carlson. "That's the kind of response you want from a partner who supports your end customers."

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