



LENOVO CASE STUDY

SOLUTION OVERVIEW

Country:- Singapore

Industry:- Supply Chain Management

CUSTOMER PROFILE

ModusLink Global Solutions, Inc. (ModusLink) is a leading, global provider of end-to-end multichannel supply chain management solutions. The publicly traded company has more than 25 years of supply chain experience, with more than 25 facilities in 14 countries across the Americas, Europe and Asia.

BUSINESS SITUATION

As part of its technology refresh, ModusLink wanted to upgrade its corporate standard notebooks to leverage the latest technologies available to power its business. A reliable and robust IT platform is key to empowering its customer responsiveness and competitiveness.

SOLUTION

ModusLink deployed both the ThinkPad T400 and ThinkPad X200. There are plans to also migrate its desktops to take advantage of the mobility and wireless benefits offered by ThinkPad notebooks.

BENEFITS

- Extend wireless coverage with significant communication cost savings
- Green features enable more energy savings
- Robustness, reliability and seamless support for legacy applications empower 24x7 operations
- Enhanced security for executive staff and mobile workers.

SUPPLY CHAIN LEADER LOOKS BEYOND THE TANGIBLES AND LOWERS TOTAL COST OF OWNERSHIP

Leading Global Supply Chain Provider Empowers 24x7 Operations with Robust, Reliable and Energy-Saving Notebooks

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Mr Chow Teng Mun

Information Technology Director for Asia Pacific
ModusLink



Mr Chow Teng Mun, Information Technology Director for Asia Pacific, ModusLink

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Director for Asia Pacific
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Corporate Introduction

A leading provider of end-to-end global supply chain management solutions, ModusLink Global Solutions, Inc. (ModusLink) is the mainstay for technology players in the computing, software, consumer electronics, storage and communications industries. With more than 25 years of experience and an extensive global footprint of 25 facilities in 14 countries, ModusLink's supply chain expertise ranges from sourcing and supply base management, manufacturing and optimized configuration, multichannel fulfillment and logistics to customer support, e-Business and aftermarket support services.

Its Asian operations, with headquarters in Singapore, contribute approximately 30 percent of its worldwide revenue. Forty percent of its 4,000 employees are based in Asia, across Australia, China, Japan, Malaysia and Taiwan.

Situation

As a supply chain solution provider for the world's leading technology brands, ModusLink places a key focus on refreshing its IT platform every two to three years. By empowering its operations with the latest technologies, ModusLink can maximize its operational efficiencies to meet customers' stringent demands for fast turnaround time.

Citing Lenovo, one of its customers, Mr Chow Teng Mun, Information Technology Director for Asia Pacific, ModusLink said, "In our ShenZhen operations, where we are located just beside Lenovo, our response time is 4 hours!"

Indeed, such stringent demands propel ModusLink to establish a highly reliable and robust IT platform. "At ModusLink, our ability to deliver within the shortest turnaround time is a key competitive advantage. Besides leveraging the latest technologies available, our IT platform must be reliable and robust enough to support our massive supply chain operations and production facilities," explained Chow.

Another key criterion is the availability of excellent service and support to complement ModusLink's IT department, which is largely centralized in Singapore.

Solution

A long-time Lenovo customer, ModusLink standardized its desktops and notebooks on Lenovo six years ago. In its Singapore Solution Centers, which house 500 staff at its Ubi and Chai Chee operations, 40 percent of employees use Lenovo ThinkPad notebooks, while the rest use Lenovo ThinkCentre desktops.

As part of its recent technology refresh exercise in May 2009, ModusLink tested two units of the latest ThinkPad T400. Sent to its operational centers across four locations in China and Malaysia, the T400 was subjected to heat and dust in extreme environments to test its performance.

"We are very impressed with the ThinkPad T400, which has won our confidence with embedded latest technologies such as BatteryStretch, superior wireless connectivity and performance, low heat dissipation, energy-saving green features and seamless support for our legacy applications," said Chow.

To date, ModusLink has purchased 50 units of the ThinkPad T400, with plans to acquire more for its Asian offices in the following year. Its mobile workers will be using the new ThinkPad X200.

Benefits

Extensive Wireless Coverage Enables Significant Communication Cost Savings

The new T400 is used to support supply chain operations in ModusLink's six solution centers in China, Japan and Malaysia. Each of these 24x7 operations houses multimillions of dollars in client inventory, with configuration and production lines executing final assembly and packaging.

"Instead of using desktops that are chained to mobile trolleys, our staff can now use the highly portable T400 as they scan and

Think

pick the goods. The inventory data is then input directly into our server via the wireless network. This convenience increases their productivity and mobility within the warehouse," said Chow.

In addition, ModusLink now enjoys extended wireless coverage and significant cost savings with the T400's innovative connectivity solutions. Chow explained, "The biggest benefit we have seen with the T400, is the innovative design of its wireless antenna, which is embedded into its frame. This gives us excellent wireless performance as it covers the blind spots previously unreachable."

He added, "The elimination of the wireless blind spots translates to significant cost savings for us. We no longer need to tweak our wireless antennas, add new wireless antennas or install wireless routers to cover the blind spots. Our workers are now more productive, completing their picking processes in less time. All these help to lower our total cost of ownership."

Green Features Enable More Energy Savings

Besides communication costs, ModusLink enjoy further savings with the energy efficiencies offered by the T400.

The T400's newly engineered fan technology balances temperatures across the system, making it 25 percent cooler and quieter than previous T-series models. This is significant to ModusLink, whose factory floors often register temperatures of 30°C or more during the summer months. "We are impressed with the lower heat dissipation by the T400, which ran flawlessly on our humid and hot factory floors during the evaluation. This enhances our confidence in its ability to support our 24x7 operations," said Chow.

The EPEAT Gold qualified (LED backlight display system) and ENERGY STAR® 4.0-rated notebook offers more energy savings with Lenovo's latest BatteryStretch innovation, which lasts beyond 3 hours on a 6-cell Li-ion battery. Other integrated green features such as the LED backlight mercury-free displays, dual-core processors and solid state drives (SSD) all contribute to lower ModusLink's overall total cost of ownership.

"The green features that come with the T400 helped to tip the scale during our evaluation, as it is aligned with our corporate commitment towards sustainability. By leveraging these green features, it supports our efforts to reduce the environmental impact of supply chain processes at the lowest total cost to our customers," explained Chow.

Ronnie Lee, Country General Manager, Lenovo (Singapore) Pte Ltd, said, "Helping to save the environment and lower energy costs are standard benefits of Lenovo computers. They also address the mobility, connectivity and security concerns that our customers increasingly face. We are very glad Mr Chow Teng Mun, Information Technology Director for Asia Pacific, trusts Lenovo to take care of its mission critical IT, while ModusLink takes care of business in the supply chain world."

Robustness, Reliability and Seamless Support for Legacy Applications Empower 24x7 Operations

In order to minimize time lost due to technical difficulties, robustness and reliability are key criteria on ModusLink's checklist.

"In our 24x7 production environment, we simply cannot afford any form of downtime that will jeopardize our downstream operations and customer response time. The durability of the T400, with its robust

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ModusLink Warehouse Staff Demonstrates the Mobility Enabled by Using the Lenovo ThinkPad.

ABOUT LENOVO

Lenovo (HKSE: 992) (ADR:LNVGY) is dedicated to building exceptionally engineered personal computers. Lenovo's business model is built on innovation, operational efficiency and customer satisfaction as well as a focus on investment in emerging markets. Formed by Lenovo Group's acquisition of the former IBM Personal Computing Division, the company develops, manufactures and markets reliable, high-quality, secure and easy-to-use technology products and services worldwide. Lenovo has major research centers in Yamato, Japan; Beijing, Shanghai and Shenzhen, China; and Raleigh, North Carolina.

For more information see www.lenovo.com.

FOR MORE INFORMATION

For more information on Lenovo, visit www.lenovo.com or call us at:

Singapore: 800 6011 389
(ext: 9006, 9007, 9029)

Malaysia: 1 800 880 247
(ext: 9005, 9010, 9039)

Indonesia: 1803 60 6292
(ext. 9013, 9106, 9115)
62-21-300210000

Thailand: Toll Free 1 800 060 129
or (02-6896484)
(ext: 9002, 9016, 9018, 9020)

Philippines: 1800 1601 0035
(ext. 9014, 9015)

Vietnam: 84 83 8243504 ext 111

Top Cover Roll Cage, hard drive magnesium roll cage, airbag-like Active Protection System and shock-mounted hard drive, earned our vote of confidence," said Chow.

Lee added, "It takes a special breed of computers to be able to support the wide ranging physical environments of ModusLink's operations. Lenovo ThinkPads and ThinkCentres work hard day and night to keep ModusLink's IT operations running smoothly and efficiently."

The T400 also scored with its seamless support for ModusLink's legacy applications. "With minimal tweaking, the T400 started running our legacy applications flawlessly. This assures us that we can easily assimilate the new notebooks into our enterprise network with no hassle, giving us more time to focus on the business," said Chow.

Enhanced Security for Executive Staff and Mobile Workers

Besides supporting its 24x7 operations, ModusLink also uses Lenovo's notebooks to keep its executive staff and mobile workers productive and connected while on the road. According to Chow, more than 30 percent of its Asia-based workforce travel frequently on the job. Besides mobility and connectivity capabilities, they also require powerful

security features on their notebooks to safe keep the confidentiality of their business and client data.

"Just like previous ThinkPad models, the integrated fingerprint reader available with the T400 and X200 enables biometric authentication with the swipe of a finger. Besides ensuring vital confidentiality of our business and client data, it also helps us meet Sarbanes-Oxley regulations during our auditing exercises," explained Chow.

Looking Ahead

Pleased with the choice of Lenovo as ModusLink's strategic technology partner, Chow highlighted Lenovo's three winning factors. "As the key decision maker, it is critical for me to look beyond the tangible features and focus on the non-tangible benefits offered. Lenovo shines with its excellent support and services, impressive turnaround time and innovative technology leadership."

His advice for companies looking for a new IT platform? "Always look for a technology partner that delivers not just on concrete product features, but value-add with excellent services and support that count in the long run," concluded Chow.



ModusLink Empowers Warehouse Operations with Lenovo Desktops.