



CLIENT EXPERIENCE

Electro-Motive Diesel (EMD) entrusts its ERP and Engineering Support Functions to TCS

Customer

Electro-Motive Diesel

Industry

Manufacturing

Offering

IT Services

Electro-Motive Diesel (EMD) is the world's second largest builder of railroad diesel-electric locomotives. EMD relies upon TCS to support its ERP applications and engineering and infrastructure support services and related IT processes. This eliminates challenges in managing a diverse IT landscape spread across multiple geographies, technologies and businesses, reduces the high software ownership and maintenance costs, and most importantly, helps EMD focus more strongly on its core competence.

EMD has had a longstanding and fruitful association with TCS. In this relationship, TCS has progressed from being a services vendor and supplier, to a strategic business partner. The EMD TCS relationship today is characterised by transparency and trust and TCS is a strategic affiliate of EMD, supplying business-critical solutions and support in SAP, engineering and general IT.



TATA CONSULTANCY SERVICES

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IT Services
Business Solutions
Outsourcing

EMD is the world's second largest builder of diesel-electric locomotives for all commercial railroad applications: intercity passenger, commuter, freight, switching, industrial and mining. It is also a global provider of diesel power engines for marine propulsion, offshore and land-based oil well drilling, and is the only diesel engine manufacturer of its size to have produced more than 70,000 engines. The company is headquartered in LaGrange, near Chicago, USA, and supplies its products to global customers in over 100 countries around the world.

Business Situation

EMD designs, builds, sells, and services diesel-electric locomotives for commercial railroad use and has the largest installed base of diesel-electric locomotives in the world. To maintain its competitive edge, EMD has made substantial investments into updating its technology in information systems as well as engineering and manufacturing.

EMD had implemented the SAP ERP system. While it recognised the benefits of an enterprise-wide integration of business processes and IT, it also identified challenges to plan and coordinate transition to ERP, and subsequently support the system as well.

EMD understood that post the SAP implementation, it would need specialists for supporting the ERP system and carrying out customary enhancements relevant to its business. Equally EMD also wanted to optimally utilise its resources and retain strategic focus on its primary business functions.

To ensure consistent service levels, EMD needed a partner with deep ERP knowledge and hands-on expertise in implementing and supporting SAP systems. Soundly equipped with rich experience in similar large-scale ERP systems and SAP engagements, TCS was selected by EMD for managing the lifecycle of its ERP environment. TCS was effectively placed to support EMD's SAP environment and also offered a vast pool of SAP consultants who could be leveraged at multiple locations, thereby providing EMD with high flexibility during project ramp-up. TCS' global reach and powerful alliance with SAP uniquely positioned it as a key partner of choice – a partner who could deliver with certainty.

TCS Solution

The decade-old partnership between EMD and TCS has thrived over the years - TCS has grown from being a resource augmentation vendor to a trusted partner. Today TCS is working across multiple geographies, technologies and businesses and has become an important partner supplying business critical services to EMD.

EMD now banks on TCS to manage its basic infrastructure and many business applications such as its ERP. TCS supports EMD's IT operations in strategic areas such as SAP Centre of Excellence (CoE) support, engineering support for CAD & FEA and general IT

infrastructure support. At present there are over 170 TCS associates supporting EMD's requirements in:

- SAP support and enhancements
- Supply chain and warranty optimisation
- Design and re-development of advanced locomotive management systems (FIRE, EM2000)
- Infrastructure management and improvements as well as infrastructure set up in new areas
- Engineering application rationalisation
- CAE support in drafting, modeling, analysis & simulation testing
- Warranty and Reliability Analytics
- Virtualisation of Server and Desktops
- QNX platform Migration – Embedded Systems
- BI design and Reporting

TCS' industry experience and knowledge base has contributed to continuous improvement initiatives in its engagements at EMD. For instance, TCS re-designed the Warranty Return-To-Vendor (RTV) processes and created a SAP Quality Notification workbench. TCS' team also automated the debit and credit to vendor account and integrated functions including Procurement, Quality, Warranty and Finance. This initiative has resulted in an estimated increase of 25% in supplier recovery along with reduced time to recover, as also substantial costs savings over the next 3 years, with savings commencing immediately.

EMD relies upon TCS for efficient and flexible support to engineering and SAP users globally. TCS has played an important role in stabilising the SAP environment, and as a result, the average tickets per month have substantially reduced. TCS continues to demonstrate flexibility and operational scale to accommodate the expanding yet fluctuating demands of EMD's business,

and has met its agreed SLA targets, occasionally exceeding the target as well. TCS' team utilises tools optimally, thus ensuring efficient use of resources. By leveraging its Global Network Delivery Model™ (GNDM™), TCS provides EMD with significant cost savings.

In recognition of the consistent performance and excellence delivered by the TCS team, EMD has presented TCS with the prestigious CIO's Award for Exceptional Services. This prestigious honour is in recognition of TCS SAP Support Services team's performance and achievement for the period October 2008 to September 2009.

Benefits

The partnership with TCS has provided EMD with the following benefits:

- A stable and well-supported SAP environment, bringing down the average tickets per month by over 30%, and improving further with time.
- Lower total cost of ownership of IT
- Lower costs due to the deployment of the onsite/offshore model
- Lower maintenance costs due to hardware optimisation
- Increased competitiveness due to excellent support and back-up from TCS

