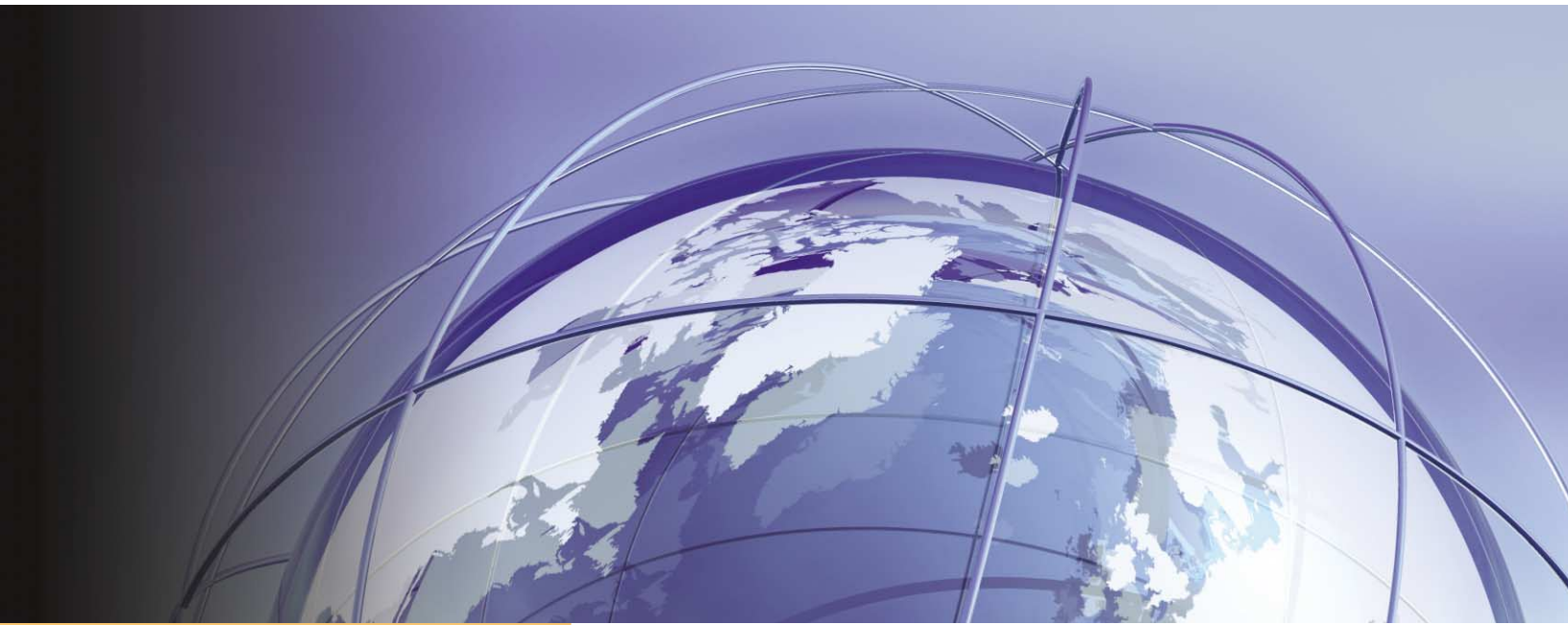


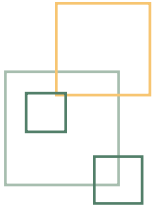
Service Advantage:

CISCO



“The SPO” planning system will greatly improve customer satisfaction for our critical customers. Working with MCA Solutions enables Cisco to set the standard for excellence in the service supply chain.”

*Dillard Myers, Director of Service Logistics,
Cisco Systems*



“One of the main objectives of our Cisco Global Products Services business strategy is to use advanced supply chain management tools as a source of competitive advantage.”

*Jim Reily, Director of Global Product Services,
Cisco Systems*



Cisco Delivers on its Customer Commitments

By focusing on customer satisfaction and technology innovation, Cisco Systems, Inc. has become the worldwide leader in networking for the Internet. Cisco's focus on systems and process excellence in their Global Products Services (GPS) organization has been a significant contributor to Cisco's success. GPS delivers remote and onsite services for Cisco products 24 hours a day, seven days a week, worldwide. In order to deliver these services effectively, GPS manages a complex supply chain with more than 600 Rapid Fulfillment Depots (RFDs), country, and regional depots. Cisco sells contracts with a wide variety of service levels to its customers, some of which are as aggressive as two hours from receipt to solution.

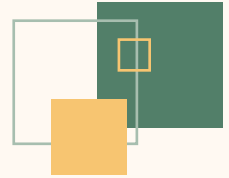


Higher-Order Demands Call for a Higher-Order Solution

Cisco employs a variety of Enterprise, Supply Chain, and CRM solutions, but had found no commercial application to meet their requirements for service parts forecasting and inventory positioning. To manage this process, GPS used a collection of homegrown solutions, which were simple sparing algorithms to set the majority of inventory target stocking levels. These algorithms were based purely on contract population (installed base) and set the stocking globally. Planning modifications could not be managed, and actual usage history and product failure rates were not considered. This led to low failure products being spared exactly the same way as higher failure products, and resulted in linear growth in service parts inventory at forward locations (RFDs) without much impact on service order fill rates.

As more customers demanded two to four hour response on service parts, the ever-escalating inventory costs became excessive, even at reduced material availability levels. To meet customer expectations and profit contribution goals, GPS had to better utilize historical usage and product installed base data along with advanced statistical modeling in order to increase material availability and customer satisfaction more efficiently.

SPO™ Lives Up to the Test. Cisco Selects MCA.



In early 2001, Cisco defined an initiative to transform its "Static Sparing" model to a "Dynamic Sparing" model, which would use both product penetration and actual customer usage to determine the optimal target stocking levels to satisfy their "Premium Service Contract" customers. Then the company surveyed the market for a world-class service supply chain solution.

After a rigorous RFP process, the GPS evaluation team selected two vendors to conduct a pilot assessment using Cisco data. MCA Solutions was

one of these vendors, and its product – Service Planning & Optimization (SPO) – delivered extraordinary results. Service levels during the pilot test increased to 98 percent or higher, while service inventory was reduced by 40 percent. These results, along with MCA's track record of innovation and thought leadership in the field of service supply chain optimization, made Cisco's decision to go with SPO an easy one.

"MCA Solutions' SPO was selected after a comprehensive review process because of its superior technology, optimization functionality, application flexibility, and ability to deal with our complex supply chain."

Dillard Myers, Director of Service Logistics, Cisco Systems



Dynamic Sparing Dynamically Implemented

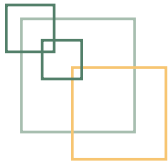
After SPO's performance in the pilot assessment, Cisco's GPS organization knew it had found the cornerstone for its "Dynamic Sparing" solution. The open architecture of SPO made it infinitely compatible with legacy applications, which meant Cisco's existing infrastructure could remain intact and functional without significant – and costly – changes. Confident in the capabilities of both SPO and MCA Solutions, GPS secured funding outside the regular budget cycle and formed a project team comprised of IT and Business individuals to drive design and implementation.

The "Dynamic Sparing" solution was designed to implement SPO and integrate it with existing service contract, planning and execution systems. While complex integration environments usually extend timelines and inflate budgets, the "Dynamic Sparing" project proceeded smoothly and quickly. The fully functional solution went live with 1,000 users in November 2001, just five months after the project was initiated.

"The ability to complete a worldwide implementation in 5 months with minimal disruption to the business is a result of a strong partnership between MCA and Cisco, and a credit to MCA's ability to respond quickly to our demanding integration and user requirements."

*Paul Burnett,
Global Product Services Supply Chain Project Manager,
Cisco Systems*

*Rao Padavala,
Global Product Services IT Project Manager,
Cisco Systems*



Cisco's implementation of MCA's solution qualifies it as one of the Top 10 services management solutions of 2002.

The Aberdeen Group

True Optimization Yields Optimal Results

Inside Cisco's "Dynamic Sparing" solution, SPO™ computes the optimal target stocking level recommendations for all Rapid Fulfillment Depots supporting customer service contracts. These inventory target-stocking levels are then supplied to Cisco's legacy order processing system to generate execution plans that include recommendations for material shipments between depots, repair orders and new buy orders.

The result: SPO from MCA Solutions has extended Cisco's service parts planning capabilities without making its infrastructure more complex. In one easy to use and navigate system, the GPS organization can now:

Position target inventory

- Optimize inventory target stocking levels based on actual usage history in addition to product penetration and mean time between failure rates.
- Provide the ability to make permanent or temporary user overrides to inventory stocking levels at a part/location.

- Set and manage final inventory stocking level including: part/product relationships, service part supersessions, service BOMs, and fixed minimum quantities, both additive and comparative.

Manage contracts and availability

- Allow users to set differing material availability targets by theater, major and country depots, field service depots, and/or parts.
- Provide the ability to model changes to material availability targets and their impact on investment.
- Provide the ability to model location reassignment of service contracts and its impact on investment.

Report and analyze

- Provide piece parts and cost by location, part, and customer service contract.
- Provide exception-based management and tools for user analysis and maintenance.

Cisco Profits from the Service Advantage

Now, finally, Cisco has the planning tools it needs to optimize its service supply chain for day-to-day results and long-term success. With Service Planning & Optimization from MCA Solutions, Cisco truly profits from the service advantage, which the company can measure in increased profitability and higher customer satisfaction.

MCA Solutions
1880 JFK Boulevard
Suite 1605
Philadelphia, PA 19103
Tel: 215.717.2180
Fax: 215.717.2189
www.mcasolutions.com



© 2003 MCA Solutions. All rights reserved. MCA Solutions, the MCA Solutions logo and Service Planning and Optimization (SPO) are trademarks of MCA Solutions. All other company or product names mentioned herein are trademarks or registered trademarks of their respective owners.

