

Speed Is Key for Sequel

FedEx Proximity Means a Fast Turnaround

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by [Jonathan Scott](#)

The perceptive folks heading up Sequel, Inc., in California, obviously know a good thing when they see it.

Since the May 1997 acquisition of the former Technology Service Solutions ([TSS](#)) in Memphis, a unit of [IBM](#), Sequel officials have recognized the benefit of having a computer repair center located just minutes from Federal Express Corp.. The close proximity to this overnight delivery service gives Sequel an additional 12 hours every day to repair a time-sensitive computer and get it back to the customer, says Jim Lowitzer, program manager for Sequel's Memphis repair center.

The Memphis center guarantees a two-business day turnaround, adds William C. Ritchie, operations manager of the local facility located at 3605 Knight Road near Perkins and Winchester.

"This means that if a unit arrives on Monday morning, it leaves Tuesday night," says Ritchie.

Although Sequel has bumped up employment at the former TSS company just a little bit, those it has added are more technically oriented or managers. The new operation has proved so successful, Sequel is moving another one of its repair centers from Santa Clara, Calif., to Memphis in about three weeks. By the fall, total employment is expected to jump from about 330 today to about 400, says Lowitzer.

Sequel first entered the Memphis market at the request of IBM, recalls Lowitzer. TSS began as a joint venture between IBM and Eastman Kodak, but IBM eventually bought out Eastman. TSS was established as a field service organization and operated the Memphis Notebook Repair Center at Sequel's current location.

TSS had operated the local notebook repair center here for IBM for three years, during which time all parties involved realized that for the depot center to "flourish," the Memphis operation needed to be "put under a different corporate construct," says Lowitzer, who was then general manager of TSS in Memphis.

"In the fall of 1996, IBM went looking for a buyer for TSS and Sequel emerged," he says. "What made Sequel attractive to IBM was that Sequel was already doing notebook repair for IBM elsewhere and IBM had a long-standing relationship with Sequel and Sequel

committed long-term to notebook repair in Memphis. Subsequently, Sequel became the warranty service provider for IBM notebooks."

Sequel, a privately held company headquartered in Santa Clara, is described as a leading provider of integrated computer services. The company has overseas operations in England, Malaysia and Japan in addition to its operations in California and Memphis. As part of the acquisition of TSS, Sequel agreed to continue to provide depot notebook repair and customer support services for IBM. Sequel also retained all TSS employees in Memphis.

Sequel has added management departments to the local operation such as human resources, purchasing and materials management, says Ritchie. It also added a five-person engineering team to find specific circuit board problems and develop a solution to those problems.

Among the benefits of having the computer notebook repair center in Memphis is that the so-called "repair window" is much wider here than other parts of the country because of the proximity of FedEx, says Lowitzer.

"For instance, at the Santa Clara facility, FedEx can deliver a shipment at, say 10:30 a.m. at the earliest and the units need to be picked up by 5 p.m. at the latest to get shipped out again by FedEx," he says. "Here, we get a FedEx shipment at 4 a.m. and the last pickup to ship out is 11:50 p.m.. All of a sudden, the difference between a business day at the repair center in Santa Clara and the repair center here is astoundingly different. We can effectively run, and do run, a two-shift operation here."

Due to the additional 12 hours made available to the Memphis center, Sequel's operation here has become the place to handle time-sensitive notebook repairs, adds Ritchie. This is a key competitive advantage when the notebook repairs being made are to units that contain a business' or individual's vital data.

The local center's ability to provide this quick turnaround for IBM convinced Sequel to move its notebook repair facility for Toshiba from Santa Clara to Memphis, says Lowitzer. Sequel has had a crew renovating another facility located about a block away from its current operations. It will house the Toshiba repair center and is set to open Aug. 3. It will lead to 60-70 new hires in the next few weeks.