

TECHNO RENT Protects Its Rental Business, with Large-scale Introduction of AMD Ryzen™ Mobile Processor-Equipped PCs

Quick response to the increased demand for mobile PCs in the wake of the pandemic with AMD-equipped machines



CLIENT



INDUSTRY

ICT Equipment Rental

CHALLENGE

Difficulty in securing sufficient PC inventory to keep their rental business stable due to the global shortage of semiconductors

SOLUTION

Introduced AMD-based Lenovo PCs, which were expected to be procured quickly and reliably

RESULTS

Achieved double-digit growth compared to last year by meeting customer demand for notebook PCs without running out of stock even when demand for notebook PCs increased due to the pandemic

AMD TECHNOLOGY AT A GLANCE

AMD Ryzen™ PRO 5000 Series Processors

TECHNOLOGY PARTNER



Considering the introduction of AMD-powered machines to address various supply shortages, including semiconductors

Techno Rent, a member of the Ricoh Leasing Group engaged in ICT and measuring equipment rental services, has been rapidly expanding its business and achieved double-digit growth every year for the past three years. The company has earned a high level of trust in the market for PCs, the mainstay of its ICT equipment rental services, by using its abundant inventory to promptly meet the diverse needs of its customers.

Through close partnerships with ICT vendors and telecommunications carriers, the company also offers a service in which software and SIM cards are pre-installed and kitted to meet customer needs. The company also has an excellent reputation for its after-sales service and is able to respond to customer needs in detail with the flexibility that only a rental company can offer.

Techno Rent's rental business requires inventory to be kept up to date to allow the company to respond promptly to customer needs at all times. To this end, the company constantly exchanges information with PC manufacturers to forecast future product supply and user demand and adjusts product procurement and inventory based on these forecasts.

The strength of such supply-demand forecasting was demonstrated in the response to the semiconductor supply shortage, which became more serious from 2019. Takayuki Koike, executive officer and general manager of the ICT sales division of the company, recalls the situation as follows:

"The demand for PCs for the Windows 10 transition in 2019 surged, and the supply of semiconductor CPUs could not keep up with demand. However, the general view in the market was that demand would settle down once the Windows 10 transition was over. On the other hand, we believed that the demand for

PCs would continue after that, so we needed to keep a certain number of PCs in stock," Koike says.

Techno Rent had a complete lineup of products from major PC manufacturers, including Lenovo. Techno Rent had the largest number of ThinkPad notebooks and other Lenovo products. The company highly valued the robust performance of Lenovo products and the wide range of LTE models compatible with SIMs. Therefore, Lenovo was the first company they consulted when dealing with supply shortages.

"At the time, models with Intel CPUs were hard to come by, but Lenovo offered us the idea of stabilizing supply by handling multiple CPU products. So, we immediately decided to verify whether AMD-based models could meet our customers' needs," says Koike.

Quick response to increased demand with AMD-equipped machines

Although AMD Ryzen™ processors were already widely known in the consumer market at that time, they were not yet well recognized in the corporate market. Therefore, Techno Rent conducted various client interviews and independent research to determine that AMD products were able to meet the needs of their corporate customers and provide significant cost advantages.

Another advantage was that Lenovo PCs were available as both "Intel-based" and "AMD-based" within the same lineup, allowing customers to easily compare and contrast products. Given these factors, the company decided to introduce Lenovo PCs powered by AMD Ryzen™ PRO processors into its inventory of rentals.

Around this same time, COVID-19 began to spread globally. In Japan, following the declaration of a state of emergency in April 2020, many companies shifted to a teleworking system, and demand for mobile PCs rose dramatically. Although this exacerbated the problem of Intel CPU supply shortages, Techno Rent had already placed an order for AMD-powered PCs

and was able to quickly meet the customer demand.

"At the time, the global PC supply situation was worsening, but thanks to Lenovo's flexibility in procuring products, such as by delivering in batches instead of in bulk, we were able to respond quickly to customer requests and make appropriate decisions," says Koike.

Since then, the company has continued to intermittently introduce Lenovo PC products with AMD Ryzen™ PRO processors, procuring tens of thousands of units as of September 2021. Until then, the company handled Intel-based units almost exclusively. In approximately one year, AMD-based units have come to account for about 10% of all Techno Rent PCs.

High Evaluation of AMD Cost Performance

When the company was considering the introduction of AMD-based machines as a rental product, its biggest concern was, "Will customers accept AMD-based machines?" This was a point of concern. However, according to Koike, this concern turned out to be largely unfounded.

"We have proposed AMD-equipped machines to a variety of companies since 2020, and we have rarely had anyone say, 'It's not good because it's AMD.' Also, many of our major customers conduct their own verification work using verification machines before full-scale implementation, and we have never had a customer say, 'We're not going to install it because we ran into problems during the verification process.'"

Many companies decide to adopt PCs powered by AMD Ryzen™ PRO processors after evaluating their high cost performance in comparison to Intel-equipped machines. In this case, Lenovo's unique advantage of having

"Even after the introduction, we have not problems with Intel-based machines. In fact, many staff has notice an increase in graphic performance with AMD devices."

Takayuki Koike, exutive officer and general manager of ICT sales division, Techno Rent Co.

an abundant lineup of AMD-based machines comes into play.

"One of our most popular products is the ThinkPad X13, which is available in both an Intel-based model and an AMD-based model. Since the specifications of both models are exactly the same except for the CPU, it is easy for customers to compare the two products. In addition, AMD is stepping up promotional activities to raise awareness of its products in the corporate market, and an increasing number of customers are adopting AMD products because of their high cost performance," says Koike.

Techno Rent intends to continue to actively promote the adoption of AMD-based machines in the future. In such an environment, limiting CPU supply to a single supplier may work against the company when negotiating prices and delivery times. In order to hedge against such risks, the company plans to increase the percentage of AMD-based PCs in its product lineup in the future.

Currently, the ratio of Intel- and AMD-based machines is 9:1, but in the future, we would like to increase the ratio of AMD products to 40%, thereby further increasing the benefits of purchasing from two companies. In addition, with various ICT products now adopting a subscription-based business model with monthly billing, we believe that the use of PCs will also increase in the future. Since a rental business like ours has a high affinity with the subscription model, we intend to work closely with Lenovo, AMD, and other manufacturers to establish a rental business model that better meets today's needs," says Koike.



Mr. Takayuki Koike
Executive Officer, General Manager, ICT Sales,
Techno Rent Co.



ThinkPad X13 Gen 2 (AMD)
AMD Ryzen™ PRO Series with enhanced security is available
Superior processing and graphics performance for smooth operation

About Techno Rent

Techno Rent is a rental company established in 1983 and became a member of the Ricoh Leasing Group in 2005. Ricoh Leasing's financing capabilities and Techno Rent's technical service capabilities enable us to offer inexpensive rental prices and reliable quality, and we utilize the group's network. Techno Rent is a nationwide network from Hokkaido to Okinawa. In addition to rental of IT equipment such as PCs, industrial measuring equipment, and optical and communication measuring equipment, we also provide services that meet customer needs, such as contract measurement and measurement consulting, to meet a wide variety of customer needs, including research and development in various fields. For more information, visit <https://www.techno.co.jp/>

About Lenovo

Lenovo is one of the world's leading personal technology companies, producing innovative PCs and mobile Internet devices. Currently ranked #286 on the Fortune 500 list, Lenovo is the world's largest PC vendor and the world's fourth largest smartphone manufacturer.

The company is also a manufacturer. A US\$47 billion personal technology company, Lenovo employs over 57,000 people in more than 60 countries (including joint ventures) and serves customers in over 160 countries. Lenovo has major research and manufacturing facilities around the world. For more information, visit lenovo.com.

About AMD

For more than 50 years AMD has driven innovation in high-performance computing, graphics and visualization technologies. Billions of people, leading Fortune 500 businesses and cutting-edge scientific research institutions around the world rely on AMD technology daily to improve how they live, work and play. AMD employees are focused on building leadership high-performance and adaptive products that push the boundaries of what is possible. For more information about how AMD is enabling today and inspiring tomorrow, visit the AMD (NASDAQ: AMD) [website](#), [blog](#), [LinkedIn](#) and [Twitter](#) pages.