Written by Luis Guimarães, General Manager, Americas, Shell Lubricants
Friday, 01 August 2008 00:00

Luis Guimarães, General Manager, Americas, Shell Lubricants

Sharp increases in demand and price for crude oil have resulted in higher costs of materials, energy and other maintenance, repair and operations supplies. Amidst these challenges lie opportunities, even in bear economies—tough times often force companies to think more critically about products and solutions.

A recent Kline & Company study of competitor ranking revealed that Shell retained its position as the global lubricants leader. We believe our global No. 1 position is based first and foremost on our full portfolio of top-quality products. Success, though, cannot rest solely on the shoulders of great products. This is especially true for lubricants.

The value of a lubricants company goes far beyond its products. Good lubricant suppliers work with their customers to perform a complete assessment of a plant's applications, processes and procedures in an effort to highlight areas where improvements can ultimately result in reduction of the overall cost of operation. At Shell, we combine our products with the capability to deliver first-class lubricants solutions to customers. As critical as R&D is for the creation of the lubricants, so, too, is the preparedness of our staff to be able to provide the best solutions to customers.

When choosing a lubricant, companies first must understand what demands and specific qualities are required for the application. With roughly 26,000 applications for lubricants in the United States, it is understandable why some companies face challenges when identifying the most efficient and cost-effective products for their applications. Most industrial customers operate under the misconception that lubes are commodity products. Consequently, when faced with hard times, companies often explore cheaper alternatives. Lubrication, however, is an area where companies should seek to optimize their investment instead of turning to lowerquality alternatives.

The qualities and performance characteristics of lubricants can vary greatly—even among those that all meet a minimum performance specification. The least expensive lubricant for a particular application does not necessarily mean it is the most cost-efficient lubricant. Equipment failures, replacement costs and the labor that is required to replace failed components may be secondary to the costs encountered by resulting production loss.

Only by evaluating the entire life cycle will customers recognize the value of using highquality lubricants such as synthetics. Benefits of using synthetic lubricants—which include temperature reduction, energy efficiency (in selected applications) and extended service life—can have a big impact on a plant's production output and total operating cost.

Though the upfront cost initially can be higher, investment in quality lubricants can help manage maintenance costs.

At Shell, we strongly believe that the role of a lubricants company is not to simply provide product, but to arm customers with the information to make informed decisions. By helping customers understand the total cost of ownership rather than pure lubricant cost, we empower organizations to choose the most cost-efficient solutions for their businesses. **MT**

This article is part of Maintenance Technology's 2008 Industry Outlook, the annual executive roundtable. Columns from each of the 14 thought leaders who participated can be found at the following link: http://www.mt-online.com/article/0808-industry-outlook

Maintenance Technology **is sent free to qualified subscribers each month. Visit www.subscribeMT.com to fill out an online application for your free one-year subscription today. By doing so, you will join more than 50,000 technical and business professionals who already receive Maintenance Technology magazine, your source for capacity assurance solutions.**

Joomla SEO powered by JoomSEF