

## Industry Outlook: Asset-Lifecycle Interoperability And A New Asset Management Paradigm

Written by Paul Gray, CEO, NRX Global  
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Paul Gray, CEO, NRX Global Two of the immediate challenges faced-by asset-intensive process and discrete manufacturers and public sector entities are realizing their full investment in asset management and improving interoperability across the entire asset lifecycle.

Owner operators are under increasing pressure to optimize business processes to improve plant performance by increasing reliability, availability, and operations and maintenance productivity. However, many asset owners have limited asset visibility and are experiencing user adoption issues with their enterprise systems. For existing assets and facilities, this has hindered an asset owner's ability to transition its organization from a reactive to proactive asset management paradigm and to collaborate effectively with external partners, such as EPCs and OEMs. The ability to perform these things better is critical, as spending on MRO parts and labor can be up to 40% of operating expenditures for asset intensive companies.

For new assets and facilities, the information needs of "design and build" stages are quite different from "operate and maintain" stages. Data exchange that bridges information gaps during the commissioning phase often falls short. According to the National Institute of Standards and Technology, the lack of interoperability in the capital facilities lifecycle costs U.S. organizations \$16 billion annually-*\$10 billion of which is borne by asset owners.*

This industry dynamic clearly is creating strong growth in the demand for Asset Management tools, as evidenced by the rapidly emerging (100%+ annual growth) multi-billion dollar market for Master Data Management (MDM) solutions. Our company is committed to meeting that demand. Already, companies such as Valero, Chevron, American Electric Power, Conectiv Energy, William Wrigley, Jr.Co. and Weyerhaeuser are leveraging our solutions to pursue operational excellence-*and they are paying off for them.*

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For example, following a fire in a major coal handling/barge unloader system control room at an American Electric Power plant, it typically would have taken three to four days to get back to normal-even with the most experienced people on the job. According to management, though, with the NRX master data management solution in place, personnel had all the information they needed to complete their purchase orders in just four hours, thus accelerating the supply chain process and greatly reducing system downtime.

NRX also is joining forces with asset lifecycle ecosystem partners such as SAP, IBM and EMC Documentum, EPC firms and industry standards consortiums such as FIATECH to tackle the interoperability challenge. Our shared goals are important to everyone. According to Sid Snitkin, vicepresident & GM, Enterprise Services, ARC Advisory Group, "To achieve asset lifecycle interoperability, the data in the Enterprise Asset Management system, content in the document repository and information in the engineering data warehouse need to be related and interoperable."

We believe that NRX is one of the few, if not the only solution provider specifically focusing on the challenge that Sid Snitkin references. Furthermore, we will continue striving to provide value by supporting the collection, transformation and dissemination of information across all Design, Operate and Maintain factors. An asset master data foundation is an essential input for process improvement and reliability initiatives where information integrity is a key. Providing these solutions will be how we best serve our customers into the future. **MT**