

Viewpoint: The Value Of Services During Tough Times

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Blake Moret, Vice President and General Manager Customer Support & Maintenance, Rockwell Automation Navigating waves of bad economic news is never easy, and no one is certain when the storm will let up. However, companies that view tough times as an opportunity to improve will eventually come out on top. Even with aggressive cost-cutting, there are many ways to optimize the performance of remaining workers and assets. Consider the following:

Parts: In a "cash is king" environment, deferring expenditures is always an option. When it comes to maintaining production equipment, allowing on-site spare parts to dwindle may be an outcome. However, before taking actions that further jeopardize the productivity of remaining assets, consider a vendor-managed parts repair and replenishment program. Such programs start with a detailed analysis of existing assets, and prescribe a formula for distributing stock of critical spares among manufacturer, distributor and user. This may actually free up cash. Consolidation of repair vendors can reduce transactional costs and relieve purchasing departments already stretched by prior cuts.

For example, when Pepsi Bottling Group became overwhelmed by the many sensors in its inventory, we set up a services agreement that included parts management. Today, Pepsi pays a fixed monthly cost for spare parts that are owned and managed by us—*yet stocked on-site at Pepsi facilities*. This lets Pepsi reduce up-front expenses, have immediate access to spares, reduce carrying costs and economically update its control technology. Also, parts don't go out of warranty before they're used.

Labor: Maintenance staffs everywhere are worn thin. With fewer hands to do the work, those who remain are often cast into new roles. Structured needs assessments provide the basis for customized training to build the skills workers need now. Access to sources of a contingent technical workforce can help bridge gaps when training is not enough. Finally, remote technical support offers a low-cost way to leverage the accumulated knowledge of equipment manufacturers.

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Remote Support: Remote support encompasses a range of services, from self-help access to knowledge databases, to live support via phone and chat, to continuous Web-enabled process monitoring from a command center. Users tailor their desired approach, based on factors like number of sites and hours of coverage and the required degree of familiarity with specific applications.

CENTRIA, a leading supplier of architectural wall and roofing systems, knows the value of remote services firsthand. It has a services package with round-the-clock access to a team of specialists who have intimate knowledge of the company's processes and control system components. Engineers at our command center continuously assess production status using proprietary software applications that compare real-time and historical process data to a predetermined optimal range. If a parameter deviates outside the range, we notify production personnel at CENTRIA—*often before they realize there is a problem*—and begin troubleshooting. We then collaborate with plant maintenance to execute corrections and restore normal operations.

Consulting: Manufacturers finding themselves in unfamiliar waters may need outside help to better define new challenges. Consulting services can prescribe steps to optimize availability, safety, performance and compliance of assets. Resulting recommendations will likely include a mix of the services previously described.

For the remainder of the recession and as the economy recovers, manufacturers will place strong emphasis on the value of collaborative partnerships. Suppliers should be able to help define the typical ROI from a comprehensive support program. They should take time up front to identify those KPIs with a proven impact on financial performance, then create a winning strategy for increasing operational efficiency without depleting scarce resources. **MT**

The opinions expressed in this Viewpoint section are those of the author, and don't necessarily reflect those of the staff and management of *Maintenance Technology* magazine.