



The Time Is Now for Asset Management

RAAMP services minimize downtime and maximize investments by providing MRO data you never have time to get.

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Given long hours and hectic schedules, people need some downtime to avoid burnout and return to work refreshed and more productive. But while downtime for people is often beneficial to business, downtime for machines can be financially disastrous. Companies can lose hundreds of thousands of dollars waiting for a part to be repaired or replaced while machines sit idle.

Maintenance staffs are constantly balancing their time and resources in an effort to streamline maintenance, repair and operations processes. To assist them, they can now look to the **Rockwell Automation Asset Management Program (RAAMP)**, one of the Global Manufacturing Solutions offerings.

RAAMP is a customized service program that provides expertise in inventory management and reliability—centered maintenance plans and procedures. It is designed to increase a company's machine availability and return on net assets, while reducing the time needed to repair equipment. In addition, it gives maintenance departments end-to-end visibility of their MRO inventory, which can eliminate unnecessary expenses.

Leveraging Rockwell Automation's knowledge of manufacturing and automation processes, a customized asset management plan is designed to maximize efficiencies and profitability. A Rockwell Automation Asset Management Professional (AMP) works onsite with a company's maintenance, purchasing and engineering staffs to best practice inventory levels, identify areas of improvement in the MRO process, and develop strategies for optimizing asset investments.

It's not uncommon for companies using RAAMP to realize cost savings within the first three to four months, and see a full return on their program investment within the first year. Total savings of \$500,000 to \$1 million or more are not uncommon and are reached through significant year over year MRO cost savings and continuous improvement of MRO practices.

By outsourcing the MRO asset management function with a program like RAAMP, companies benefit from the expertise of trained person-

In one instance, a manufacturer was able to reduce its overall inventory by one-third simply by consolidating it.

nel with a track record of creating MRO savings. The onsite Asset Management Professional serves as the central point of contact for MRO activities, so a company's maintenance, repair and operations staff can concentrate on optimizing operations and performing other proactive activities that boost productivity and enhance the bottom line.

More importantly, the AMP provides MRO staffs with valuable data about the company's assets that was previously unavailable or not thoroughly analyzed. That data is gathered on a continual basis through the primary components of



RAAMP: evaluation of the installed base, MRO inventory tracking, repair/exchange services and parts tracking.

Installed base evaluation

Industry studies show that close to 65 percent of MRO inventory can be classified as excess. Approximately 10 percent is insufficient in stock and the remaining 25 percent is considered to be maintained at appropriate stocking levels. Obviously, the elimination of up to 65 percent of a company's spare parts inventory removes a significant financial burden and frees up valuable working capital.

The first step of any MRO optimization program is to document the installed base—including mechanical, electrical and electronic equipment. Using this information, companies can calculate MRO needs and determine opportunities for improvement in spare parts inventory.

sary spare parts, either in the storeroom or stashed somewhere on the plant floor. In many plants, parts are automatically sent for repair and then returned to inventory, regardless of the number of spares already available. The purchasing, insuring and storing of these spare parts can cost hundreds of thousands of dollars each year.

In many organizations, supply chain management systems are set to maintain specified levels of parts based on predetermined parameters. Unfortunately, these systems typically take into account only what is currently “on the shelves” and don't factor in parts “in transit” that have been sent out for repair. Often, a new spare part is ordered while the old part is sent out for repair. As this occurrence is repeated over time, excess parts multiply.

With RAAMP, advanced proprietary software is used to develop a statistically based calculation of the optimum amount of inventory a company should carry. Using this calculation, a

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MRO managers need a complete understanding of which machines, as well as which components within those machines, are critical for maintaining asset availability. Considerations are given to the environmental conditions and maintenance histories of equipment to produce a mean-time-between-failure (MTBF) report that predicts how long each component should last given its performance history and current working conditions.

Based on the MTBF report, the Installed Base Evaluation provides recommendations for inventory levels to ensure that all critical parts are available when needed and excess items are minimized. Often, maintenance departments are unaware of the amount of redundant or obsolete spare parts inventory they are carrying.

Inventory tracking

Companies can build up stockpiles of unneces-

plan is developed to systematically retire redundant spare parts, track warranties and repair activities, and verify the accuracy of spare part inventories.

While the system doesn't immediately eliminate stash inventories, it does establish a process that makes parts inventory more visible and available throughout the plant. Inventory is consolidated in a central location, and employees check to see if the part is available there before ordering a new part. The system's reliability and visibility ultimately builds employee confidence in the logistics process, reducing the need for stash inventory. In one instance, a manufacturer was able to reduce its overall inventory by centralizing its MRO stores and by sharing inventories between plants.

Single source of repairs

When equipment failure occurs, companies need

rapid and reliable repairs. To meet this need, RAAMP offers a remanufacturing and exchange service for Allen-Bradley products, as well as a repair service for other vendors' components. This gives companies a single point of contact and accountability for all repairs, helping to ensure they are completed properly and quickly.

When remanufacturing an Allen-Bradley product, Rockwell Automation uses parametric testing to ensure a part is brought up to the original manufactured standards in addition to the part being updated to include the latest revision enhancements. As an added benefit, the failure data that is gathered during the remanufacturing process is used to improve future part design and extend product lifecycles.

Critical Allen-Bradley parts can be replaced quickly using an advanced exchange service, which returns a working part to the plant within 24 hours. With 24-hour emergency service and 24 repair facilities around the world, RAAMP customers can greatly reduce downtime and boost productivity.


Asset tracking

The onsite Asset Management Professional can monitor a part's failure incidents from the time it is installed. Using this history, MRO departments can identify continually malfunctioning parts for replacement. If a supplier's equipment frequently fails, the company can inform the vendor of the problem or locate another supplier. This information also enables companies to establish an average lifecycle for certain parts and manage those that have a history of premature failure.

In addition, RAAMP keeps track of product warranties to ensure a company doesn't pay for repairs that should be covered by the manufacturer. Each part is identified by serial number and warranty information, and failure and repair dates are kept electronically so they can be accessed quickly. By implementing these practices, warranties for parts managed under the RAAMP program do not begin until the date of install versus the typical warranty coverage that begins once the part is received at the customer's site.

Re-engineering the maintenance process

Like any other aspect of business, when it comes to maintenance, time is money. RAAMP's MRO management service provides asset management specialists to review a company's maintenance processes and develop new ones based on the industry's best practices. Relying on Rockwell Automation's extensive experience, RAAMP experts can locate gaps within the repair process and implement appropriate corrective measures.

The key to success in today's competitive manufacturing environment is optimization of assets—both workforce and capital assets—to improve a company's performance. An expert-driven asset-management program can provide the data, best practices and procedures that busy MRO staffs need to optimize their assets. 

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