6 Tactics to Reduce Asset Costs

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Introduction

The cost of assets (measurement & test equipment, production equipment, etc.) are major expenses for manufacturing and quality organizations. In addition to the capital expense to purchase the asset, there are ongoing operating expenses for maintenance, calibration, repair, and more. The following pages include six tactics leading manufacturers are deploying to reduce their asset costs.

The cost of assets are major expenses for manufacturing and quality organizations.

1

Tactic 1: Preventive Maintenance

You know that proper maintenance of your equipment is essential for its performance and longevity. To ensure maintenance occurs on-time and to specification, it's essential to automate your entire maintenance process.

Advanced operations compliance and manufacturing software can automate and streamline all of your maintenance management processes including scheduling, notifications, procedures, electronic signatures, reporting, and more.

2

Tactic 2: Repair vs. Replacement

When your equipment fails, it's valuable to consider both repair and replacement options. Repairs can dramatically reduce overall lifecycle costs by extending an asset's life, eliminating the need for new procedures and training, and reducing capital equipment spending. Assets that are no longer supported by the original manufacturer can often still be repaired by a 3rd party vendor, often at a fraction of the cost of replacement. As an asset ages, the scale will eventually tip in favor of replacement vs. repair.

3

Tactic 3: Care, Shipping and Handling

The proper operation and lifespan of your assets, particularly mechanical measuring devices like calipers and micrometers, directly depends on the care and handling of the asset. If users drop assets or treat them roughly, they can become defective.

To encourage proper handling, it's important to train users the correct way to care for and utilize the asset. Some organizations even provide incentives such as awards or bonuses for workers to encourage correct asset handling.

Shipping your equipment and instruments to manufacturers or service providers for maintenance, repair, or calibration can also be hard on the equipment and reduce its accuracy, performance, and life span. It's important to work with service providers that can provide onsite service or are skilled in effectively transporting equipment and instruments between locations.

4

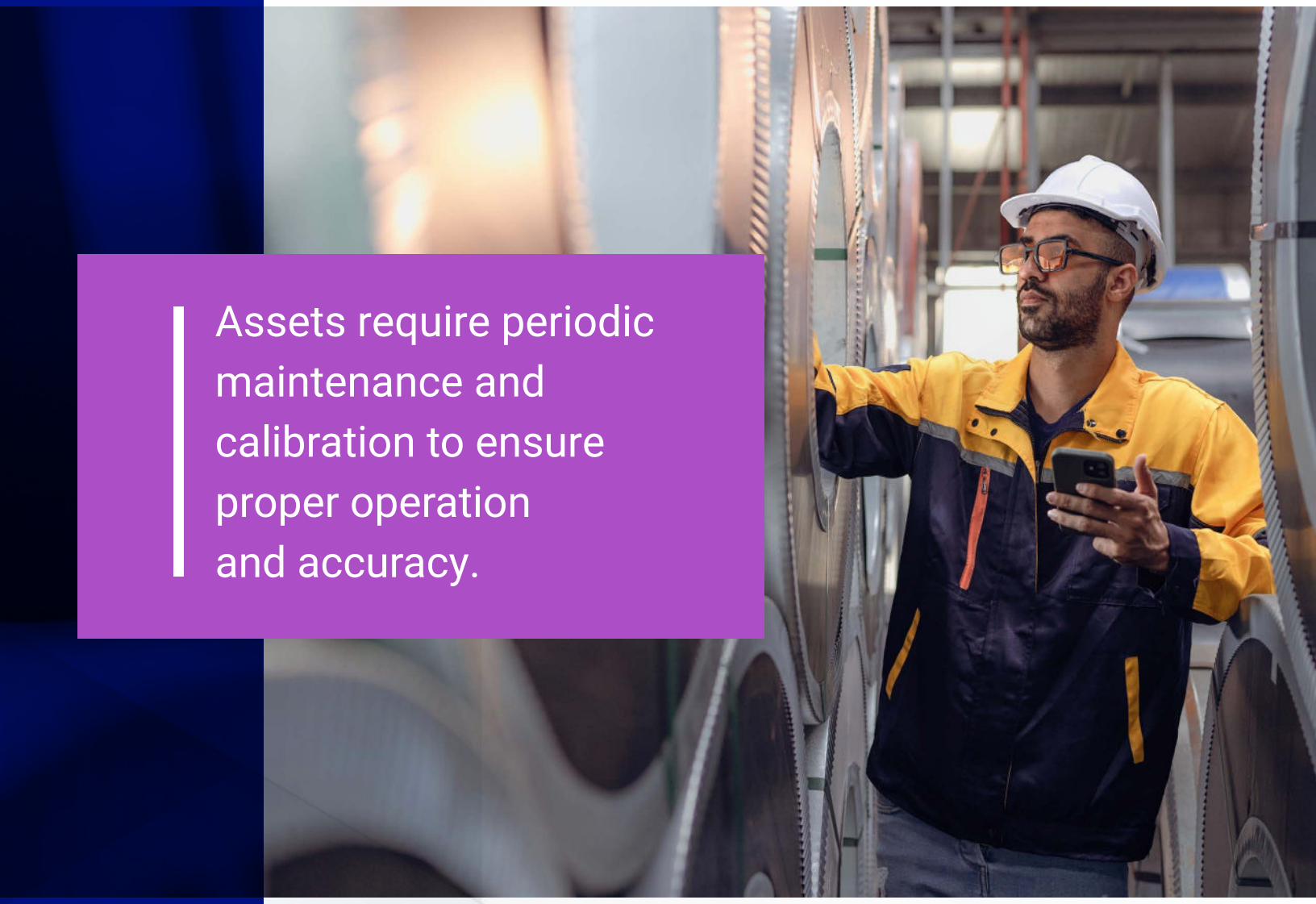
Tactic 4: Asset Visibility

To minimize the number of assets needed, it's important to have visibility across the organization, and into each asset's location, ownership, and utilization. This can help to identify and repurpose under-utilized assets. Some organizations go so far as to provide incentives to asset owners to share their under-utilized assets and get them off their books.

5

Tactic 5: Extending Intervals

Your assets require periodic maintenance and calibration to ensure proper operation and accuracy. These service costs can possibly be reduced by extending the time or interval between services. Proceed with caution when veering from manufacturer's recommended intervals. Maintenance interval changes should be based on an assessment of the impact on equipment performance and lifespan. Similarly, calibration interval changes should consider the resulting impact on out-of-tolerance frequency. Some companies have automated their calibration interval adjustments, dynamically shortening or lengthening intervals based on service history.



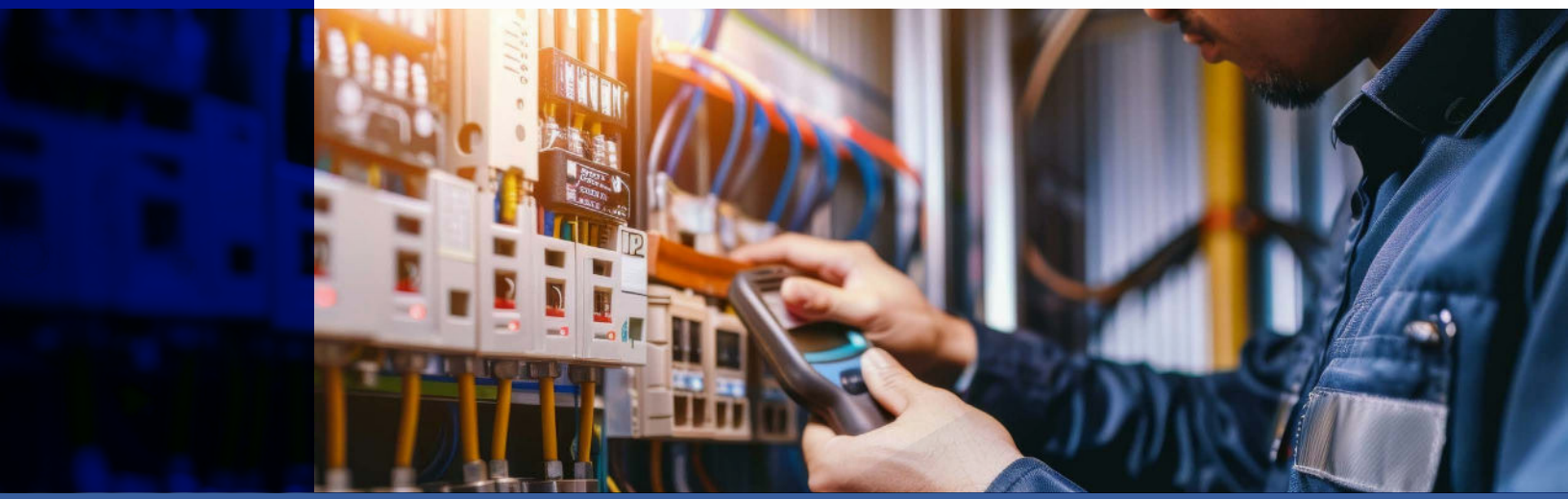
> Assets require periodic maintenance and calibration to ensure proper operation and accuracy.

6

Tactic 6: Comparing Model Service Histories

Another way to reduce the number of assets that need to be purchased over time is to purchase the best performing, longest lasting products. A good way to identify these superior products is to look at historical data for different models regarding their use levels, past repairs, frequency of going out of tolerance, and overall lifespan. Comprehensive calibration and maintenance software solutions, like SIMCO's CERDAAC, stores all historical asset data and easily identifies the highest and lowest performing assets in your facility.

Discover how SIMCO's calibration and preventive maintenance solutions can help you effectively reduce asset costs while maximizing operational efficiency. For more information, visit us at www.SIMCO.com.



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Founded in 1962 to service NASA and high technology firms in Silicon Valley, SIMCO is committed to delivering life-saving quality leaner, by providing the highest level of quality and customer service. more.

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