

CASE STUDY

MRO Asset Management Solution

Recipe Found: Fortune 200 Food Company Unwraps Efficiency, Saves Millions with ATS Repairable Parts Management

Customer Challenge

Good companies are continually on the hunt for ways to become more efficient. One Fortune 200 food manufacturer, a household name in the industry, knew it wasn't getting the most out of its manufacturing equipment parts program.

In some cases, repairable assets were failing prematurely—or even worse, failing off the shelf—creating costly downtime. The lack of tracking and reliability also led the company to overpay for new assemblies and cores, simply to ensure there were no quality issues.

Looking for a source to drive improvements at nearly 50 North American plants, the food processor asked WESCO Distribution, its electrical MRO partner, to recommend a Repairable Parts Management (RPM) vendor who could align with its mandate to reduce total cost of maintenance needs, but without sacrificing reliability.

ATS Solution

"After having had the opportunity to work with WESCO at other locations, along with their corporate maintenance team, we were pleased to be asked to assess this customer's needs," stated ATS Account Manager. "We were confident our RPM program could help it achieve many of its KPI targets."

Beginning with eight of the food processor's U.S. facilities, ATS initiated a detailed review of parts usage. "We had visibility into the customer's computerized maintenance management system. We also used our proprietary repair tracking system to analyze parts data," said ATS Account Manager. "This allowed us to identify cases where the manufacturer was running back to the OEM repeatedly for 'good' parts, to avoid what it thought were off-the-shelf failures."

ATS began tracking failures to the root cause and machine levels, then engaging with the maintenance team to find solutions. For example, it developed repair capabilities on motor/spindle units that resulted in hard cost savings of roughly \$20,000 per occurrence and reduced lead times by six weeks. Elsewhere it was able to fill an order for hard-to-find PLC parts with refurbished, saving \$51,000. It also provided functional testing on all repairs in order to eliminate off-the-shelf failures.

Bottom-Line Success

Through these and other practices, ATS gained the trust of the maintenance organizations at the eight pilot locations, leading to what is now a national program. In addition to extending Mean Time Between Failure (MTBF) performance and associated maintenance on critical parts, the program increased equipment effectiveness and reduced downtime.

AT A GLANCE

- Major multi-national food manufacturer
- Need for improved repair parts management program at multiple plants
- ATS implements data-driven RPM effort
- Program spans part rebuilds, re-engineering, environmental improvements
- Average yearly customer savings of \$2.1M
- Cumulative customer savings of \$9.6M over last six years

Most notably, the program has resulted in significant hard cost savings. "Our RPM program has produced a cumulative customer cost savings of \$9.6M over the last six years, averaging \$2.1M per year," reported ATS Account Manager.

Today, ATS is responsible for RPM at 38 of this food processor's U.S. facilities. "ATS' data-based approach to RPM has proven itself time and again," stated Global Account Manager of WESCO Distribution. "Its dedication to responding quickly, uncovering root causes, and finding innovative parts solutions is exceptional. The ATS Repairable Part Management and Asset Reliability Program is proving to be a viable solution for our key global accounts in the food processing industry."

"ATS' data-based approach to RPM has proven itself time and again. Its dedication to responding quickly, uncovering root causes, and finding innovative parts solutions is exceptional."

Global Account Manager, WESCO

To learn how ATS can impact your bottom line visit www.advancedtech.com

855.834.7604 | info@advancedtech.com