Matlock Electric Co., Inc.
Presents:
Equipment Management Alliances

Equipment Management Alliances

Matlock's Equipment Management Alliance concept is really quite simple: We take control of the customer's equipment and manage it for them. In many cases, customers (especially in large plants) really don't know what they have in terms of equipment – which means they need our help.

There are two initial steps to implementing our Equipment Management system.

Equipment Survey – We start by conducting a survey of the customer's equipment, which might include:

* Nameplate information: (For example)

MATLOCK
ELECTRIC MOTORS

HP	400	INS CL	DES B
RPM	1780	DE BRG	
FR	449T	ODE BRG	
VOLTS	460	RATING	CONT
AMPS	440	DATE CODE	
PH	3 HZ 60	NO. BALDOR SPEC #18G21W344	
CODE	G		
SF	1.15 AMB 40°C		
EFF	95.8		
ENC	TEFC TYPE 18180M		

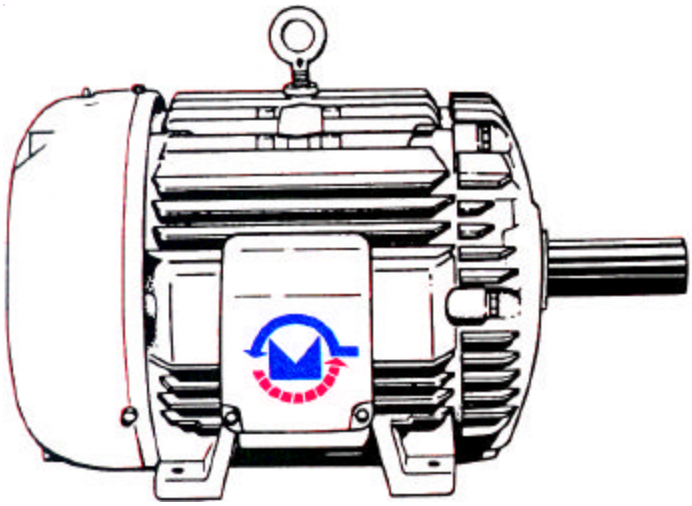
CINCINNATI, OHIO
1-800-334-9548

- Assembly equipment (such as tachometers, brakes, etc)
- Driven machine information
- Location of equipment in the plant.

For future identification, this information is attached to the equipment.

Inventory / History Analysis – After identifying the equipment, we start an inventory analysis by comparing the number of motors in service to the number of spares.

After such analysis, we often show customers how liquidation of excess inventories can generate savings (through attrition of unnecessary equipment) or additional revenues (through excess inventory sales).



Repair and warehousing are two main functions of Matlock's Equipment Management Alliance System.

Repair and Warehousing

Repair Services – We assist customers in reducing their vendor base by helping them write objective specifications on electrical apparatus repairs and new products.

We also provide assistance in establishing pricing guidelines by helping customers make certain they are comparing "apples to apples." Obviously, we offer Matlock as a complete source of repair services.

Warehousing – At this point we determine the best way to manage the customer's equipment. This might involve moving all of their excess equipment off-site or consolidating it into one location at their facility. Generally, removing the equipment is the best way to control it.

How The Customer Benefits

We present Matlock's Equipment Management Alliance system based on the numerous savings and benefits the customer will receive.

- We help customers reduce their carrying costs on inventory.
- Because we know what they have in service compared to stock, we can better utilize their inventories.
- By eliminating redundancy, we've proven that most companies can reduce their inventories by 20 to 50 percent.
- Most customers keep spare parts on the shelf for their equipment, but they don't do a good job of managing them. We help them virtually eliminate these costs.
- By warehousing their inventory, we allow customers to utilize their space better and expand production.
- We show customers how they can help reduce or better utilize their personnel.
- By tracking historical data for customers, we've been able to get to the root cause and eliminate many problems they thought were "normal." For instance, one of our customers had been replacing bearings on six 350 horsepower motors every six months. By tracking the history, we found that the motors had been misapplied from the beginning. We modified the motors for different bearings and shaft material, eliminating the problem and saving the customer in excess of $300,000 over the past three years.
- Standardizing equipment also saves customers money by identifying what is unique about OEM motors; we can frequently replace them with standard motors.
- We show customers that through better management, we can reduce the amount of repair dollars they spend in a year by as much as 70 percent.
- We also outline for customers how we can help them reduce their vendor base to reduce costs.
- In some cases, we employ a person to work at customers' location on a full-time basis. Our employee "lives and breathes" the customer's business, but he works directly for us.

By showing our customers and potential customers all of the benefits of Equipment Management, we build a better relationship.

The Challenges

While the rewards are tremendous, establishing an Equipment Management Alliance is definitely challenging.

Equipment Management Alliances generally require a major cultural change for both the service center and the customer. This change must be driven from the top of both organizations in order for the partnership to work.

Wrap-Up

To effectively implement Equipment Management Alliances obviously requires a proactive attitude and a willingness to take and share risks. This helps us establish mutual respect and cultivate a close interdependent relationship – both of which are critical ingredients to both our future successes.

MATLOCK

ELECTRIC COMPANY INC.

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FAX: (513) 731-9646
2780 Highland Avenue • Cincinnati, Ohio 45212

Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

Date: 3/10/2003
Username: IMW
Tag#: 6520
Attached to Tag#:
Replace:
MRO/Order#:
Customer PO#:
Route #: 0

☐ Sourced
Report Order: 0

Save Record

Duplicate Record

☑ Location ☑ Location Verified ☐ Stock Matlock
☑ Inventory Tag Issued ☑ Audit 2004 ☐ No Asset Number

Status: Spare ☐ Critical ☐ Data

Plant/Location Data

Customer: Budd
Plant: Shelbyville
Location: Basement
Area: Storage
Driven Mach: RR01-01
Sub Mach:
Attached:
Prev Location:

Apparatus Data

Apparatus Type: AC Motor
Elect. Tpye: Induction
Mounting: Rigid
Assembly: F1
HP/KW: 0.75
HP2:
RPM: 1200
Frame: 182
ENCL: TEFC
PH/Hz: 3/60
Volts: 230/460
Amps: 2.8/1.4
FLD Volts:
FLD Amps
SF/Duty: 1.15/CONT
Design: B
Ins. Class: B
Amb.: 0
Eff: 77
PF: 63

Identification Data

MFGR: Baldor
Serial:
ID
Model: M3601
Spec/Style
Type

Notes:

12/30/03: Location verified
Inventory tag attached

7/19/04: Location verified

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Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

Tag# 8702

Type

☐ Gearbox ☑ Brake ☐ Blower ☐ Tach ☐ Encoder

Attached# 6651 Other:

Equipment Data

Input HP:	
Input RPM:	
Output RPM:	
Ft/Lb	105
Torque:	
Ratio:	
Eq ENCL:	
Eq Volts:	230/460
Eq Phase/HZ:	
Eq Mounting:	

Indentification Data

Eq MFGR:	Stearns
Eq Model:	1-087-082-00-110
Eq S/N:	36420C001-1
Eq Catalog:	
Eq ID#:	
Eq Spec:	
Eq Type:	

Notes

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Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

Tag# 6994

ImagePath: K:\Customer Inventory Management\budd\images\6994.jpg

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Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

Tag#	7676	Cause of Failure	DE and ODE Bearing Failure
MRO#	50000	Repair Recom:	Replace Bearings
Out of Service Date:	12/4/2003	Repair Priority:	
In Service Date:	6/5/2004	Consequences of Failure	2 hours of downtime, used replacement motor from plant inventory

Repair Notes:

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Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

Tag# 7676 ☑ Sourced

Vendor: Baldor
Vendor#: 02-0090
Phone:
Fax:
Website: www.baldor.com
Address:
City:
State: Zip:

Contact: Gary Potts
Extension
Email: gpotts@baldor.com

Quote#: n/a
Cost: $533.00
Sell: $709.00
Lead Time: Stock
Part: M3710T
Notes:

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Inventory Management Database

Plant/Motor Data | Equipment | Image | History | Source | PAMS

- [x] PDMP Performed

Date Performed: 5/04

History Job #: 200956

PDMP Comments: Vibration report forwarded to customer 5/04

- [ ] Infrared
- [x] Vibration Analysis
- [ ] Surge Test
- [ ] Laser Align