

2780 Highland Avenue Cincinnati, OH 45212

MOTOR MANAGEMENT AND STORAGE PROGRAM

A program management team that provides:

- Inventory of all motors in the plant, both in and out of service.
- Determines what spares are needed, with help from plant personnel.
- Brings all spares to functional condition.
- Purchase spares for storage as needed.

IMPLEMENTATION (Phase 1)

PHYSICAL "IN PLANT" INVENTORY OF SPARE MOTORS

Matlock Electric, in collaboration with the customer, will conduct an analysis of all motors in operation and spares stored in plant. Motors will be tagged and the motor I.D. tag will be affixed to the motor.

CRITICAL LIST DETERMINATION:

The customer will establish a list with assistance from Matlock Electric. Each department will identify motors as critical, expedite or standard service. Some critical motors may be deemed to remain in the plant to avoid down time.

- Critical Motors will be delivered within 4 hours of dispatch
- Expedite Motors will be delivered with in 24 hours of dispatch
- Standard Motors requiring long lead time or small items

ANALYSIS INVENTORY:

Matlock Electric will conduct a survey based on data collected to determine adequate levels of inventory. This analysis is reviewed with the company's personnel.

REMOVAL OF EXCESS MOTORS:

Pick up of excess storage motors will be co-ordinated with Matlock Electric and the plant to allow for efficient transfer. All motors will be tagged, inventoried and stored at Matlock Electric. A full list of all motors transferred to Matlock Electric will be supplied to each department.

REPETITION OF EXISTING INVENTORY:

Matlock Electric will cross reference motors received at our location and identified as critical, expedite or standard (color coded tags, separate storage areas). Plant personnel will determine possible reduction of inventory by assessing duplicate motors. As well, we will analyze critical motors to determine if additional spares are required. All motors stored at Matlock Electric will be inspected and recorded. A list will be forwarded to plant recommending actions (possible repairs or disposal of units that are beyond economical repair).

COMPUTER REPORT:

The initial computer report will note the quantity of each type of motors (including beyond economical repairs). Your company will make a determination if these quantities are sufficient for their plant operation and disposal of motors not economically repairable.

IMPLEMENTATION (Phase 2)

The motors picked up from your company will be cleaned, tested and repaired if necessary. The initial computer report will note motors that are un-economical to repair. With this report, the quantity of each motor will be noted. Your company will make the decision if these quantities are sufficient for their plant operation, and disposal of motors not economically repairable.

Business phone, pagers and over night telephone numbers will be supplied when the program is initiated. All supervisors will have a copy of this contact list. In addition, select personnel from your company will have on-line access to the Motor Management Matrix which will allow them to view motor specifications, motor location and if spares are available.

Important information needed to maintain a 4 hour delivery time to the plant for critical motors:

- The name of the person calling from the plant and their pager number. The area of the plant and machine that the motor operates with.
- I.D. number of the motor or relevant motor specifications.
- Purchase Orders to cover the repairs of burned out motors (possibly a blanket).

The motor that is in need of repair will be returned to Matlock Electric when the spare is delivered to the plant. The burned out motor will then become the spare and returned to storage at Matlock Electric.

INFORMATION AND COMMUNICATIONS SYSTEMS:

- A 24 hour telephone line answered by live personnel.
- A reliable messaging system.
- All outside personnel are equipped with pagers and cellular telephones, including our delivery trucks, to ensure responsive service and meet our customer's needs.
- 24 hour team is available for your emergency needs, including management, technical, warehouse and delivery personnel.
- An on-line inventory system that is accessible by your personnel.

CONCLUSION:

- COST SAVINGS (MATERIAL AND PERSONNEL)
- RATIONALIZATION OF INVENTORY
- INCREASED MANUFACTURING SPACE
- MINIMIZATION OF PRODUCTION DOWNTIME