

Reducing the costs of downtime in the manufacturing industry

Downtime happens across all industries and can be very expensive. Downtime is defined as the period of time when something—such as a factory or a piece of machinery—is not in operation, especially as the result of a malfunction.

Downtime costs can be divided into **two** major categories:

Tangible costs

Includes lost capacity, lost production, direct labor, inventory product loss.



Intangible costs

Includes responsiveness, stress, and important aspects of business like innovation.

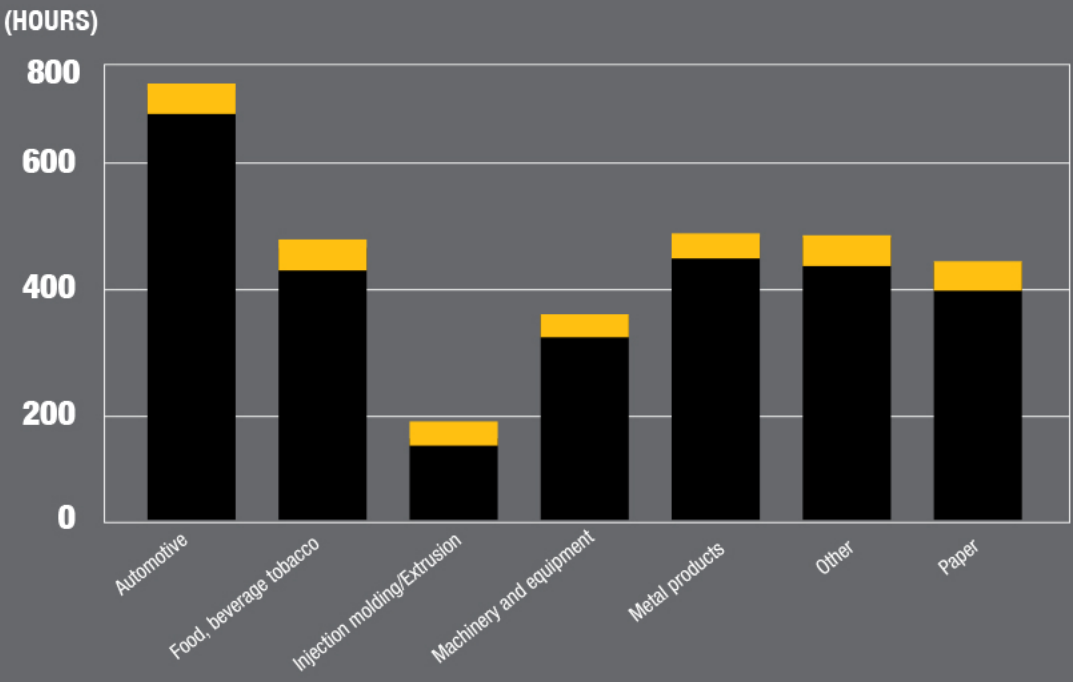


Downtime costs can have a huge impact on manufacturing companies. For example, in the auto industry, downtime can cost up to \$50,000 per minute. That's \$3 million per hour.

True downtime cost

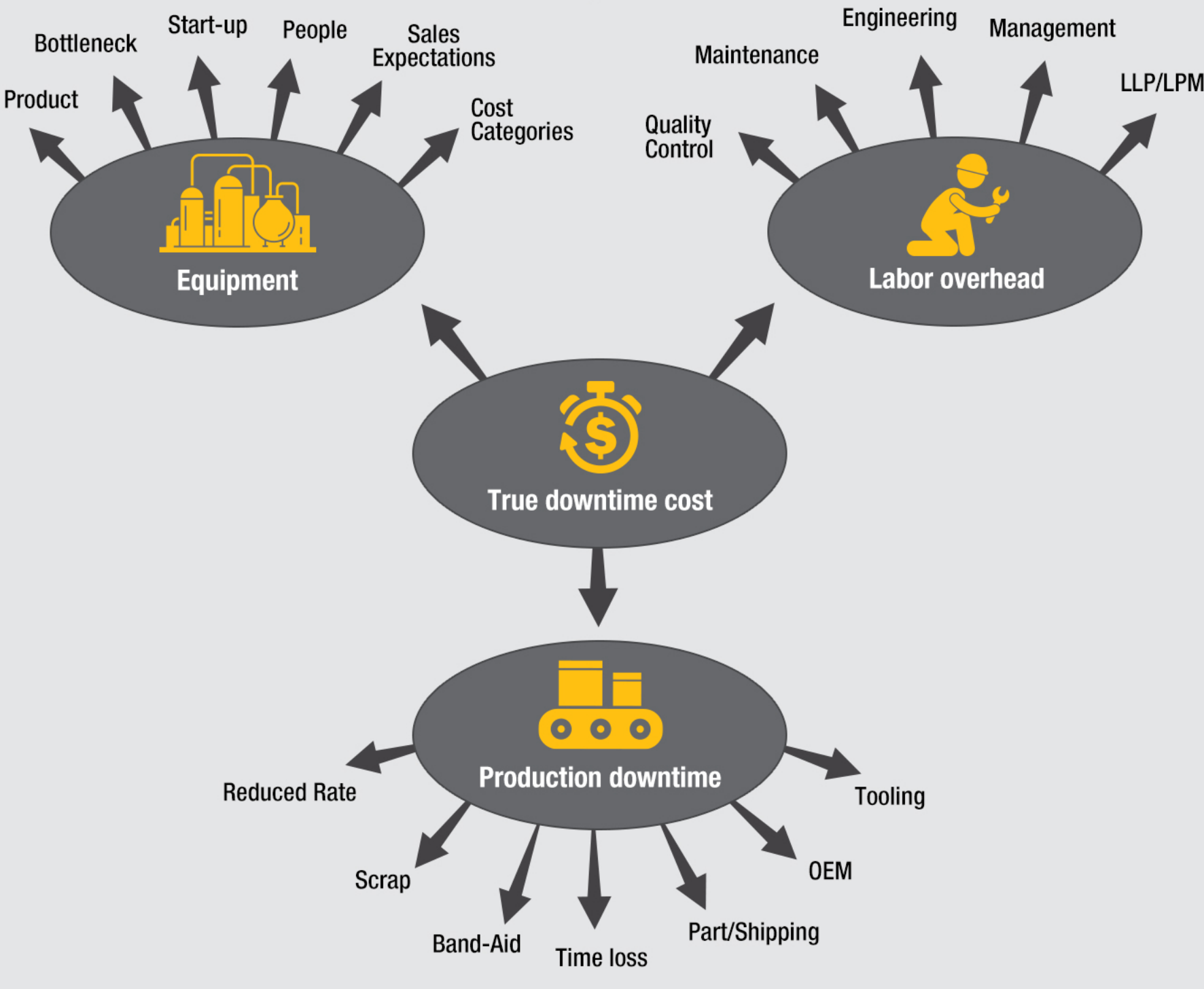
Almost every factory loses at least 5% of its productive capacity from downtime, and many lose up to 20%. The 20% that can estimate their downtime usually underestimate their true downtime cost by 200%-300%.

■ Average total annual downtime for industry
■ Average monthly downtime for industry



Factors affected by downtime

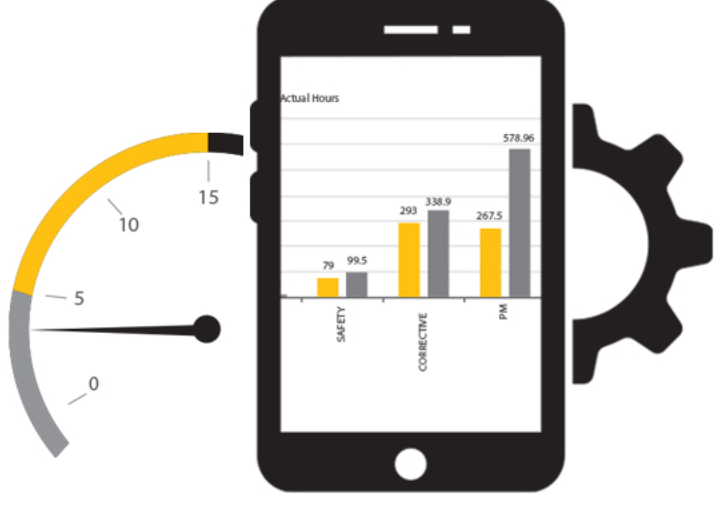
Downtime has a negative impact not just on production itself, but also on virtually every aspect of production, such as labor, overhead, and equipment.



The Solution: CMMS

Computerized Maintenance Management System.

A CMMS solution such as eMaint enables a company to implement preventive and predictive maintenance programs that reduce downtime.



A typical manufacturer case study

PROBLEM:

- Backlog of work orders four months overdue
- Focused on emergency repairs
- 20% equipment downtime
- Labor hours and parts uncategorized and difficult to track

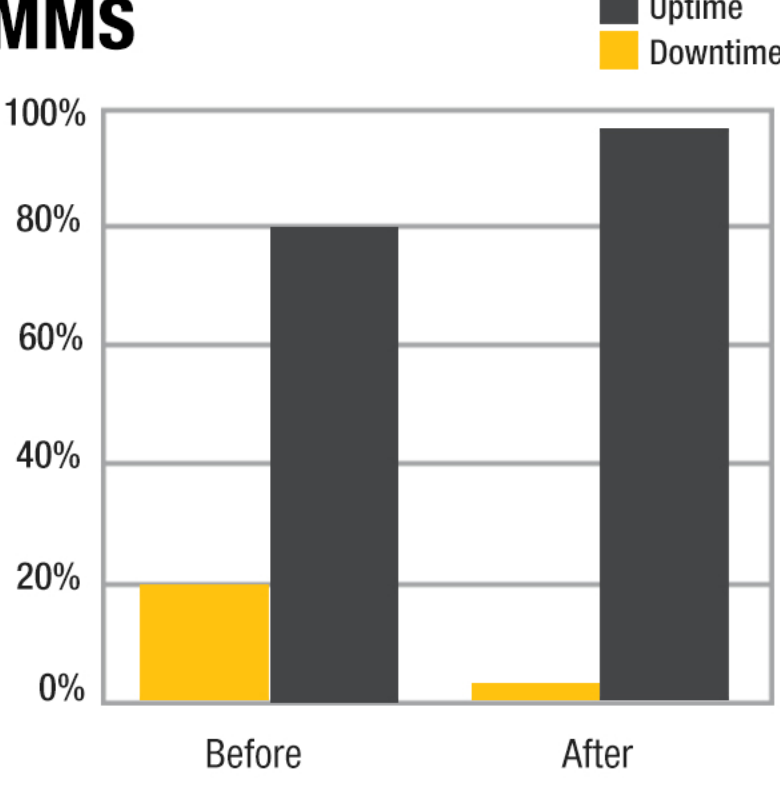
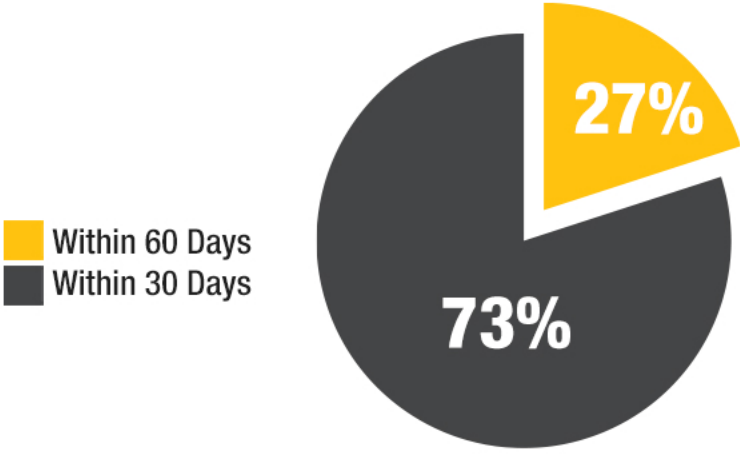


SOLUTION:

- A CMMS solution such as eMaint can help automate key metrics from engineering, production, inventory control, and maintenance to CMMS reports and KPI dashboards.
- Improve preventive maintenance by implementing dashboards.

Results after implementing the CMMS

- Reduced downtime and maximized uptime
- Management received up-to-the-minute data that helped increase uptime by 20%



Learn how eMaint CMMS empowers teams while delivering world-class service.
www.emaaint.com

Sources:

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