
DATASTREAM

Strategic Accounts

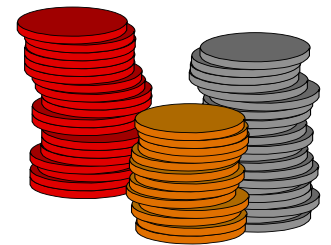
WORLD CLASS MAINTENANCE PROGRAM

UTILIZING *TPM* & *ISM* PRACTICES

TPM and ISM Both Yield Business Gains

- **TPM [Total Productive Maintenance] is a long-term strategy comprised of a set of Continuous Improvement [CI] activities:**
 - ✓ Prevent quality defects and breakdowns
 - ✓ Eliminate the need for equipment adjustments
 - ✓ Make work easier and safer
 - ✓ Improve Overall Equipment Effectiveness [OEE]

- **ISM [Integrated Supply Management] for MRO parts and equipment is a cohesive approach to Inventory Management and Strategic Sourcing:**
 - ✓ Reduce purchase costs
 - ✓ Reduce delivery costs
 - ✓ Rationalize central stores/crib requirements
 - ✓ Rationalize inventory stock levels
 - ✓ Rationalize parts/equipment identification and classification
 - ✓ Reduce Purchasing G&A overhead costs



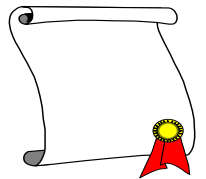
WORLD CLASS MAINTENANCE MISSION

- **Institute TPM Across Manufacturing Platform**

- ✓ Zero Unplanned Downtime
- ✓ Zero Product Defects
- ✓ Zero Speed Losses
- ✓ Minimum Life-Cycle Cost [TCO]
- ✓ Zero Employee Accidents
- ✓ World-Class OEE

- **Institute MRO Inventory Management Across Manufacturing Platform**

- ✓ Standardize Parts/Equipment [Identification, Naming, and Classification]
- ✓ Reduce Inventory Carrying Costs
- ✓ Reduce MRO Unit Prices
- ✓ Institute Uniform Supplier Assessments and Performance Metrics



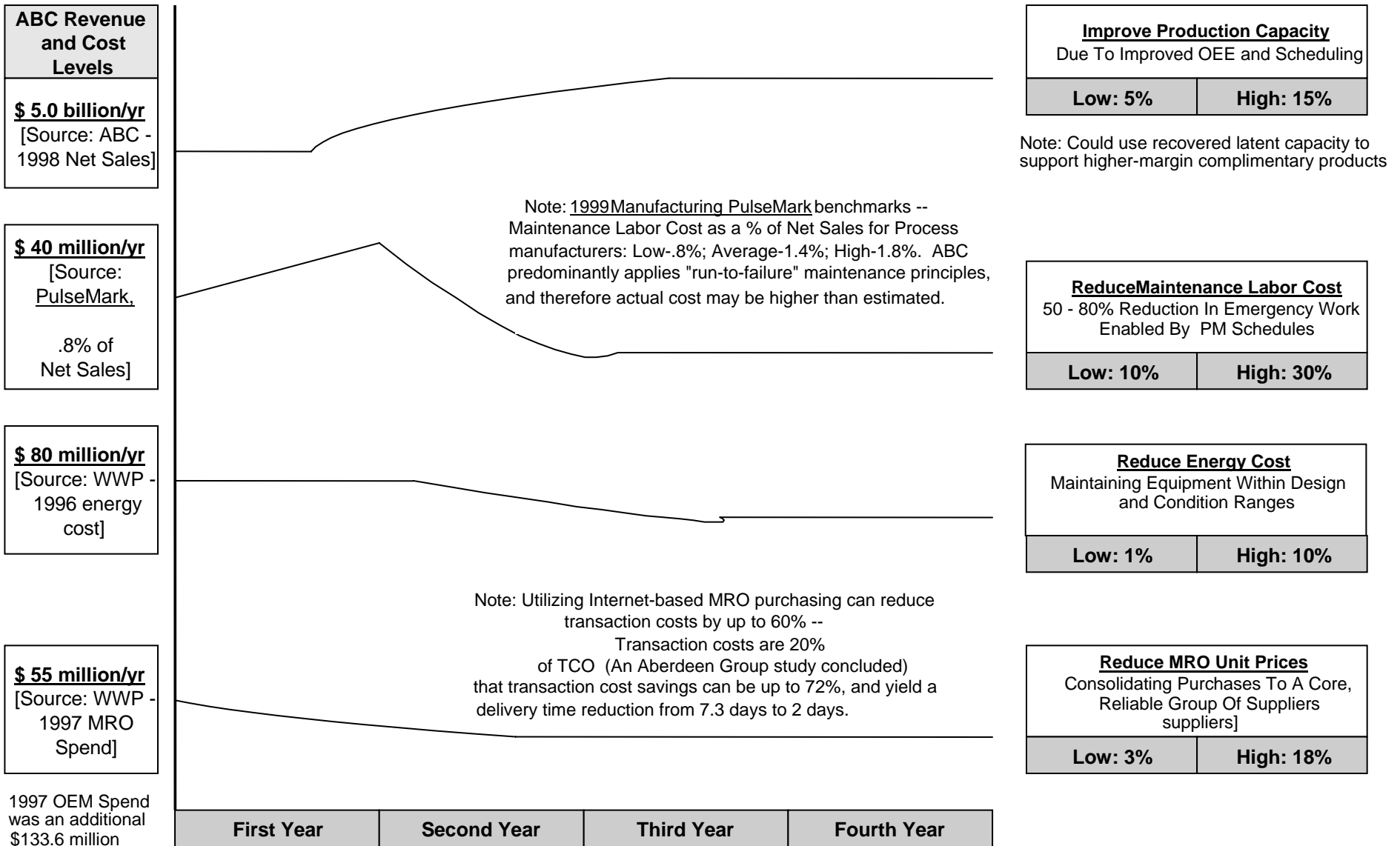
Maintenance Management Improves Manufacturing Performance and Reduces Operating Costs

- Reduce maintenance overtime by 10-30% - Marshall Institute
- Increase equipment life by 25% - Marshall Institute
- Reduce emergency maintenance by 50% [Emergency maintenance is up to 60% more expensive than Preventive Maintenance] - Marshall Institute
- Reduce breakdowns by 50-80% - Marshall Institute
- Improve manufacturing operations by implementing consistent automated process control and management [80% of requested maintenance is unnecessary. For repairs, 75% of tech time goes to diagnosis, while 25% goes to repair] - International Society For Measurement and Control
- Minimize cost of reporting requirements by automating procedures and information gathering [Lockout/Tagout, OSHA Regulations, etc.]
- Reduce cost of employee turnover by standardizing and automating maintenance procedures - Reliability-centered Maintenance

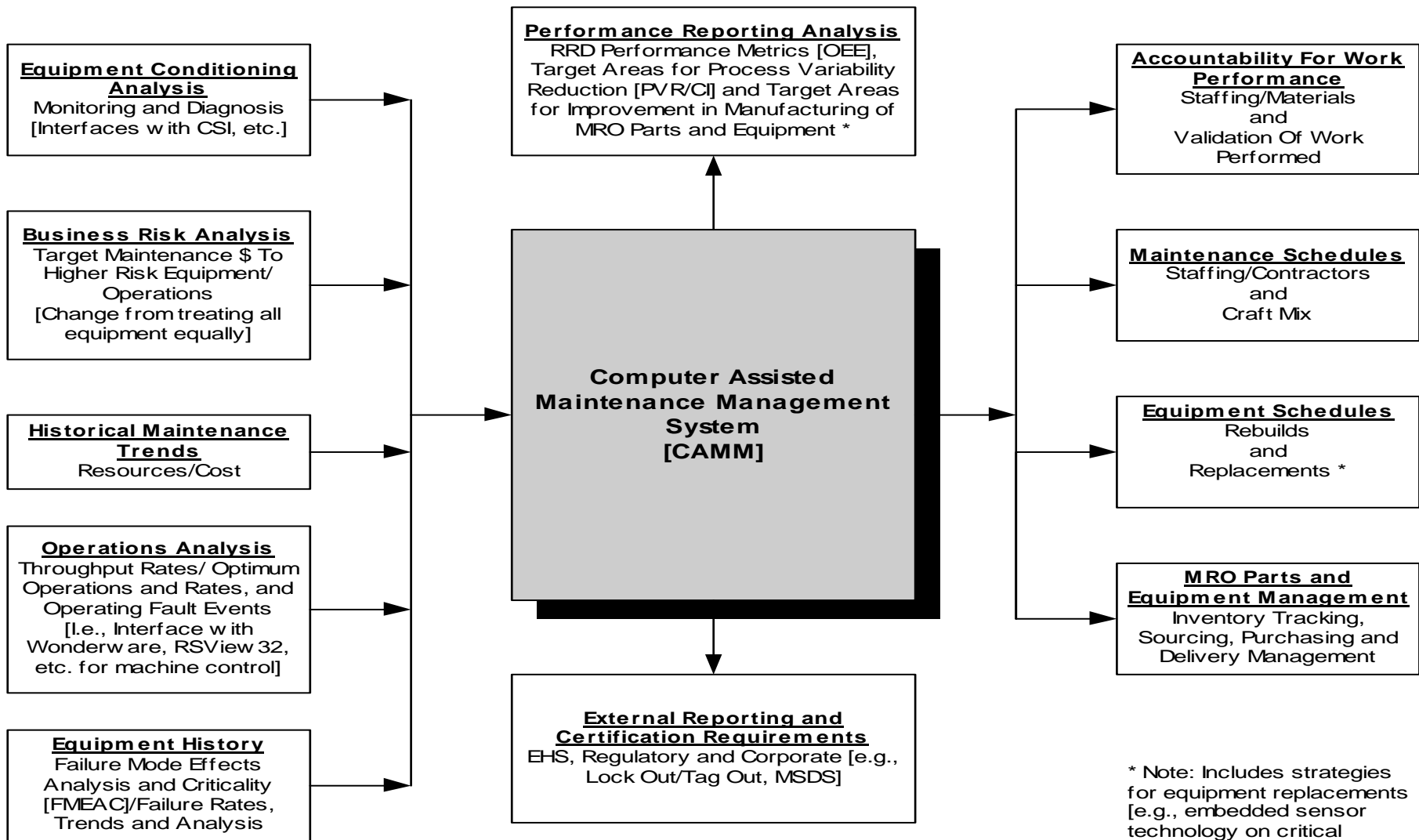
MRO Inventory Management Reduces Operating Costs

- Reduce MRO inventory carrying costs by 40-60% - Pulsemark Benchmark
- Reduce cost and quantity of OEM equipment inventory by sharing amongst Divisions
- Reduce MRO spare parts unit prices by 11-18% - Pulsemark Benchmark
- Reduce process costs by up to 60% - ARC Report

Business Benefits Are Substantial



Automation Support Is An Essential Enabler for TPM and MRO Inventory Tracking

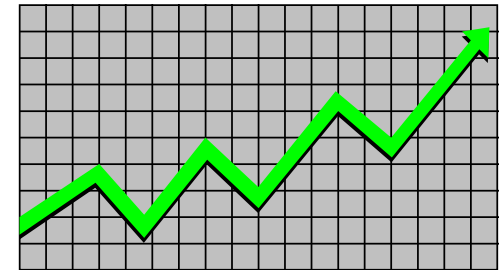


* Note: Includes strategies for equipment replacements [e.g., embedded sensor technology on critical equipment, offset by insurance rate reductions]

Customer Specific Metrics To Measure Progress

- **Key Performance Metric**
 - ✓ Overall Equipment Effectiveness [OEE] or similar initiative
- **Current OEE Level and Target**
 - ✓ Current Level: (TBD) [erratic]
 - ✓ World-Class Target: 85 - 96%
- **OEE Calculation**
 - ✓ Adapts To Our Different Manufacturing Platforms
 - ✓ Consistently Measures Performance Across Core and High-Value Business Divisions

Expected ROI, Payback or Business Benefit



World Class Maintenance Implementation

- **Deliverables of Project Assessment**

- ✓ Benchmark the current maintenance process
- ✓ Gap analysis between current process and maintenance best practices
- ✓ Improved capabilities required to attain World Class Maintenance
- ✓ Expected business results, targeted ROI and payback
- ✓ Implementation schedule required to meet business expectations

- **Project Assessment Executive Presentation**

- **Project Implementation**

- **Key Performance Review and ROI confirmation**

- **Division Rollout**