

4 MAINTENANCE OF FACILITIES

CASE STUDY

Genesis is a manufacturer of a wide range of products-from sporting equipment for the general public to specialized clamps and fittings for industrial uses. As director of facilities and part of the management team, Elena Chernak has worked to keep costs down. A competitive market, however, is putting pressure on the company to find new approaches to bolster long-term profitability. Elena wants to pursue the idea of spending money on maintenance in order to save more money.

1. Is the maintenance budget a big enough issue to be concerned with?
2. Elena suggests that computerized predictive maintenance (CPM) might be a cost-effective approach. What are three things that can be accomplished with CPM?
3. How can a CPM program reduce the controllable maintenance costs?