Lifecycle Services for Machine Tools: Increase Machine Tool Uptime with Siemens Service Contracts, Modernizations and Repair Services
Lifecycle Services for Machine Tools

Agenda

- Technology Based Services
- Spare Parts
- Repair Services
- Annuity-Based Services
- Modernizations/Upgrades
- DF CS MC Sales & Support Team
Technology-based Services from Siemens

- **Spare Parts Services**
  - Guaranteed Parts Availability
  - Reduction of investment and maintenance cost
  - Asset Optimization services

- **Repair Services**
  - Repair services on-site and at regional repair centres
  - Emergency services
  - Additional diagnostic and repair measures via Extended repair services

- **Support and Consulting Services**
  - Industry Online Support site
  - 24x7 Technical & Engineering Support

- **Training Services**
  - Learn directly from the manufacturer of products
  - Workforce improvement program
  - Product, Safety & Certification learning programs

- **Retrofit and Modernization Services**
  - Cost effective solution for expansion of entire plants
  - Optimization of systems
  - Upgrading existing products to the latest technology

- **Field and Maintenance Services**
  - Siemens specialists available round the clock
  - Commissioning, functional-testing, fault clearance and preventive maintenance

- **Plant Data Services**
  - Gain improvements in productivity, asset availability and energy efficiency
  - Intelligent analytics to enhance decision making
  - Data security

- **Service Programs and Agreements**
  - Bundle wide range of services
  - Annual or multi-year agreement
  - Customized to your specific needs
Spare Parts
Spare Parts: Why Siemens?

- The right spare parts at the right time keep **downtime to a minimum** and **maintenance costs in check**

- More than **20,000** new and refurbished items stocked in U.S., including drive, CNC and automation parts, as well as pre-assembled core motors

- **Same-day order processing** as standard

- Three methods for responding to critical spare parts needs:
  - **Outright purchase**
  - **Exchange**
  - **Repair**
Spare Parts Analysis

- Perform **lifecycle assessments** to evaluate:
  - Risk of parts obsolescence
  - Quantity and versions installed on plant floor
  - Provide life projection for installed base along with a migration to new technology, while retaining current control systems
- Assist in developing a **“smart” or “right-sized inventory”** for customer facility
- Identify redundant inventory within customer facilities using the same technology
- Use the right mix of **new and repaired / refurbished product** to meet ‘rush machine down’, ‘reaction time’ demands

Lifecyle analysis is a GREAT tool for developing a lifetime partnership!
2.3. Predicted product life cycle

The predicted life cycle is evaluated according to intent, and corresponds to the current status of the information, based on an interpretation, taking into account:

- Standard policies regarding the product life cycle
- Evaluation of the relationships already involved in the product life cycle
- Evaluation of the ability to repair

If one or more units are available for an optional product, these statements must concern the availability version for the next minor version, if any.

<table>
<thead>
<tr>
<th>Description</th>
<th>Number of order numbers</th>
<th>As a percentage</th>
<th>Number of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability horizon 1-5 years</td>
<td>12</td>
<td>4.6%</td>
<td>588</td>
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<tr>
<td>Availability horizon 6-8 years</td>
<td>8</td>
<td>3.0%</td>
<td>136</td>
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<tr>
<td>Availability horizon 9+ years</td>
<td>1</td>
<td>0.3%</td>
<td>12</td>
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<tr>
<td>Availability horizon 1 year</td>
<td>0</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>Item has been significantly discontinued</td>
<td>6</td>
<td>24.7%</td>
<td>228</td>
</tr>
<tr>
<td>Item has been significantly discontinued and no successor has been defined</td>
<td>7</td>
<td>28.6%</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100%</td>
<td>258,585</td>
</tr>
</tbody>
</table>

**Recommendation by Siemens**

The successors to items from this level are only partly compatible (e.g., changed, etc.). Software version R2 necessary, etc.

We recommend that the inventory for these items is checked. If the stock level is not sufficient for the life cycle of the item, we recommend the following measures:

1. Check the compatibility of successor modules and possible conversion of critical parts.
2. Check the intentions to decrease inventory.
Repair Services
Repair Services: Why Siemens?

- Repairs performed at only Siemens authorized and audited repair facilities in the U.S. – delivers repair integrity

- Engineering change notices and updates performed as required, extending the life of the repaired unit – use of proprietary technical data to exact the repair processes

- Proactive repair approach – components with known life span replaced proactively

- Holistic repair approach – entire part tested and brought to factory specification

- One-year warranty on complete part (not just the repaired portion)

- “Pick-up service” for customers requiring this service

Repair/refurbish to original factory specification using genuine Siemens specified components
Repair Services

• Return repairs to the original manufacturer for quality repairs

• Minimize confusion on inventory spares that do not operate correctly when taken from customer stock

• One face for communication and accountability regarding quality and performance of Siemens parts and repairs

• CNCs, drive components, servo and spindle motors and motorized spindles repaired in the only factory-authorized repair facilities in the U.S.

• Build integrity back into customer’s in-house inventory and parts crib

Siemens repair centers: only factory-authorized sites in U.S.
Annuity-based Services
Local Service Agreements: Why Siemens?

**Standard Packages:**
- Level I: next day delivery of replacement parts, 3-day turnaround on motor repairs
- Level II: Level I + onsite service
- Level III: Level II + priority technical support and 24-hour onsite response

**Custom Packages can include:**
- Lifecycle assessments
- Asset optimization
- Spare parts packages
- Guaranteed parts availability
- Preventive maintenance
- Asset analytics
- Mature product support
- Block of hours
- Embedded engineer
- Maintenance workshops
- Technical learning

Standard or custom packages tailored to meet customer needs while giving peace of mind
Regional or Local Service Agreements

- Fixed, annual pricing: improved budgeting accuracy for maintenance and modernizations
- One PO, simplified order processing
- Increased product and process uptime via scheduled preventive maintenance
- Enhanced protection against machine downtime
- Lower and predictable maintenance costs reduce budget worries
- For OEMs, flexible, “localized” support options, no matter where machines ship in the world
- SIROT process facilitates streamlined order and communication process for OEM machines in more than 100 countries

“Localized” support options for OEMs, all over the world
Modernizations / Upgrades / Retrofits
Modernizations / Upgrades: Why Siemens?

- **Add years to the service life** of plant-floor equipment and **increase productivity** with PCU, NCU and drive upgrades
- **Reduce costs** of operation and maintenance

How?
- **Lifecycle assessment** to identify mature components
- Detailed data analysis
- Provide **upgrade recommendations**
- A **qualified engineer performs** the upgrades onsite or mentors customer personnel to perform the upgrades
- **Proactively upgrade** drive, PC and/or NC units
Modernizations / Upgrades

- **Reduced warehouse logistics** for our customer – bring the shop floor to a current and common version of hardware
- **High operational reliability** with newer technology
- More immediate **spare parts availability**; with current product, advanced exchange option available
- Extends support life of the product – **addresses obsolescence**
- In some cases, **productivity increases** in the machining process – NCU upgrades resulting in faster cycle times reported (e.g. 4 - 6%)
- Assists with **compatibility** constraints
Thank you!

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