# Making the Most of Your Assets

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**DOW CORNING** 

## **Discussion Topics**

- Dow Corning at a Glance
- What is TEEP/OEE
- Updates From Last Year's Presentation
- Utilization of PI-TEEP with Six Sigma Projects
- Condition Monitoring Request with PM-RLINK
- Summary

# **Dow Corning Profile**

- 2002 Sales: 2.6 Billion
- Employees: 7000 globally
- Manufacture of Silicon based chemicals
- Significant softwares
  - OSI Soft PI tools including RLink
  - SAP 4.6B single instance globally
  - Sample Manager LIMS
  - Web based Radio Frequency (RF) interface to PI and SAP
  - Various Control Systems (one of everything)

## OSI Soft in Use at Dow Corning

- First PI system in 1992 VMS based PI 1.X
- Interfaces Sixteen, including Dow Corning written
- UDS/Edict (PI3.3)—14 sites with 18 servers, 450,000 tags
- Client Licenses 450, 200 shared, 250 named users
- PI Batch 200 batch units
- Process Template SPC 35 implementations
- Process Book & Excel Add-in 700 clients
- RLINK Implementation 38(22 PM + 16 PP/PI) at 4 sites

# Total Effective Equipment Productivity (TEEP) Definition

 TEEP is measuring how well we are using the total capacity of our assets. It is recording, all planned and unplanned losses, which includes scheduled downtime for lack of product demand. TEEP is the sole indicator integrating all parameters that affect productivity of the equipment or process. It uncovers the "Hidden Factory" costs, not just maintenance deficiencies. It is expressed as Valuable time / Calendar Time, in percent.

# Overall Equipment Effectiveness(OEE) Definition

 OEE is a key measure focused on equipment and process reliability improvement. It is a measure of how well we are capable of using our Production Equipment when we want them to operate (excludes planned down time). OEE is the product of three effective factors, Efficiency, Availability and Quality and can also be expressed as Valuable Operating Time / Available Time, in percent

### Performance Measures: TEEP & OEE

```
Calendar Time (A)
Available Time (B)
                                                      Planned
                                                                    Planning Rate
                                                      Downtime
                                                                      (\mathbf{PR} = \mathbf{B/A})
Operating Time (\mathbb{C})
                                         Unplanned
                                         Downtime
                                                       Availibility Rate (AR = C/B)
Net Operating Time (D) Speed Losses
                                             Efficiency Rate (ER = D/C)
Valuable (E)
                 Quality
Operating Time Losses
                               Quality Rate (QR = E/D)
Overall Equipment Effectiveness
OEE = AR \times ER \times QR
OEE = Valuable Operating Time (E) / Available Time (B)
Total Effective Equipment Productivity
TEEP = PR \times OEE = PR \times AR \times ER \times QR
TEEP = Valuable Operating Time (E) / Calendar Time (A)
```

#### PI-TEEP

#### TEEP/OEE

- Captures Loss Time, Failure Code, Reason, Root Causes and Comments
- Additional Information Being Stored in PI for Description and Comments
- High Level Reporting Available From SAP
- Provided Analysis Capabilities for User
  - Parato Analysis
  - SPC Charts

## The Numbers

		2002	20	003
Sites Using PM-RLINK		2		3
Sites Using TEEP/OEE — —				
PI-TEEP		2		7
Excel-TEEI	• <u> </u>	0	+	2
Tota		2		9
PI-TEEP Measuring Points				
Batch		47		65
Continuous	$\frac{1}{2} \mid \pm $	30	<u>+</u>	74
Tota		77		139
Condition Monitoring Measuring Points				
Batch	1	0		6
Continuous	$\frac{1}{2} \mid \pm$	3	<u>+</u>	5
Tota		3		11

## Realized Savings and Cost Reductions

Single Global Supply Chain

	2002	Planned	2002 Actual
Maintenance Expense Budget	\$37	,200,000	\$37,691,000
10% Expense Reduction resulting from just PI-TEEP	\$1	,300,000	>\$1,220,000

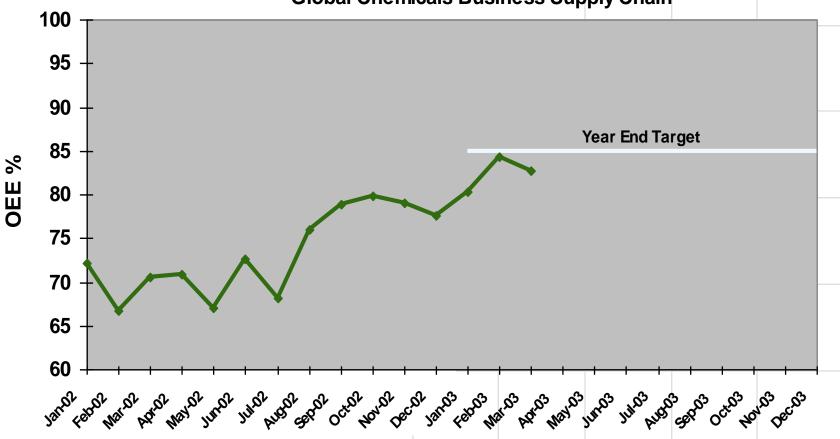
Supply Chain Within a Large Plant

Asset Value = \$321,000,000	2002 Planned	2002 Actual
Maintenance Expense Budget	\$8,000,000	\$7,863,000
10% Expense Reduction resulting from	\$800,000	>\$726,000
just PI-TEEP		

## Improvements in OEE

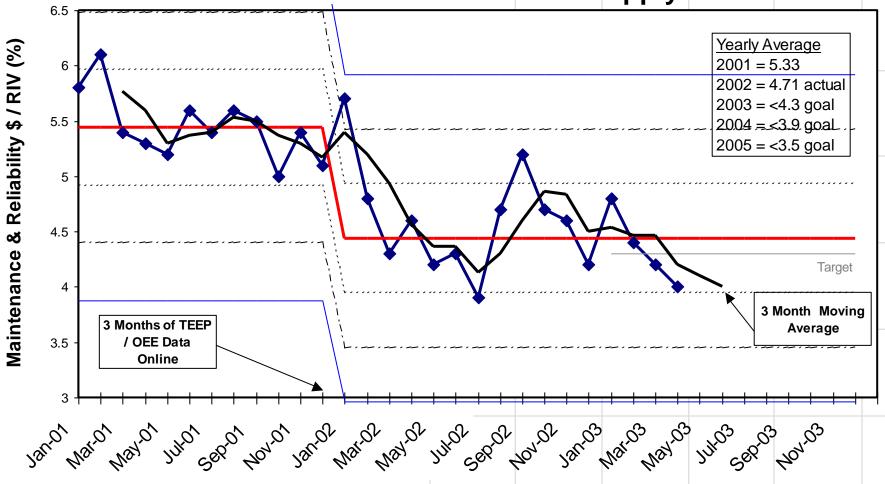
#### OVERALL EQUIPMENT EFFECTIVENESS(OEE)

**Global Chemicals Business Supply Chain** 



#### **Maintenance Cost Reduction**

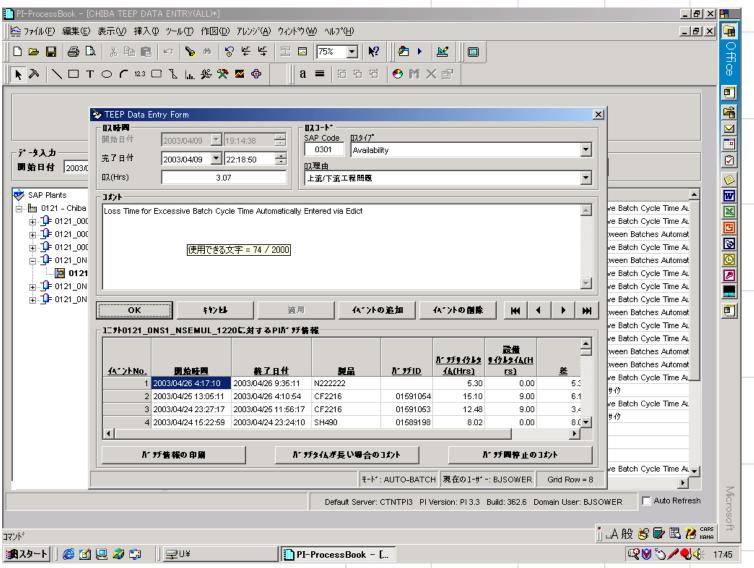
**Maintenance Cost Index for Global Supply Chain** 



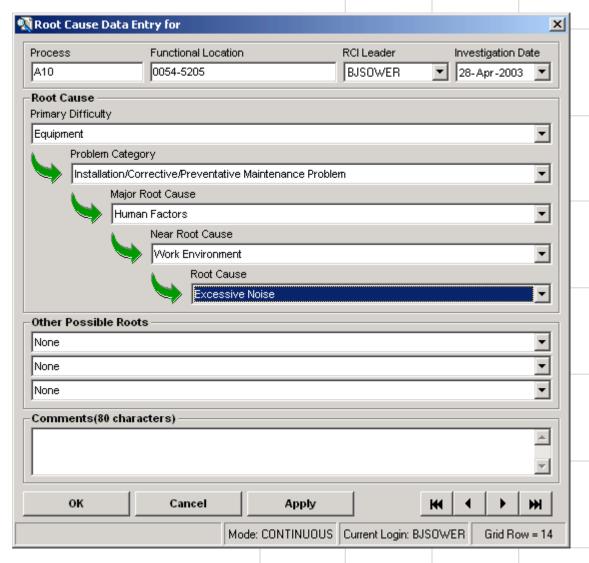
### **Enhancements - Internationalization**

- Tremendous Learning Experience
- Conversion Issues
  - Language Translation
  - Date and Time Formats
  - Decimal Separators
  - Unicode
  - Double Byte Character Set
  - Database Configuration
- Support for English, Japanese, French and German

## **Enhancements - Internationalization**



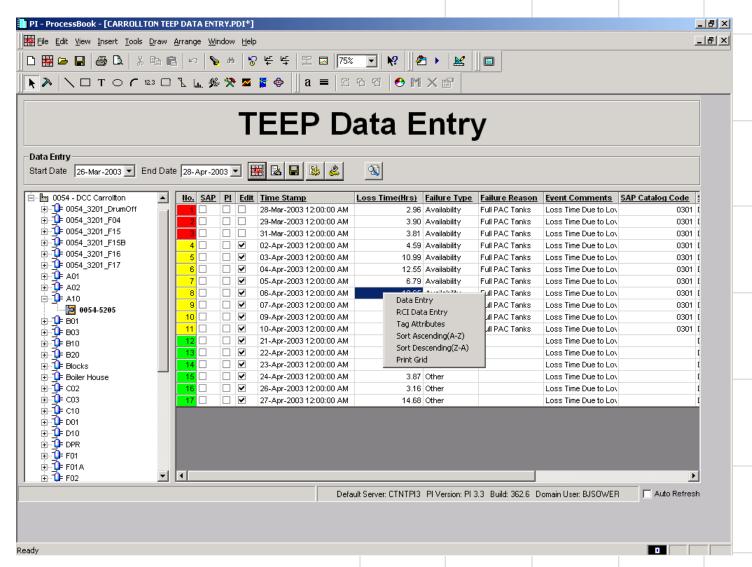
#### **Enhancements – Root Cause Investigation(RCI)**



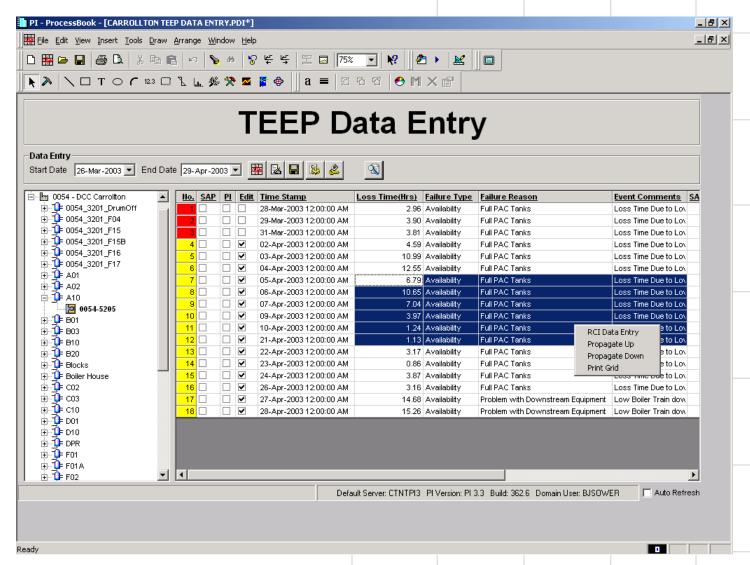
#### **Enhancements – User Interaction**

- Look and Feel
- Navigation
- Pop-up Menus
- Copy Functions
- Labeling
- Graphics

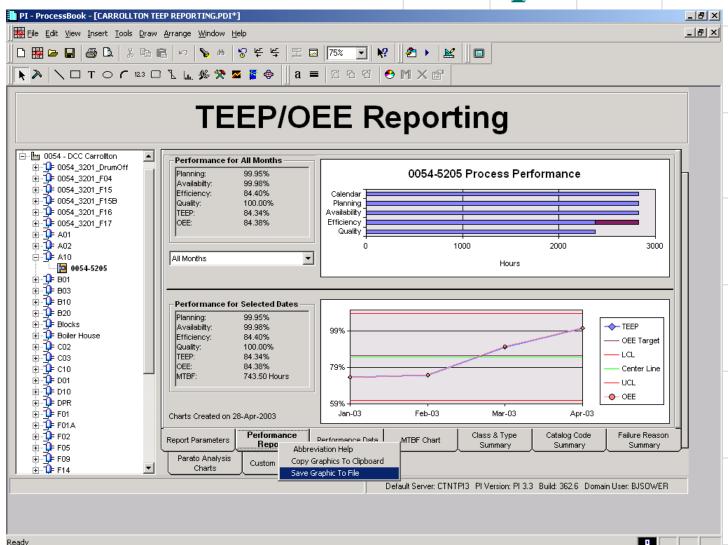
#### **Enhancements – User Interaction**



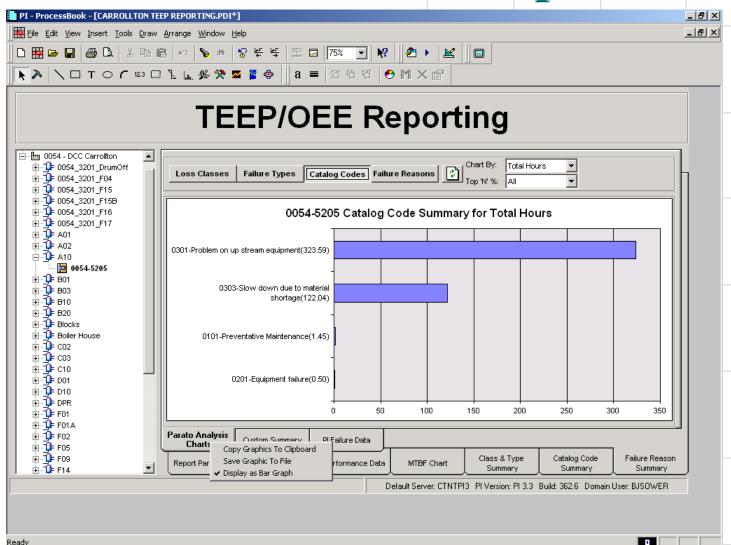
#### **Enhancements – User Interaction**



## **Enhancements - Graphics**



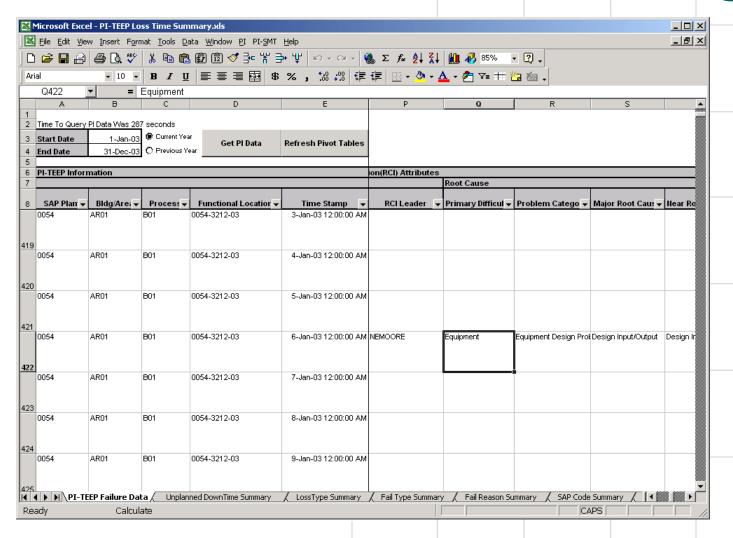
## **Enhancements - Graphics**



## Enhancements – Data Processing

- Boiling up Data From Individual Processes Into Common Groupings of a Particular Process Block and Then to a Site Level
- Tools to Allow the User to Quickly Collect the Required Data and Then Analyze It With Tools That Are Comfortable and Familiar.

## Enhancements – Data Processing



# Six Sigma

- PI-TEEP Fits Very Well With the Six Sigma Improvement Process Methodology
- Inherently We Know We Have Downtime on Equipment
- PI-TEEP Identifies How Much and When
- Prior to PI-TEEP We Had Inconsistent Processes for Collecting the Data. Usually Done in Spreadsheet. Required Many Hours a Month to Collect, Process and Analyze
- PI-TEEP Provides a Standardized Workflow for Collecting the Data and Assigning Reasons for the Losses and a Root Cause for Those Reasons.

  Improvement Process 1 **D**efine Opportunity



- 4 Improve Performance
- 5 Control Performance

## Six Sigma

- These Failure Reasons Can Then Be Categorized and Viewed in a Pareto Chart to Determine Where the Most Failures Are Occurring
- The Results of a Root Cause Analysis Identify Common or Latent Roots
- These Common or Latent Roots Are Then the Source of Six Sigma Projects
- PI-TEEP Can Greatly Reduce the Time It Takes to Complete the First 3 Steps of the Six Sigma Improvement Process for

#### Improvement Process

- 1 **D**efine Opportunity
- 2 Measure Performance
- 3 **A**nalyze Opportunity
- 4 Improve Performance
- 5 Control Performance

## Six Sigma

- Provides an Easy Solution to Last Step of the Improvement Process by Easily Monitoring TEEP and/or OEE
- Currently at One Facility There Are 9 Projects Underway As a Result of Opportunities Identified From PI-TEEP.
- These Projects Range From \$250,000 Expected Growth / Loss Margin Reduction to Over \$2,000,000

#### Improvement Process

- 1 **D**efine Opportunity
- 2 Measure Performance
- 3 Analyze Opportunity
- 4 Improve Performance
- 5 Control Performance



## **Condition Monitoring**

- Unexpected Requests
  - Notifications Based on Completion of a Specific
     Product Batch for PM of a Pump
  - Notifications Based on Discrepancies Between Redundant Process Instruments
- New Techniques
  - Notifications Based on Combined Logic of SPC
     and Rate of Change Over a Specified Time Frame
- Primary Focus For Event Based Monitoring Is Just Generating the Notification

# Summary

- Tremendous Benefits From PM-RLINK
- ROI Very Short With Minimal Effort and Resources
- For Condition Monitoring the Key Is Understanding Your Process and Having The Instrumentation Necessary to Monitor the Critical Failure Points
- Critical Success Factor for PI-TEEP and Condition Monitoring Is an Calculation Engine.
- The Use of TEEP / OEE and Six Sigma With Data Collected in Pi Will Help Companies Squeeze Every Last Penny Out of the Assets.
- Maintenance Avoidance Through Condition Monitoring With PM-RLINK Can Save Thousands, If Not Millions of Dollars.

## Thank You

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