

# For the Trenches

TIPS & NEWS FOR EQUIPMENT OWNERS AND OPERATORS

## Does the Part Fit?

Today's financial environment has caused equipment owners and fleet managers to look at their parts purchasing with a more scrutinizing eye, and the results are encouraging. Many owners and managers are finding out that there are options that enable them to improve their uptime



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and still cut costs; sensible ways to keep old machines running, and new technologies their dealers can use to remove the day-to-day headaches involved with parts ordering and replacement.

### What are the parts options you can expect to find?

While specifics vary from manufacturer to manufacturer and dealer to dealer, typically the range of alternatives will include a line of standard new parts, a re-manufactured line, parts for older equipment, used

parts, and even parts for competitive equipment.

Standard OEM-made new parts may be the first default option for many. It makes sense to keep up a valuable, newer machine and after all, new parts come with a manufacturer's guarantee; you can't beat that, can you? Well, in fact, you might be able to.

The remanufactured or "reman" option can sell for up to 60% less than a new part and carries an as-new guarantee! These are parts that are remanufactured by the original equipment manufacturer, and it's interesting to know that manufacturers stand behind the reman parts concept to the point that when items in the reman line are being depleted, some manufacturers will "seed" the reman supply with new parts. And be sure to bring your old part with you when thinking reman because in most cases the dealer will compensate you for the value of the part you are replacing. This "core" credit can come in the form of a rebate at the time of the transaction, or be applied to your account. This can all happen because this core is fit to be re-manufactured.

A manufacturer's line of parts designed for older machines (usually categorized as fifteen years or older) is the right answer for keeping your old but trusted workhorses going strong. These "classic parts" give you good value when investing in new or even remanufactured parts does not make economic sense for a particular machine.

### Are there more cost-effective options that you can expect your dealer to offer?

Certainly! If you are like most equipment owners, your fleet is not comprised entirely of one brand of equipment therefore parts replacement can mean calls and visits to several dealers, with the ensuing waste and downtime. An interesting alternative offered by some dealers is a complete line of parts for competitors' machinery. This is an affordable and convenient option; the parts are sold at the same prices, sometimes less, than what you'd pay at the equipment dealer where the machine was originally sold.

Last but not least, the "used parts" alternative often gives you a good solution when you have equipment you want to get a little more life out of, you need to ready a machine to be sold, or you hope to save money on certain "external" parts so you can allocate more resources to internal parts like gears. If you are choosing the "used" option, ask your used parts representative for more details about their used parts policy and find out what their track record is in terms of used parts returns.

Some used parts departments at dealerships also handle "new surplus" parts which are left over after a production run of a certain model and can be bought by dealers from the manufacturer.

### What else should you take a closer look at in these times?

- **Inventory levels and the suppliers' ability to pull from their shelves, wherever those shelves might be.** In the past, you could always count on a dealer carrying a good inventory of parts, and large contractors themselves would often have their own in-house stock. That's not true any longer, as not many companies can afford to tie money down on inventory, "just in case."
- **Ease and accuracy.** Not too long ago, a customer would order parts by waiting in line at the counter; when his turn came, the parts clerk on duty would take the order, leave the counter and walk around the back where the inventory was stored, picking every part himself and then bringing them back to the counter. Hopefully all the parts were there and the right ones were picked. Nowadays customers should expect an entire range of convenient ordering options, including ordering online, by fax, as well as telephony systems that keep an unbroken communication flow, distributing the calls according to frequency, personnel availability and specialization. Your dealer can now pick parts using

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scanners and radio frequency devices, and restock using warehouse management systems that trigger reorders and help calculate order tendencies on any given part. All this allows your order to be filled accurately and to be ready for you when you need it.

- **Efficiency in getting your parts.** You should count on having time-saving procedures at the dealer's location, including self-help kiosks and creative use of delivery methods such as parts pick-up locations close to your site, overnight shippers, private carriers or even things such as commercial bus line transport for the fastest delivery to remote areas.
- **Personnel knowledge and specialization.** That can be particularly important in a time where dealers are carrying a wide range of brands and models, utilized in a variety of fields. To pick an example, if you're a material processing operation, when you call your dealer for a part for your crusher, you cannot afford to waste time speaking with a guy who knows a lot about earthmoving equipment but nothing about your industry and machine.
- **Up-to-date technology.** Whether we're talking about systems the dealer has in place to keep track of order frequency rates and assure adequate parts backups, or about satellite communication capability between machines and service centers, alerting owners when a part will be ready for a service change-out, or is experiencing some type of improper operating specification, today's available solutions are very exciting and their benefits to customers, immediate.

So at the end of the day, maybe the real question is – is a part just part of the story, or is it the touchstone of a dealer's commitment to you and the machine that you purchased from them? ■

*This article is part of a series of articles designed to help equipment owners and operators lower owning and operating costs. Other article topics include:*

*Scheduled Oil Sampling • Financing • Certified Rebuilds • Getting the Most from Your PSSR (Parts and Service Sales Representative) • CSAs (Customer Service Agreements) • Machine Automation • Safety • Machine Evaluations • Technology in the Field • Inside Sales*

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## REAL STORY, REAL SAVINGS.

The story begins with an eighteen wheeler moving too quickly toward a narrow bridge. A grader operator working on the bridge saw the truck and tried to avoid it, but



there was not enough time and the truck struck the grader, first ripping off the York rake and then smashing the left tandem of the grader.

Nobody was hurt, but the collision tore off the left tandem of the machine and the truck and grader con-

tinued onto the bridge impacting the left side concrete retaining wall of the bridge, busting through it with both machines becoming airborne and eventually landing in the river below. The front of the grader and half of the truck cab were submerged.

The truck cab ripped open the entire left side of the grader cab tearing off the left door and lift cylinder. The moldboard was twisted like a pretzel; both articulation cylinders were pulled apart. The transmission mounts were broken and the fan came out the side of the radiator guard.

The machine was estimated as a total loss. The Milton CAT parts specialist explained repair routes, and the used parts option made a lot of sense; the repairs were estimated by the dealer at approximately 50% of the machine value. The insurance company authorized the work, and the customer received his machine back in better overall condition than it was originally.

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