

## Five secrets of successful OEMs

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Successful machine builders today capitalize on five key trends: Lean manufacturing, differentiation, globalization, safety, and technology. Probably sounds familiar, but the real secret to success lies in *how* your company puts these trends to work.

**Commitment to Lean:** Lean is more than a business practice; it's an ideology that must be woven into your corporate culture. Numerous studies show that by placing ownership in the hands of workers, companies empower them to find the most efficient methods for doing their jobs. At first glance, Lean initiatives seem inwardly focused. However, Lean also benefits the customer. Top machine builders select software and dashboard tools that let customers incorporate their own Lean initiatives by making operational data easily accessible.

**Differentiation:** Increased competition has led some OEMs to differentiate themselves solely on price, which is only about 40% of the average total cost of ownership. Successful OEMs also focus on product engineering, maintenance, training, disposal, parts and service, installation, and downtime.

**Go global by sourcing locally:** Top OEMs use global suppliers that have local parts and service capabilities.

**Consider safety a business metric:** Most OEMs use electromechanical safety devices that tie all guarding back to a

single point. In other words, an operator opening one gate on a machine shuts down the entire machine. Successful OEMs consider the productivity gains made possible by safety controls that can more efficiently handle stops and shutdowns.

**Use tools to their fullest potential:** OEMs that leverage power programming, integration, and on-machine tools redefine what's possible for their customers.

Power programming, a modular programming methodology based on industry standards, provides a consistent framework for OEMs to reuse code across multiple machines and applications. The practice cuts design and engineering costs by an average of 45%.

OEMs that offer a more functional, flexible, and scalable single-control platform save customers an average of 40% on start-up and troubleshooting costs. Control technology is moving out of cabinets and closer to the application, oftentimes on the machines themselves. Successful OEMs embrace this trend, saving customers 40% in wiring and installation costs.

So, the secret is out. Top machine builders have access to the same information everyone else has. They simply understand how to use available tools to their best advantage. **MD**

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*(rockwellautomation.com) is a*  
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**Edited by Lawrence Kren**