



# 5 Reasons Why Mining Companies are Choosing AMT Asset Management Software

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## Introduction

In one of the most challenging economic environments for 50 years, mining companies around the world are reviewing their cost structures and looking for innovative ways to reduce expenditure and optimize their existing assets and systems.

In the last 10 years, great improvements and efficiencies have been introduced to the way maintenance of equipment is performed on mine sites. This has been helped in part by the introduction of computerized maintenance management systems that manage maintenance work through transactional work orders. However, while this has helped the planning and scheduling of work, streamlined administration and provided some basic analysis of the maintenance operations, these systems offer only limited equipment management functionality. Their focus is on the maintenance transaction rather than the maintenance strategy.

*“Dynamic Life Cycle Costing is the only methodology that can deliver accurate maintenance budgeting for your mining operation”*

## Why use AMT Asset Manager?

AMT starts by defining the maintenance strategy and then uses this strategy to help the equipment manager measure and track performance as well as assisting him or her to make sound maintenance decisions.

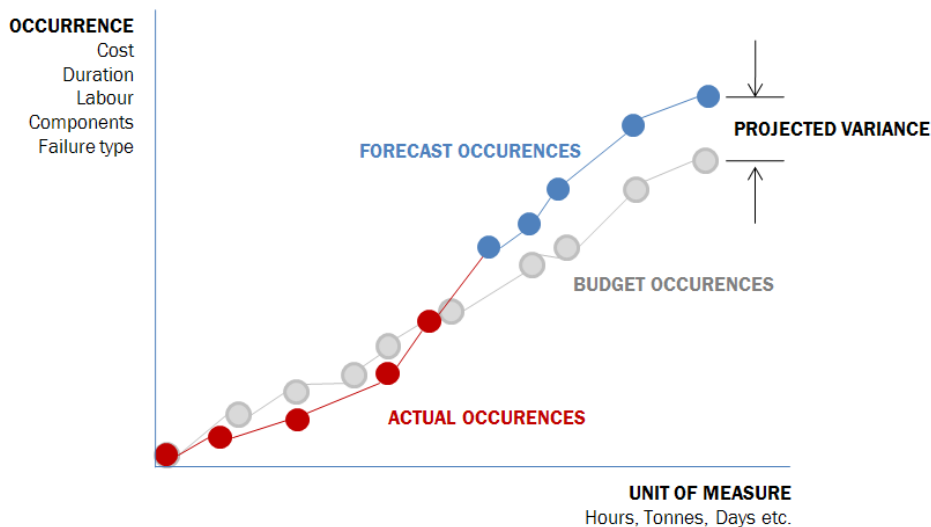
Here are five reasons why mining companies are choosing to AMT Asset Manager as there primary equipment management system;

1. Dynamic Life Cycle Costing
2. Reduces Maintenance Costs
3. Reduces Component Risk
4. Improves Budgeting Accuracy
5. Leverages Enterprise Systems



### 1. DYNAMIC LIFE CYCLE COSTING

Dynamic life cycle costing is transforming the way mining companies track equipment performance. Life cycle costing, driven by a well thought out maintenance strategy, has long been used as a way to evaluate purchase decisions for new and used equipment. Dynamic life cycle costing takes this static model and dynamically updates it with the latest work order cost and event information. It then uses this information to re-forecast the expected life cycle cost, labour and resources for the asset.



The result is a continually updated future projection of the asset's costs, performance and resources. Compared against the expected performance, dynamic life cycle costing provides an excellent tool to track, understand and model cost and performance of equipment. Dynamic Life Cycle Costing provides the basis for much other equipment management functionality.

### 2. REDUCES MAINTENANCE COSTS

AMT's dynamically updated life cycle cost model forms the basis of equipment cost forecasting. This forecast provides continuous feedback on the areas that are having the largest impact on the equipment cost. There are three areas where a variance can occur.

1. Repair Cost
2. Repair frequency



### 3. Labour hours

By understanding which of these three areas is having the greatest impact, the maintenance manager can better understand how to manage the issue.

This early feedback mechanism, a cornerstone of AMT's life cycle costing approach to equipment management, provides the equipment manager with the benefit of time. Knowing that current performance is likely to result in a problem in the future allows the manager to focus their effort in the right areas, addressing the high impact issues before they become significant problems.

### 3. REDUCES COMPONENT RISK

Component risk, specifically premature component failure is one of the largest contributors of lost production time and greater than expected maintenance cost. Newmont Mining Corporation estimates that replacing a component after it has failed costs 5.5 – 7 times the cost of replacing it before failure. A significant increase and a significant opportunity.

By using tools to understand component performance, uptime can be increased and equipment costs significantly reduced. AMT does this by leveraging existing health systems to provide maintenance action alerts from Condition Monitoring inputs. This is called Condition Based Maintenance and is fundamental in driving an on-condition maintenance strategy.

### 4. IMPROVES BUDGETING ACCURACY

Modern mining organisations are under increasing pressure to “do what they say they will do” or “deliver to expectations”. To manage this, an accurate and continually updated projection of your equipment cost performance is required.

Mining companies have struggled to extract the true costs of running equipment from their enterprise systems and accurate maintenance budgets linked to the forward work plans have been difficult and time consuming to develop. The plans are also ‘static’ due to the difficulty of updating them with the latest maintenance information (new component change outs etc.)

AMT's dynamic life cycle costing engine allows the maintenance budget to be continually updated with the latest component life and cost information. The result is a dynamic and accurate maintenance budget. Once this budget foundation has been

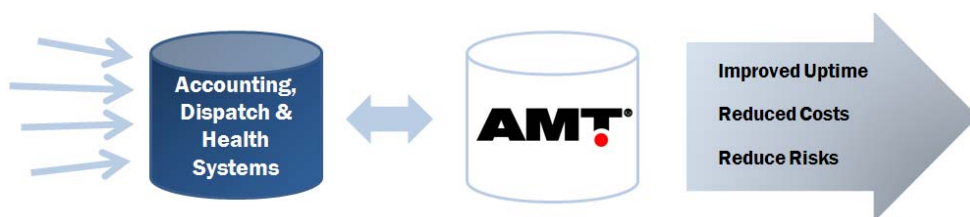
*“Replacing components after failure can result in 5.5 to 7 times the cost of a before failure repair.”*



created, the maintenance manager can test many strategy and equipment scenarios to optimize the forward costs and understand potential risks.

## 5. LEVERAGES ENTERPRISE SYSTEMS

Significant investments have been made in implementing enterprise systems. AMT's modular architecture allows mining companies to plug the gaps in functionality not provided by the ERP. If you already have a planning system, AMT can work with this and still give the rich equipment management functionality that your ERP does not provide.



AMT connects financial, enterprise, dispatch and health systems to create a best of breed, integrated equipment management platform.

## Summary

In today's economy, with limited budgets and limited resources, it is critical to be able to focus the maintenance organization's efforts in the areas that will provide the greatest improvement in equipment performance and cost.

AMT's life cycle costing platform works in concert with your existing enterprise, dispatch and health systems to provide a valuable equipment management centre that improves uptime and reduces costs for your equipment.

## Next Steps

Contact iSolutions to request more information or arrange an online demonstration of the AMT Software

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