



### Brief

Brazil

Siveco Brazil announce to new Coswin Light sales

Siveco Brazil announces two new client references, EcoAqua in the environmental sector and Tupahue Tintas in the chemicals sector.

EcoAqua provides integrated solutions for industrial water supply and sanitation. They have chosen the Coswin Light CMMS on behalf of one of their clients.

The Coswin Light application will be implemented on the site of Thyssen-Krupp CSA, a large steel works in Rio de Janeiro. The pre-configured Coswin Light version allows them to improve their asset management and planned maintenance activities.

Tupahue Tintas has also chosen to use Coswin Light for the maintenance management of their three production sites in Brazil. The application was chosen to replace their existing ERP, Data-sul, which no longer covered all of their functional needs.

The Coswin Light version can help increase productivity by improving maintenance efficiency and so increasing the life span of equipment and reducing down time. It can also help reduce costs linked to management of stocks and purchasing. The graphical navigation is intuitive and the software offers a large amount of customisation possibilities. Easy access to dashboards and reports are also advantages offered by Coswin Light.

Tupahue Tintas specialises in the production of paints, solvents, varnishes and ink. It is a 100% Brazilian company that was founded in 1989. They began their activities producing specialised paints and solvents to be used in the printing industry where long runs and high quality reproduction are important. In 1996 they began producing paints and varnishes for offset printing. They now have three production facilities in the country with the headquarters in Diadema, São Paulo.



## INTERNATIONAL

# GLOBAL CMMS DEPLOYMENT

### INTERVIEW

## WINNING IN THE CHINESE MARKETPLACE

Bruno Lhopiteau, General Manager of Siveco China, shares some of his views on the evolving Chinese maintenance market with CMMS News.

China, now the world's third largest economy, enjoys double-digit growth and is making headlines. How does this affect the maintenance market?

B.L: As the excellent Shanghai World Expo is soon coming to an end, other hot topics of direct relevance to our maintenance business include the continuing expansion of Chinese construction companies abroad (not only in Africa), the unabated infrastructure build-up (by 2012, China is expected to have more high-speed rail track than the rest of the world combined), China's shift from being the world's factory to becoming a market of its own, and most recently labor unrest issues... A lot is happening here...

How has Siveco China developed in this market?

BL: It may come to a surprise to many of our readers that, with a team of only 22 people in Shanghai, we are the country's largest maintenance consultancy! We are of course very proud of that, but it also reflects the market's lack of maturity...

Your strategic positioning is clearly focused on maintenance consulting, why this choice?

BL: Thanks to our team's real-life maintenance experience and an in-depth knowledge of the specificities of China, we are able to truly support plant owners in improving their maintenance, delivering far more than what traditional CMMS suppliers can provide. The so-called "EAM" vendors suffer from an abysmally poor track record in this country. Hence this positioning.

As the Chinese economy develops, the country attracts many multinationals. How does it impact maintenance activities?

BL: We have indeed developed a strong expertise in multi-site CMMS deployments, not only in China but also all over Asia, sometimes as part of corporate projects (although most of our projects are signed locally).

Multinational customers include ABB, ABC Datong, Acome, Aliplast, Alleward-Rejna, ArjoWiggins, Chenming Paper, Auchan, Arkema, B&G, Beijing Oriental Plaza, Bouygues, Brose, BY-JC-Fabricom, Danfoss, Danieli, Ensival-Moret, Essilor, the French Embassy



Bruno Lhopiteau, the general manager of Siveco China

in Beijing, Goodwell Property Management, Ikea, International Paper, Ker-

neos, Marco Stationery, Ranhill Powertron II, Saint-Gobain Pipelines, Saint-Gobain SEPR, SCA Packaging, SBS Transit, SCIP Sita Waste Services, Sino French Water and Wagon Automotive.

Our non-multinational customers are large-scale Chinese companies operating in various industries. If you have plants in China and Asia, or new construction projects in the region, you should definitely talk to us!

→ [www.sivecochina.com](http://www.sivecochina.com)

Thanks to Bruno Lhopiteau

## Two new deals for Siveco China

Siveco China has recently won two new contracts for the implementation of the Coswin 7i CMMS.

Both projects belong to the metal processing industry, respectively the production of cast steel railway wheels and the manufacturing of iron pipelines for the water distribution market.

Datong ABC Castings Co. (DACC), a joint venture between Datong Electric Locomotive and ABC Railway Products Corporation of the United States, selected COSWIN to manage its manufacturing facilities located in Datong, Shanxi province.

Saint-Gobain Pipelines has decided to extend the usage of COSWIN,

already in use in its Maanshan (Anhui province) plants, to its second manufacturing base of Xuzhou, Jiangsu province. The project has already started and is expected to provide opportunities for maintenance benchmarking across the several locations.

As part of an academic partnership with the Shanghai Sino-European University of Technology (UTSEUS), Siveco is also conducting maintenance audits of selected pavilions at the World Expo 2010, which ends October 31. The first audit is currently ongoing at the Spanish pavilion, focusing on the second life of the building (after the Expo).



Siveco team at the TPM Summit in Shanghai

## PEOPLE AND SKILLS FROM THE FIELD

### SUCCESSFUL PROJECTS IN CHINA

# 5 CAUSES OF FAILURE ... and their SOLUTIONS!

Siveco China highlights the 5 main reasons global CMMS projects fail in China. Those mistakes could however easily be avoided, to ensure quick success.

In line with its role, dedicated to help clients to deal with the specificities of maintenance in China, Siveco China shares some experience and thoughts on the subject.

## 1 A local approach

What is the motivation for a CMMS rollout to China? Maintenance system implementations in the West are often justified by a reduction in direct cost: reducing overtime is often cited as a key objective. This bears very little relevance to China where labor cost is low... On the other hand, huge opportunities exist to reduce indirect costs or losses, which tend to be disproportionately high in our market. In fact, we usually obtain much better ROI in China, with payback in around one year, sometimes much faster (weeks).

## 2 Delays

The Western idea that maintenance should be well organized before introducing a CMMS always results in delays, as China is far from being a mature market when it comes to maintenance. As a result, long decision cycles - several years - are the norm with multinationals, compounded by high staff turnover (both local staff and expatriates). Local teams get frustrated by what they perceive as inefficient decision processes, while the benefits the CMMS project would have brought in terms of organization get postponed.

## 3 Contracts

When the decision is finally made, contract terms are often based on Western practice: contracts on a time and material basis, customers trying to do more work in-house. In China, this approach is almost certain to kill the project: local users are inexperienced, IT less familiar with non-technical subjects, while the global team (if any) most likely has no experience whatsoever in this country. A project that should have taken 2-3 months (time is of the essence in China) ends up taking years... Due to high turnover, everybody will have left by the end of the project...

## 4 Change management

Contrary to what we see in Europe, where the CMMS installation comes

only after having implemented preventive maintenance, with a trained team and optimal organization, the use of a CMMS in China will help to immediately structure the maintenance function, to put in place the analysis of historical data, to start training teams on the concept and practice of preventive maintenance. Above all, the introduction of high-tech tools will motivate the maintenance team and show its value.

## 5 The local IT environment

The implementation itself brings its own list of issues. First of all, the IT platform: should the server be located at global headquarters, considering the limitations in the Chinese telecom infrastructures (insufficient international capacity resulting in low speed and sometimes long outages, arbitrary restrictions on the Chinese internet with for example the blocking of ports used for Java applications, etc.)?

### What do we recommend?

Contracts should be on a fixed-price basis with a clear scope, defined in terms of industrial objectives in China, not IT. Extensive service is likely to be required, which includes maintenance consulting and coaching services that multinationals usually perform by themselves in the West.

On the other end, experience has shown we can often do much better here, owing to the lack of pre-existing structure: centralized web-based systems, unified coding systems based on international standards, extensive use of graphical diagrams and measurable ROI over a short period. The more we deal with multinational customers, the more we realize that what we have learnt in China, in terms of implementation approach, system design, coaching and follow-up services... also works abroad. Some of our customers have started to recognize this too... Food for thoughts...

We invite you to explore more topics of "Maintenance in China" in our monthly online newsletter : [www.sivecochina.com/maintenance-in-china/](http://www.sivecochina.com/maintenance-in-china/)



Coswin screenshot at SCIP Sino French Water Development

## What Siveco China customers say...

Philippe Allouche, General Manager of SCIP SITA Waste Services (Utilities)

"The COSWIN Computerized Maintenance Management System (CMMS) was implemented before startup. The system allowed us to manage safety right from the commissioning stage, by enforcing a strict work process. The CMMS is used to educate and organize our team and to support management decisions. Four years down the line, we have succeeded in creating a true culture of maintenance in our Chinese operation: maintenance is under full control, regardless of the inevitable personnel changes."

Chen Yaozhong, President of Changcheng Property Group (Facility Management)

"The whole program was very well-organized and structured, very flexible yet strictly controlled in terms of project duration. The Siveco China team was very professional and results-driven. From a professional point of view, the Property Management System established by Siveco is invaluable: the whole system not only better integrates our C-level property management theory, but it also helps our facility managers on site to optimize operations and reduce costs."

Alain Seyeux, General Manager of Ensival-Moret in China (Pumps)

"We have, over the years, enjoyed an excellent partnership with Siveco, which has allowed us to get closer to our customers. The initiative of providing external access to COSWIN, in particular, received a very positive response in the chemical industry. This ability to get direct feedback from our customers' operations will ensure we continue to be at the forefront of innovation in pump design and support services, as we have been in the past 140 years."

Bernd Klopzig, Technical General Manager of Arkema Changshu (Chemicals)

"Siveco's involvement has been very beneficial to us, delivering concrete achievements above and beyond what our IT vendor could ever provide. The Siveco people proved to be true maintenance experts we could talk to: we understand each other. I would not hesitate to recommend Siveco."

Jean-Pierre Arcangeli, General Manager of SCIP Sino French Water Development (Utilities)

"COSWIN has proven to be an excellent tool for our company and Siveco has continuously helped us improve our maintenance management. Four years later, good maintenance management habits have been acquired and, as our activity in Shanghai Chemical Industry Park grows, we continue to work with Siveco on the expansion of COSWIN."

Thierry Dormois, General Manager of BYJC-Fabricom (Automotive)

"Siveco was able to quickly mobilize multi-disciplinary engineers, who successfully integrated within our multi-cultural team in a very short period of time. Under extreme pressure to start production, the involvement of Siveco ensured that we met our target in terms of line availability and maintainability. Siveco China's management remained involved throughout the project, sparing no effort to provide ZFSS and ourselves with value-added advice beyond their job scope."