

# The Maintenance Management System API PRO at Milko in Sweden

**- Saves EUR 100,000 per Year + Soft Values**



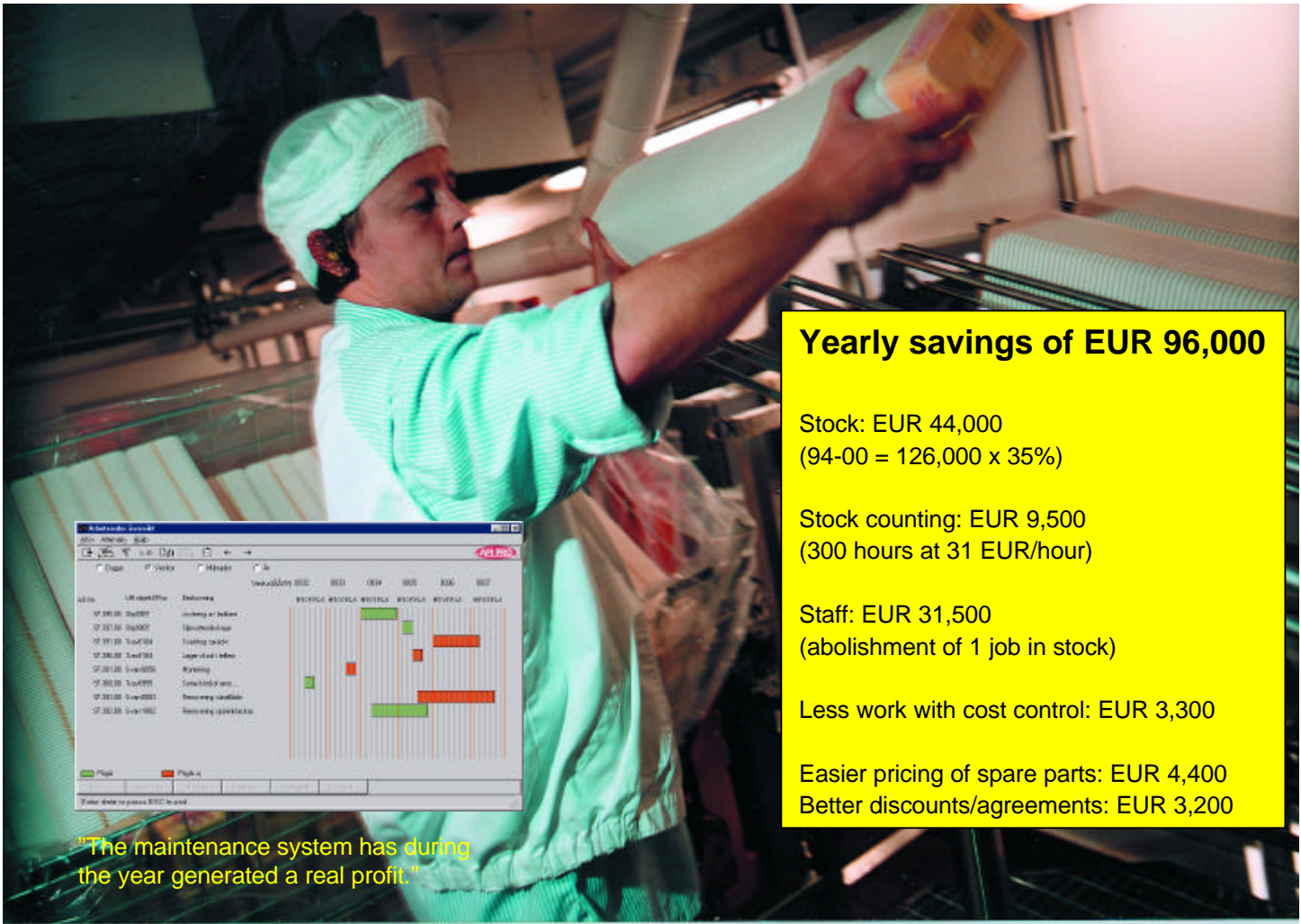
**The discussion of the profitability of maintenance management systems has been ongoing as long as there have been maintenance management systems... All – both users and suppliers have agreed that “a maintenance management system is profitable”! But the facts have been mostly soft values such as “organized order”, “better control of investments”, “faster treatment of work orders” and others. Therefore it is a pleasure finally to be able to present a “case” with figures.**

**Thank you Milko!**

## Written by Anders Åström

In the heart of Milkoland, which goes from Dalmland in the north to Ångermanland in the south of Sweden, Milko Östersund can be found. One of the dairies in the agriculture cooperative Milko.

In 1994 the first maintenance management system API2 was implemented. In January 1996 it was upgraded to API PRO. There has been a thorough control of costs and savings from the start. Up till now the investment in the maintenance management system has generated a total saving of about EUR 100,000 per year! The figures are probably even higher if/when soft values like more efficient stock handling, better documentation/follow-up/statistics and more flexible preventive maintenance were given a value.



"The maintenance system has during the year generated a real profit."

**Yearly savings of EUR 96,000**

Stock: EUR 44,000  
(94-00 = 126,000 x 35%)

Stock counting: EUR 9,500  
(300 hours at 31 EUR/hour)

Staff: EUR 31,500  
(abolishment of 1 job in stock)

Less work with cost control: EUR 3,300

Easier pricing of spare parts: EUR 4,400  
Better discounts/agreements: EUR 3,200

- In May 1994 we started to use API2 says Lennart Faxbrink who is responsible for the stock. This was after about 5 months' implementation work starting from scratch. This means that we did not have a maintenance management system before that.

- In spite of this we think that the implementation went smoothly. The implementation was carried through by a group of 3 persons. One had the general responsibility and the two others entered plant and stock data into the system.

**Reliable System**

Since the system was put into operation it has been running continuously except for about 15 days used for upgrades of new releases.

When the decision to go for API PRO was taken at a later stage it took 4 days to copy all the old data into the new system. After that the new system was running says Lennart Faxbrink. All the basic modules are being used and we also bought the project and drawing module but have not put them into operation yet.

**Responsibility Divided**

The responsibility for the maintenance system is divided between several persons with Robert Oscarsson as the main responsible and supervisor.

Lennart Faxbrink is responsible for entering data and maintaining the stock module. Odd Holtan, chief of the workshop and in charge of the distribution of all maintenance work controls work orders, cost centres and preventive maintenance and Peter Boström, works manager for the energy centre is responsible for inspections and preventive maintenance in the energy centre. – The system is both easy to use and to maintain the responsible people agree. Therefore it is also used to the limit.

**The Contents**

At the moment the maintenance management system at Milko Östersund handles in round figures:

- 26,000 work orders
- 17,000 purchase orders
- 11,000 maintenance objects
- 7,700 spare parts
- 450 suppliers

**Milko Öresund**

The below text has been extracted from [www.milko.se](http://www.milko.se)

"At the dairy we produce about 25 million kg milk, junket, yoghurt and cream and about 5 million kg fat and powder. In Östersund the well-known whey cheese Fjällbrynt is also produced, about 3 million kg per year. Furthermore 3,2 million kg cheese spread together with 5,4 million kg normal cheese is produced. There are about 400 milk farmers in the area who in total own 11,000 cows. Milko in Östersund has about 300 employees."

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