

Company, Inc., Jackson, Ohio Plant

PLANT MAINTENANCE PILOT PROJECT – SCOPE DOCUMENT

SAP Plant Maintenance Implementation

November 14, 2003

I. Goals and Objectives

The SAP plant maintenance pilot program at Company's Jackson plant has the following goals and objectives:

- i. To validate that current R/3 configuration applies to Company's operations and that it provides required functionality
- ii. To establish initial plant maintenance process procedures and to ensure their applicability to the larger plant environment before plant-wide implementation.
- iii. To provide training to key Jackson personnel - both support and line - for the future full plant implementation and support activities
- iv. To organize and format required plant maintenance master data and to ensure it is workable for a plant-wide implementation
- v. To establish a benchmark from which maintenance effectiveness can be evaluated
- vi. To ensure that maintenance performance data collected in the plant maintenance system, including equipment breakdown history and maintenance cost, is suitable for maintenance and general management purposes

II. Summary

This document provides highlights of the SAP plant maintenance pilot project implementation program for Company's, Inc, Jackson, OH processing plant. The initial implementation will be limited to those maintenance activities surrounding a few chosen production line areas as well as limited to selected R/3 functionality.

For the pilot program, maintenance activities covering production lines 11, 12, 13, & 14 and their supporting processes have been selected as the initial trial area. Limiting project scope allows for both a more rapid implementation as well as for the identification of changes and modifications that should be made before the plant-wide system is installed.

Maintenance request processing will involve creating and assigning work requests arising out of trouble calls (line breakdowns) as well as managing and processing preventative maintenance work orders for the selected production areas. The pilot project objectives will be to capture labor and material costs against specific equipment as well as to develop improved methods for managing maintenance activities.

Planned maintenance (PM's) that are developed and implemented for the test area will be scheduled via R/3 functionality, created, and forwarded to the dispatcher/scheduler for assignment to maintenance

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mechanics. The overall objectives will be to develop improved procedures for prioritizing the work, making work assignments, and completing needed maintenance.

III. Organization

One maintenance work center will be involved in the initial test implementation. This work center is comprised of mechanics and supervisors responsible for the maintenance of production lines 11, 12, 13, and 14 as well as the supportive equipment for these lines. This work center operates three shifts per day and is responsible for some additional equipment during the third shift.

The SAP internal Jackson implementation team includes the PM Team.

IV. Process Flows

Two process flows are presented in Attachments 1 and 2. Attachment 1 is a conceptualized flow diagram for processing trouble call maintenance requests. This flow represents the process steps envisioned for managing unplanned maintenance activities. These activities arise from unforeseen breakdowns and equipment failures that must be addressed immediately.

Attachment 2 represents the scheduling, creation, and assignment of planned work requests arising from scheduled PM's for equipment within the pilot project area.

V. Master Data

Master data requirements to implement phase one of the PM implementation include the following:

- i. Applicable Work Center Created
- ii. Functional Location Master Records
- iii. Equipment Categories
- iv. Functional Location Categories
- v. List of Object Types
- vi. Equipment Master Records
- vii. Maintenance PM Strategy or Strategies
- viii. PM Task Lists
- ix. Maintenance Plans (for Creating Scheduled Maintenance Requests)

Work is currently underway to develop and collect all of the above master data.

VI. Pilot Project Implementation Task List

Major implementation steps include the following:

- i. Identify Implementation Team / Define Roles and Responsibilities
- ii. Confirm Relevant Maintenance Operating Processes
- iii. Identify Integration Issues and Plan Appropriate Configuration
- iv. Confirm / Modify Plant Maintenance R/3 Configuration
- v. Develop Needed Master Data
- vi. Prepare Test Procedures for 'Development' Client
- vii. Conduct Unit and Integration Testing
- viii. Identify Maintenance Dispatcher/Scheduler / Staff Position(s)
- ix. Identify Training Needs / Conduct Training
- x. Review / Modify Hardware
- xi. Develop Cut-Over Planning
- xii. Begin Using R/3 – Schedule and Manage PM's
- xiii. Provide Go-Live Support and Follow-up
- xiv. Document and Evaluate Lessons Learned – Pilot Project

VII. Pilot Project Time Line

Project Time Line to be Developed.