

# Value Added Maintenance (VAM)

Value Added Maintenance (VAM) is a newly developed system, which enables you to utilize our combined competencies to assess your machine’s performance potential and to reach your defined targets using tailor-made solutions. A cost-benefit analysis lies at the heart of this operation.

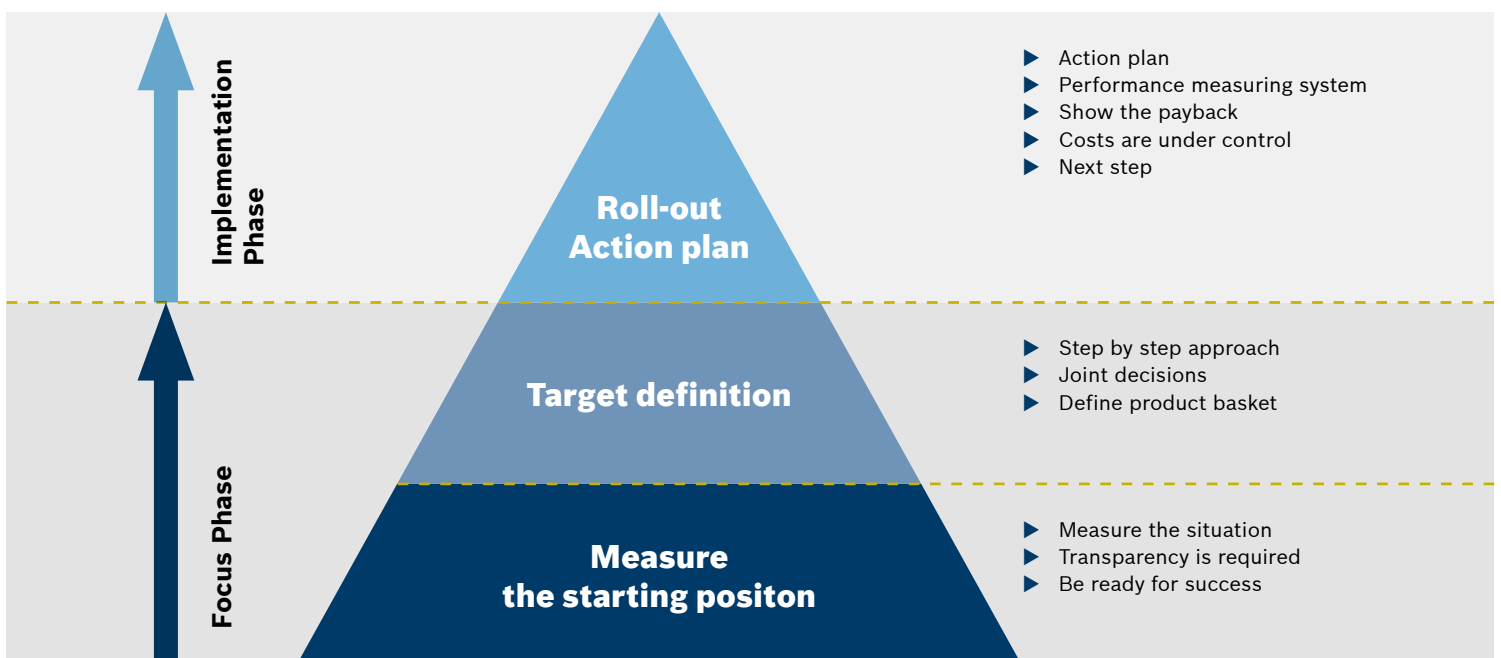
## Initial stages

For many years, Lavazza has successfully packaged coffee with lines from Sigpack Systems, as well as from Bosch Package Maker. To increase its success, the company increased its focus on post-installation services and daily production support. In 2005, to achieve this next

level of performance and profitability, as well as to prepare for the future, Lavazza and Bosch Packaging Services launched a joint project called Value Added Maintenance (VAM) to cover the service needs of today, as well as those in the future.

The target was clearly defined by:

1. Providing immediately needed services on demand
2. Long term availability of local service resources
3. Assessing requirements for the competencies and abilities of the maintenance team



## The way for Value Added Maintenance

Knowing the starting position as well as the targets > Focus-Phase Action plan to achieve targets > Implementation-Phase



4. Converting maintenance from a variable cost to a fixed cost, with a measurable efficiency increase (payback)
5. Actions must be measurable on an Overall Equipment Effectiveness (OEE) base

### The project

The concept of VAM is based on the embedded services pyramid (see picture left).

Starting with the focus phase (measure the starting position and target definition) and working up to and through the implementation phase (action plan and control) provides the necessary information to calculate a guaranteed payback for the customer.

#### Measuring the starting position

- ▶ Technical Audit (technical statement)
- ▶ Skill matrix (organizational statement)

In Lavazza's case, we jointly developed an overall soft skill matrix, which included technical skills and packaging know-how, as well as soft skills such as knowledge of the Italian language. After that, we rated the existing staff of Bosch Packaging, as well as the specialist from Lavazza, according to the defined needs. As a summary, we developed a picture of the level of expertise we already had available and highlighted areas where there were gaps in our knowledge. This was probably one of the most important steps in our VAM project.

#### Action plan and control

From then on, for both parties, it was important to work openly, in order to move from the starting position, via the agreed, defined targets, to an overall committed action plan.

Some of the actions we started were

- ▶ On the job training sessions
- ▶ Yearly planning for machine revision
- ▶ Embedded engineer packages
- ▶ Local service engineer concepts

After more than two years working together on the VAM project, every month has been more successful than the last. VAM is not a standard, rigid product, it is more a fully customized flexible concept, which was developed and is owned by Bosch Packaging Services.

It is our customer's aim to get increasing returns as it invests in the project. The way that we measure the return is different for each of our customer's applications but the most important factor is that proactive, planned maintenance will add monetary value.

#### For more information please contact:

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