

# Parts Management Agreement

Simplify Your Spare Parts Supply with Our Vendor-Managed Inventory Service

## Benefits

### Asset Control

- Improve Return on Net Assets (RONA)
- Avoid unnecessary inventory buildup with a service that adjusts along with your active equipment installed base

### Improve Cash Management

- Eliminate large capital expense of purchasing spare inventory and free up cash for other spending
- Enable more accurate budgeting with fixed, predictable costs and 3- or 5-year agreement terms

### Minimize Inventory Expenses

- Significantly reduce inventory and carrying costs
- Warranty starts when equipment is removed from PMA stock, not when purchased

### Maximize Production and Uptime

- Critical inventory can be maintained on-site at each facility for immediate availability during emergency breakdown situations
- Replenish consumed material within 24 hours with our Priority Exchange Service (subject to availability)

### End of Life Product Support

- Reserved Repair offers access to repairs on older equipment
- Components are secured in a Rockwell Automation repair center, with testing equipment and documentation maintained



A Parts Management Agreement provides critical spares to help you maximize equipment uptime while reducing overall inventory carrying costs.

Automating your processes helps maximize production and increase profitability. Rockwell Automation shares your goal of keeping automation systems running smoothly and effectively, which allows you to be more competitive and cost-effective.

Having the right part on-hand minimizes both downtime and mean time to repair (MTTR). Whether down for an emergency or scheduled maintenance, or for a start-up, the less time a process is down the more profitable it can be.

### Ready Access to the Spare Parts You Need

Reduce operating costs associated with spare parts inventory by implementing a Parts Management Agreement (PMA). A PMA allows ready access to needed spare parts for your machines with Allen-Bradley® equipment, all while we own and manage your spare parts inventory.

A PMA provides a flexible, easy-to-use, vendor-managed inventory service. The service delivers access and availability of critical spares to maximize machine uptime and throughput while reducing overall inventory carrying costs. A Rockwell Automation PMA helps you:

- Improve RONA
- Reduce downtime
- Minimize inventory costs
- Simplify budgeting

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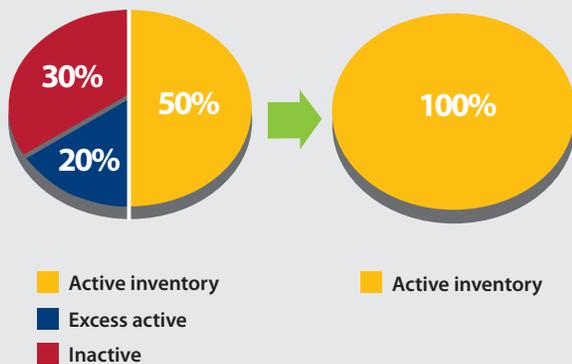
Your inventory is on-site giving you 24x7 access, while Rockwell Automation owns the inventory for a fixed fee. The PMA is backed by our proprietary remanufacturing and renewal parts services to replenish any used inventory.

**Benefits of a PMA include:**

- Immediate availability for critical spare parts on-site
- Increased uptime of automation systems
- Reduced MTTR
- Improved control of inventory assets
- Decreased inventory carrying costs

According to our internal data, approximately 50 percent of a customer’s typical inventory is not used in their installed base. This material is either excess inventory based on current plant requirements, or supports equipment no longer in production. A PMA breaks from the traditional parts ownership model, which can result in unnecessary and out-of-date inventory, to a vendor-managed inventory model with critical spares access.

**Transition: Traditional Parts Ownership to PMA Model**



Services vary by region.

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**Traditional Parts Ownership Model**

- Sunk cost of inventory tied up in excess and old inventory
- Warranty clock starts when purchased
- Ongoing carrying costs to support spares regardless of use
- Spares no longer actively used in the installed base must be written off at a loss

**Rockwell Automation PMA Model**

- Flat cost operating expense
- Warranty clock starts when equipment is removed from PMA stock
- Achieve cost containment with exposure limited to the agreement term
- Inactive PMA stock can be returned; add next generation products to the agreement to keep up with technology

**For More Information**

To learn more, contact your local authorized Allen-Bradley distributor or Rockwell Automation sales office, or visit [www.rockwellautomation.com/global/go/services](http://www.rockwellautomation.com/global/go/services)