



Date: 2012 - 2014

Client: Top 5 Middle East Terminal Operator

Project Type: Port Equipment Services and Solutions

Asset Management for Ports – Top 5 Middle East Terminal Operator

Working in partnership with the Chairman of PAS55 & ISO 55000 Committee to develop an Asset Management Program that was both aligned and focused around Port Terminal operations and compliant with ISO 55000 requirements.

Various ports were included in the first phase implementation ranging from the Americas, Africa, Asia, Europe and Middle East in order to ensure that the AM program could deliver results across the various cultures and port operations.

A summary of benefits were the result of both a detailed AM assessments and subsequent activities in implementing the AM program. All activities and results were documented and signed off by the ports.

Project Benefits

RETAINED RISK Examples:

Four terminals had a collective retained risk of over USD 200+ million. One port having over USD 100 million previously not recorded.

OPEX Saving Examples:

1. 1 terminal in the Americas achieved a 17% Opex saving amounting to USD2.2M
2. 1 terminal in Asia achieved a 7% Opex saving amounting to USD1.1M
3. 2 terminals in Africa achieved a 15-18% Opex saving amounting to around USD1.5M at each terminal.

All documented savings were signed off by the port.

CAPEX Saving Examples:

Alignment of Capex to business goals and objectives can get misaligned for a variety of reasons.

1. Terminal 1 – removed USD1.5M from their Capex due to misalignment with the ports business goals and objectives.
2. Terminal 2 – removed USD1.0M from their Capex due to misalignment with the ports business goals and objectives.
3. Terminal 3 – removed USD2.5M from their Capex due to misalignment with the ports business goals and objectives.
4. Terminal 4 – removed USD13.05M from their Capex due to misalignment with the ports business goals and objectives.

RETURN ON ASSETS Example:

One terminal went from Baseline ROA of 9.5% to 16.2% in little over 2 years.

OPERATIONS Example:

- 1 Terminal in the Americas achieved record berth moves per hour after AM implementation due to a variety of factors, including equipment reliability.
- The terminal recorded an improvement for berth moves within a one year period of 49.62 to 60.2 and a gross move improvement of 25.29 to 28 in same period.
- The terminal eliminated a variety of duplicated performance measures that had grown over time, confusing the performance picture of the terminal, leading people to do the wrong things.

ASSET RELIABILITY Examples:

As part of Trent's AM program and focus to 'pull levers' for early quick wins, we have witnessed USD500K Opex reductions in a short space of time.

Following early stages in the delivery of Trent's asset reliability program, we have witnessed the following examples:

- Reduction in QC maintenance hours of 378hrs – over select items (not entire crane).
- QC Fleet uptime increased 738hrs per month (meaning operations can utilise more often on revenue earning opportunities).
- Reduced oil and lubrication needs by USD200K per annum in one terminal – without any impact to equipment reliability or warranty.
- Reduced headcount by 18%, responsibly and with minimal social impact without impacting equipment maintenance programs and performance.
- Identified and quantified 50 assets operating in one terminal, that were life expired by design, and consuming 70% of terminals maintenance budget.

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CAPEX Saving Examples:

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5. Terminal 1 – removed USD1.5M from their Capex due to misalignment with the ports business goals and objectives.
6. Terminal 2 – removed USD1.0M from their Capex due to misalignment with the ports business goals and objectives.
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