



Parts fail – consider the options – replacement or factory refurbishment

Sum of the parts hits the bottom line

By Ainsley Fraser

Inevitably, parts fail and wear out in the waste industry. Fact. In a sector which is recognised as one of the toughest and most hostile operating environments for vehicles, plant and machinery, surely that's not rocket science. However, how companies manage repairs and maintenance – and indeed how and where they source their parts, can have a direct impact on the bottom line.

The waste industry is as diverse as the range of assets it operates – and with a wide spectrum of equipment in use, there can be no surprises that company policies, practices and supplier options are many and varied. When it comes to parts, there are basically two choices – the OEM (Original Equipment Manufacturer) genuine specified parts, or the aftermarket alternative. Here, we take a look at both – and the pros and cons which operators have to consider.

All OEMs will advise customers and end users to use only genuine recommended parts – and for good reason. And beware because if aftermarket or 'pattern' parts are used, it will almost certainly invalidate the OE manufacturer's warranty. Also, in the case of long-term usage of non-OEM or so called 'pattern' parts, there may be a negative impact on the residual value of the asset. This is sufficiently important to the lease and contract hire fraternity, that they

have their own teams of engineers who monitor the use, treatment, maintenance and care of what is, after all, 'their' asset during the course of its contract life with the customer. This is particularly important where operators and end users put vehicle assets through their own workshops.

Of course, OEMs seldom manufacture all their own componentry and where parts are outsourced, there is little to stop the same parts being offered in the aftermarket – including by low overhead parts retailers who know where the originals come from. Maybe that is why increasingly, OEMs are imposing strict exclusivity conditions on component manufacturers and their supply chains.

The aftermarket alternative parts supply chain can be generally summarised as the cluster of independent component manufacturers, providers, distributors and retailers, who may offer their own branded,

produced or sourced equivalent parts – and they do an important job. Occasionally, their parts may come from the same component manufacturing source as the OEM – but, more likely, they will be 'pattern' parts, which can be – and often are inferior quality copies made overseas. Either way, the cost of the part is likely to be a lot cheaper and reflect the provider's lower overheads, stocking costs and lighter liability and warranty provision.

Whichever option is chosen, parts policy is inseparably linked to the whole life costs of the asset. Careful tracking and analysis of whole life costs can reveal the real value of proper, regular and even preventative maintenance, the use of manufacturer's genuine parts versus aftermarket 'pattern' parts – and even service provider and workshop practice issues.

Original parts are usually specified by the manufacturer's engineering team for a range of good reasons – which will include performance, but also strength. The design specification of the part or sub-assembly may also take into consideration yield, shock or overload limits – not in any way to breakdown, but to 'fail safe' to protect other components. Whilst there is a quite

