

IHS Intermat Solutions

Clean Structured Data – The Key to Unlocking the Value of IBM Maximo® Asset Management



The Source
for Critical Information and Insight™



The Problem – “Dirty” Data

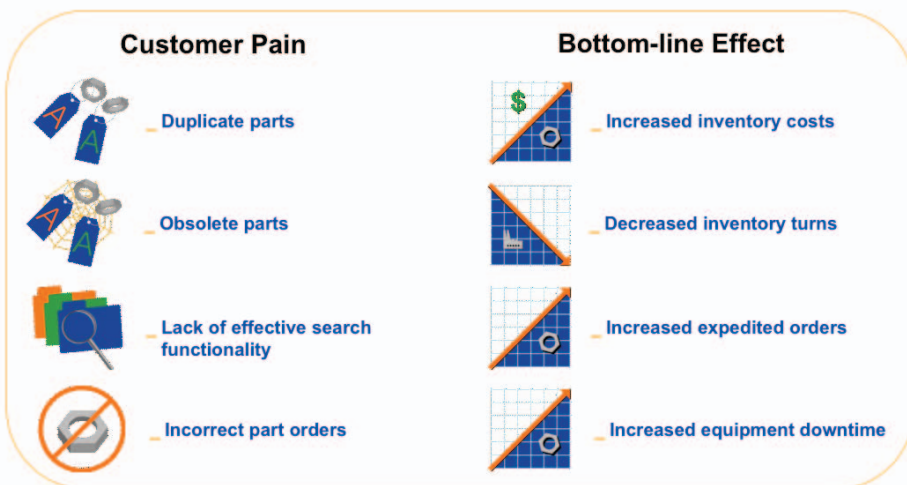
Without clean, standardized and enriched data, companies cannot realize the full value of their business applications. This is especially true for industrial, process and manufacturing organizations implementing IBM Maximo solutions for Enterprise Asset Management (EAM). These organizations often have multiple plants and hundreds of thousands of parts for maintenance, repair and operations, or “MRO.” They are considered “asset intensive” because of their considerable inventory and expense on non-production parts and supplies which keep companies running, such as valves, seals, bearings, motors, instrumentation, and lubricants.

However, MRO data is often “dirty” -- with unidentifiable, duplicate and non-comparable item descriptions. This dirty MRO data renders EAM systems ineffective, because users cannot effectively identify a part or replacement. In other words, if you can’t find it, you can’t buy it. And when items are described differently, inadequately, or incorrectly, it has significant negative impact on the organization. If you can’t find items because of poor descriptions, then duplicate items are created, and users buy parts outside of the system. As a result, inventory values rise, inventory turn rates decrease, expedited part orders increase, and equipment downtime increases. All of these have a direct bottom-line effect in industries that often already have very tight profit margins.

The Solution – A Proven Process for Item Master Optimization

Enter IHS Intermat. IHS Intermat pioneered the standardization of industrial MRO materials information over 28 years ago, and has a proven process to develop and maintain a clean structured item master. IHS Intermat focuses on data cleansing of technical parts and materials content that is typically housed within Maximo’s Asset Catalog/Classification module. Since clean structured data is required to fully unlock the potential of Maximo business applications, the majority of companies must perform some level of data cleansing/rationalization prior to go-live. Generally this isn’t an option, but a mandate to insure that implementations are successful.

IHS Intermat solutions are built around the Standard Modifier Dictionary (SMD)TM. The SMD is the de facto worldwide standard for describing MRO items - - utilized in more than 2,000 industrial plants and facilities for over 330 organizations in 32 countries, including over 100 implementations with Maximo customers. These customers use the SMD (also known as a dictionary, taxonomy, nomenclature or schema) as the standard to classify and sub-classify assets (materials, equipment, and spare parts) by common descriptive attributes.



A global food and beverage company had 140,000 MRO items in 12 plants, and were upgrading their Maximo EAM system. IHS Intermat software, tools and services helped reduce inventory by 12,000 items (over 8%) while helping them avoid “false stock-outs” and lowering procurement costs. First year savings exceeded \$2.1 million.

The Intermat Standard Modifier Dictionary (SMD) is comprised of approximately 2,500 Formats/Templates (example below) that cover virtually all industrial MRO items and materials. The SMD includes Nouns (Classifications), Modifiers (Sub-Classifications) and Characteristics (Attributes) that map perfectly to Maximo tables/fields, and can be easily tailored to fit specific customer needs. In addition, the SMD includes guidelines, definitions, sample values, and rules to identify functional equivalents/duplicates.

Characteristic	Characteristic Guidelines	Type II	Label	Position	Space ?	Sample Values
SIZE	Enter the nominal pipe size to be connected. If inlet and outlet are different sizes, enter smallest X largest.	M		Before	No	1-1/2" 14" 6"
TYPE	Enter the term denoting the configuration of the gate	M		Before	No	DOUBLE DISC FLEXIBLE WEDGE KNIFE SOLID WEDGE
DESIGN RATING	Enter the maximum pressure or flow rating of the valve body. Enter PSMP SIG and pounds as LB. Enter class 150 as 150 LB.	N		Before	No	125 LB STEAM 1500 LB 200 LBWOG
PORT	Enter the type of port. Enter regular port as REDUCED.	I	PORT			FULL REDUCED
TEMPERATURE RATING	Enter the designated pressure rating at a predetermined temperature or its temperature operating range. Enter Fahrenheit first followed by the Centigrade temperature rating.	M				

Sample SMD template for "Gate Valve".

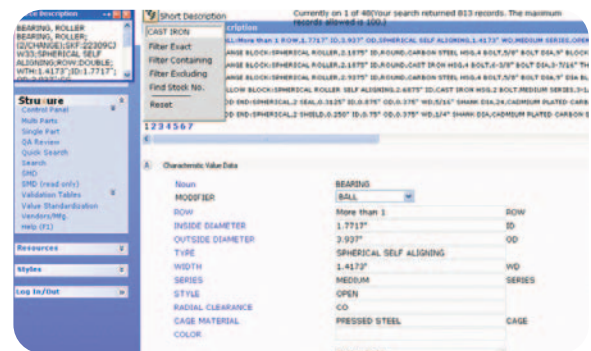
Options to Fit your Needs and Budget

IHS Intermat suite offers data optimization services, outsourcing services, and software to create and maintain standardized descriptions based on the SMD.

Data Optimization Services: IHS Intermat performs a broad range of services, from identifying potential duplicate inventory to standardizing and enhancing MRO information. We employ a proven process that eliminates cost and confusion, whether your inventory consists of 10,000 or 1,000,000 items.

<p>Existing customer data: STK #: 129931 SDESC: VALVE LDESC: SOL VALVE -3 WAY,1/16" ORIFICE, 1/4" PIPE, 120V 10WATTS, FOR BOILER ACTIVATION CONTROL ASCO 8320A20</p> <p>Vendor ID extraction: ASCO 8320A20 ACME J665-099</p> <p>Parent Equipment extraction: For Boiler Activation Control</p> <p>Short Text: VLV/SOL:1/4"PIPE,1/16"ORIF:120V,10W,3WAY Long Text: VALVE, SOLENOID: 1/4" PIPE, 1/16" ORIFICE SIZE, 120V, 10 WATT, 3-WAY</p>	<p>Valve, Solenoid</p> <p>Pipe Size: 1/4" Orifice Size: 1/16" Electrical Rating: 120V Wattage: 10W Connection: FNPT Body Material: Brass Style: 3-way Operation: NC Pressure Rating: 125 PSI Coil: Cont. duty molded, Class A Enclosure: Explosion Proof/Watertight Vendor ID: ASCO 8320A20 ACME J665-099 Parent Equip: For Boiler Activation Control</p>
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Catalog Management Software: Maintain consistency and currency with Struxure® catalog management software. With Struxure, standardized MRO descriptions (item and classification data) can be passed seamlessly to Maximo. And Struxure provides catalog management functionality that is a perfect complement to Maximo.



Catalog Outsourcing: Let the experts manage your MRO catalog. IHS Intermat Solutions has a flexible and customizable catalog maintenance outsourcing model, to allow you to build and maintain a material master catalog with complete and consistent item descriptions – with little or no drain on your important resources.

Immediate, Tangible Benefits

The cost benefits of clean MRO data in your IBM Maximo application are significant. With clean, structured MRO item descriptions, you can:

- Identify duplicates and obsolete items
- Reduce inventory and procurement costs
- Reduce plant/equipment downtime
- Enable strategic procurement efforts

Proven methods deliver proven results. IHS Intermat has unparalleled experience as your MRO data optimization partner, including:

- Experience with industrial MRO data – IHS Intermat has processed over 40 million MRO item/material records in the past three decades, with hundreds of reference customers. We only employ project professionals and materials analysts with deep subject-matter expertise in industrial MRO.
- Proven business model/approach – Many companies tout data cleansing tools or classification software, but

there is no “quick fix” for dirty data. Only IHS Intermat utilizes a proven, service-based model that leverages software tools to improve product delivery and increase operational effectiveness.

- Depth and breadth of catalog management tools – Only IHS Intermat has the SMD . . . the de facto standard for describing industrial MRO items, used daily in thousands of plants worldwide. We also utilize MRO-specific auto-classification software, reference databases, and advanced catalog management tools to support our service-based model.
- Experience with Maximo integration – IHS Intermat has been increasing the value of Maximo business applications for over a decade by ensuring clean structured data. We have over 100 successful Maximo implementations worldwide.
- Proven delivery of tangible and sustainable cost benefits – Only IHS Intermat delivers proven payback periods and solid, recurring ROI. The following illustrates our historical averages:

Key Performance Indicator (KPI)	Potential	Typical	Year 1 Realized Cost Benefits	
			Low Range	High Range
Inventory Reduction	5-20%	8%	\$1,778,700	\$2,695,000
Strategic Procurement Savings	2-7%	4%	\$660,660	\$1,001,750
False Stock Outs Reduction	1-3%	2%	\$363,300	\$550,550
Carrying Cost Reduction	10-17%	12%	\$302,148	\$457,800
TOTAL			\$3,104,808	\$4,705,100
Payback Period/Project			3.8 months	2.9 months
Rate of Return: Year 1			214%	309%

About IHS Intermat

IHS (NYSE: IHS) is one of the leading global providers of critical technical information, decision-support tools and related services to customers in a number of industries including energy, defense, aerospace, construction, electronics, and automotive. InterMat is an IHS solution focused specifically on helping Global 2000 organizations optimize and manage their industrial MRO parts information. IHS InterMat cleanses, standardizes and enriches unstructured MRO/Indirect parts data using industry-proven templates and tools



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