

EASANS and the Industrial Motor Market



***Reliable Solutions
Today!***

Presented by
George Flolo

**EASA Marketing & Industry
Awareness Committee Chair**
The Flolo Corp.
Bensenville, Illinois

What is EASA?



- **Recognized internationally as the leader in the electrical and mechanical apparatus sales, service and repair industry.**
- **Provides an ongoing flow of industry information and education that helps members worldwide serve as total solution providers for electrical and mechanical equipment and systems.**



Membership

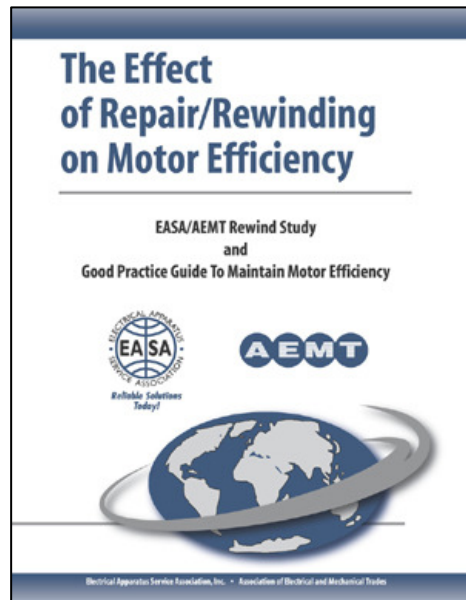
- Approximately 1,950 Members;
1,440 in U.S.
- Most firms are relatively small and independent.
- Annual sales volume:
 - 79% -- <\$5M
 - 16% -- \$5M - \$15M
 - 5% -- >\$15M

EASA's Energy Policy (excerpts)

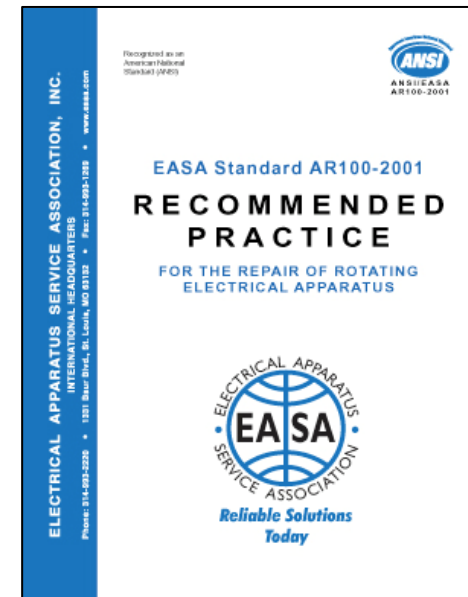


- . . . shall be energy conservation advocates throughout the world.
- . . . a leading resource for knowledge and information dealing with electrical energy utilization and conservation in the rebuilding of rotating electrical machines.

Energy-Related Resources at www.easa.com



- **The Effect of Repair/Rewinding on Motor Efficiency: EASA/AEMT Rewind Study**



- **ANSI/EASA Standard AR100: Recommended Practice for the Repair of Rotating Electrical Apparatus**

Energy-Related Resources at www.easa.com (Continued)



- Guidelines for Repair/Replace Decisions and Performance Optimization
- Guidelines for Maintaining Motor Efficiency During Rebuilding
- State of the EASA Industry

Guidelines for Repair/Replace Decisions and Performance Optimization



**Reliable Solutions
Today!**

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This paper was presented by Austin H. Bonnett, EASA Education and Technology Consultant
at EASA's Conference in Chicago, Illinois, June 25, 2001

Other Energy-Related Efforts



- **Department of Energy “Allied Partner”**
 - Provides support to DOE’s “systems approach”
 - Serves on editorial board for *Energy Matters* publication
- **Energy Symposiums –**
 - Engineers speak periodically on programs focused on energy topics, regionally and nationally
- **Resource on Predictive/Preventative**
 - Convention sessions, articles, other references on predictive, preventative maintenance help members help their customers improve overall motor system reliability

How We Get the Word Out Regarding MDM/Motor Management



**Convention/Exhibition
2,300+ attendees**

**Newsletter
Web site**

CURRENTS

The Monthly Newsletter of the Electrical Apparatus Service Association, Inc. Volume 39 • No. 6 • June 2005

**Marketing Solutions: Make Your Company
The Source For Help With Motor Management**
Use Tools Available Through EASA To Build Relationships, Trust With Customers

*By George Flolo, Chair
Marketing and Industry
Awareness Committee
The Flolo Corp.
Bensenville, Illinois*

**Motor
Decisions
Matter**
www.motorsmatter.org

else falls into a tie for third place. Some consider price even though they're in an emergency situation." Some customers do understand the benefits of premium efficient motors in terms of real savings, but these individuals comprise a small percentage of the total. So,

seem to understand? Sometimes it's a matter of budget or compensation considerations. Or it could be that the decisions regarding replacement and/or upgrading to more efficient motors fall under the

Continued On Page 8

Note:
Be sure to circulate

Member Education



Marketing Solutions: Learn How To “Increase Business With Motor Management Services” Training Session

By David Parr
Bodine Electric of Decatur
Decatur, Illinois
Marketing & Industry Awareness
Committee Member

Motor Management.” MDM is a campaign to make end users aware of the benefit of motor management. It is co-sponsored by EASA, NEMA, DOE, utility groups and others. You can find



If you've niche or value without having to be sure to check training sessions services. It really to learn about your business.

The session Business With Services” was Peerbolte of J at the 2004 E Washington, I “Members Of www.easa.co

Members tion and simu corresponding This is anothe membership!

Based On The press

Motivate Employees By “Accentuating the Positives”

By Ken Gralow
Gray Electric Co.
Schenectady, New York
Technical Education Committee
Member

Praise! All of us know what it is. It's the compliment or recognition we get for doing something good or positive, for a job well done or simply for being nice. Receiving praise makes us feel good about ourselves. Praise is a gratifying expression of approval. It gives everyone a sense of pride in what he or she is doing or what he or she has accomplished. All of us like praise.

Years ago, an employee put in a 40-hour workweek to receive a paycheck as compensation that was often viewed as recognition for his/her efforts on the job. The perception of many employers was that merely paying their employees was all that was necessary to maintain, motivate and satisfy them. The employees, in return, also considered their weekly paycheck as validation that they were doing a good job.

Today's employer can benefit greatly by simple methods to recognize employee efforts and build relationships by “accentuating the positives.”

may be dissatisfied with the rate in as little as six months to keep employees

Employees Want Recognition

An employer must recognize in addition to pay, employee recognition for their work ways. As a motivator, praise matchless. It is the one that employees want most but they won't ask to receive someone in authority who respect and admiration is stronger motivator than an increase. Money is an immediate reward, but primarily people be treated special in order special about themselves.

enable them to enjoy attending work as well as like what they do? Through

Power Factor Correction: Why It Is Important



By Richard Huber
BC Hydro
Burnaby, British Columbia
Canada

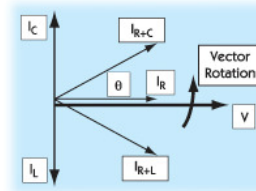


Figure 1. Vector relationships between current and voltage for various combinations of circuit elements.

approaches capacity, power factor penalties are often used to help manage usage. So even if a particular power company does not impose power factor penalties right now, that is no guarantee they won't do so in the future. One power company's surcharges are shown in Table 1.

Table 1
Power Factor Surcharges

Power Factor %	Surcharge %
90 to 100	0
88 to 89	2
87 to 85	4
80 to 84	9

● CURRENTS

- Technical & Sales/Management Articles
- Much more

What Services Do EASANs Perform



- The Core business of rewinding, reconditioning, and the sale of new motors
- All members have diversified to some of the following and some to all from the core business. A short list:
 - Electronic Drives & Controls / sales and application
 - Pumps – repair and new
 - Preventive and predictive maintenance
 - Vibration Analysis
 - Infrared thermography
 - Ultrasonic analysis
 - Field/onsite service for mechanical, electrical, and electronic problems
 - Root cause failure analysis
 - Motor management

How Do EASANs Work Within Its Channel to Customers?



- Direct contact with industrial customers on the plant floor
- Direct contact with manufacturers – combining the application with both of their practical and theoretical knowledge bases
- Provide “on the ground” insight for industrial customers’ motor system decision-making inherently through the typical relationship.

What Can EASA/EASAs Offer MDM Sponsors?



- Potential role to connect customers with efficiency programs
- Provide efficiency program administrators with feedback (re: which programs work, which don't, and why).
- Connect with the chapters, regions in your program service territory.

How can we do these items?



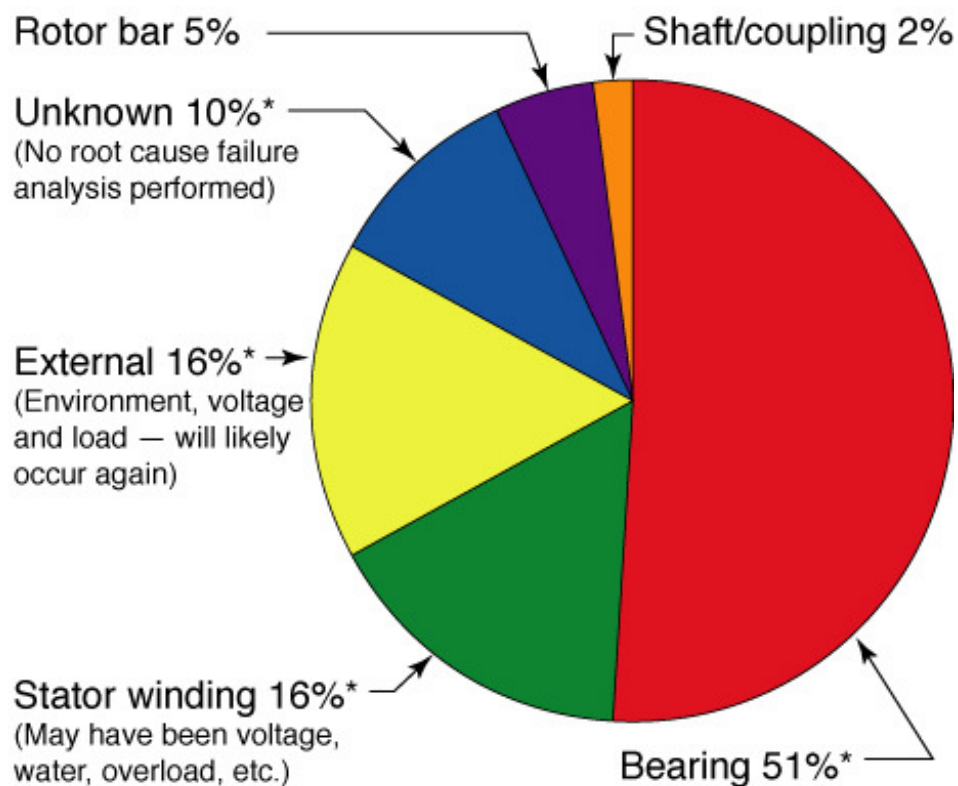
Trends

- Yes, traditional “fix it” repair is declining
 - Members predicted motor repair declines averaging 9% of overall service center revenue from 2002 to 2005
(source: *State of the EASA Industry*)

Trends (Continued)



- Still, motor repair will not go away
 - Most repair does not involve rewinding
- PE motors will need repair, too



* For each component shown, appropriate measures to prevent or predict the failure could greatly reduce three-quarters of motor failures.



Customers and Efficiency Issues

- **No time (limited resources in Maintenance and engineering – subcontracting big time)**
- **No Money for upfront costs – later thought**
- **There is still a lack of understanding of just how important efficiency is for some/many users**
- **However?**



..... timing is important

- The market is in a “Do Nothing Mode”
- Education is still a key way to speed up the process
 - Motor Manufacturers –
 - Make it so you are a leader in product but also in filling need with the right product
 - Be a leader in education for the channel
 - EASANS –
 - Use efficiency **(because it is valid)** to ensure your consultant relationship
 - Use your plant floor knowledge as a means of continued differentiation
 - User –
 - Now is the time – costs will rise rapidly for the equipment and energy in the future
 - Competition is only going to get tougher and there will be a lot of effort to reduce costs to maintain profits.

What should the User be focusing on



- **Motor System Optimization**
 - Performance
 - Energy
 - Reliability
- **Motor Management**
 - Understanding the repair vs replace decision criteria
 - Review critical applications to ensure uptime
 - Understanding the “Total Procurement Costs” of new motors
 - Understand the Best Practices Method of repaired units
 - Understand life cycle costs for the specific application

What should EASANs be focusing on



- Support of Customer's need – known or not
 - Identify strategies to improve performance, efficiency, reliability
 - Identify opportunities for motor+drive
 - Retire inefficient motors based on usage,
 - Create motor inventories,
 - Remove inefficient motors from inventories based on application
- Work with program managers and other trade allies in coordination at the point of sale to successfully encourage customers to take action
- Use MDM resources to support user needs



What should Program Managers focus on

- Continued Focus on Education
- Develop a “Channel Partner” mentality for implementing change in the small and medium size user
- “Way Out” idea? - Underwrite a leasing relationship with a user through a channel partner

Thoughts?



Thanks for listening