A Word from Our Editor
Since 1883, Industrial Press, Inc., has been publishing essential resources for the machining community and related manufacturing industries. This newsletter focuses on the challenges of inventory management in today’s rapidly changing global marketplace. We have two new titles that present effective inventory management and teach how to revamp your company’s approach to spare parts. Learn more about these and related topics from the “Q&As” with our expert, international authors. We hope that you enjoy this newsletter. And as always, we look forward to hearing your comments. —Judy Bass, Editorial Director

Spare Parts Survival Solutions
Talking with Author and Maintenance Expert Joel Levitt

A leading educator in maintenance management, Joel Levitt has trained more than 17,000 maintenance professionals in 25 countries. Since 1980, he has been president of Springfield Resources, a management/consulting firm serving clients on a wide range of maintenance issues. A frequent speaker at maintenance and engineering conferences, Levitt has published numerous articles on the subject, as well as a number of successful books. Among his best-sellers are the Industrial Press titles: Complete Guide to Preventive and Predictive Maintenance, The Handbook of Maintenance Management, Lean Maintenance, Managing Factory Maintenance, and Managing Maintenance Shutdowns and Outages. His newest book is Surviving the Spare parts Crisis: Maintenance Storeroom and Inventory Control.

Levitt: If you are old enough to remember such things, think about the traditional rotary desk phone. The desk phone didn’t change for 35 years or more. I remember when tone dialing came out. It took about 10 years to adopt it. Then, we were shocked and happy when the princess phone was released.

Zoom forward to today. Think about the iPhone upgrade cycle. About so many users getting a new phone annually. In fact, it seems that almost every machine is changing every day. The spare parts needed for those machines are changing just as rapidly. To some degree, the Internet is mitigating the need to adapt. But the world of spares is already radically different. And that difference is changing more quickly as time goes on.

What Surviving the Spare Parts Crisis offers is a route to leadership and decision making. This book will prepare you so that, whatever the future brings, you’ll be better equipped than most to deal with it.

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For more information and to order, visit us at industrialpress.com; ebooks.industrialpress.com.
Talking with Joel Levitt (continued)

Levitt: I like 20 years, because in that time frame either most of the problems we have today will be solved, or it won't make any difference (a post-apocalypse scenario).

In the future, it is very likely that we will order most parts as needed from a local printer after paying a royalty for the intellectual property to the original equipment manufacturer.

Surviving the Spare Parts Crisis:
Maintenance Storeroom and Inventory Control
By Joel Levitt
Pages: 272, Softcover
Published: October 2016
ISBN (print): 978-0-8311-3604-8, Price: $49.95
ISBN (ebook): 978-0-8311-9414-7, $39.95

The Sparesology® Solution

A Conversation with Author and Business Improvement Expert Phillip Slater

Phillip Slater has been described as “one of the leaders in the MRO information segment” and “the global spare parts guru.” We talked with the author and business improvement expert about his latest book, **Spare Parts Inventory Management: A Complete Guide to Sparesology®**.

This groundbreaking title is the first to address the topic of spare parts inventory solutions by examining the entire spare parts management life cycle. Not only does the author identify and discuss the key issues, he also presents the answers that individuals and organizations need.

Slater’s other titles include **A New Strategy for Continuous Improvement: 10 Steps to Lower Cost and Operational Excellence** and **Smart Inventory Solutions: Improving the Management of Engineering Materials and Spare Parts**, both published by Industrial Press.

Industrial Press: In your opinion, which industries are leading with effective approaches to the current spare parts turmoil?

**Levitt:** No one is leading. The blind are leading the blind. The problem is that most of the most vocal people in organizations are blind, but are deluded in thinking that they can see. They see what they want to, not what is there. Everybody is on the train ride, and I don’t think there is a conductor or engineer in the front of the train.

Industrial Press: You also talk about inventory reduction reducing risk. But can’t this lead to a decrease in customer service and satisfaction? What is the best way to implement a reduction in parts?

**Levitt:** Most inventory reduction actually increases risk. Because most organizations I’ve seen reduce inventory with the cavalier attitude that the customer be damned. Only smart inventory reduction will decrease risk. We must be vigilant about removing, repurposing, and selling parts we no longer need. It is that simple—and that complex.

Industrial Press: In your opinion, which industries are leading with effective approaches to the current spare parts turmoil?

**Levitt:** In your opinion, which industries are leading with effective approaches to the current spare parts turmoil?

**Slater:** I actually started my career designing warehouse racking and conveyor systems and then worked in engineering, maintenance, and operations in the plastics packaging industry. So I have been involved, one way or another, in spare parts management since completing an honors degree in mechanical engineering in 1985.

Over the years, I have experienced all of the key aspects of spare parts management—maintenance, procurement, storeroom management, supply chain, finance, and, of course, leadership. It is this range of experience that enabled me to develop the insights that get translated into my work and the books that I write.

Industrial Press: You are so well known in your field. Would you tell us a bit about your background and what led you to become involved in the spare parts industry?

**Slater:** I have worked across 35 countries, and I find the international aspects of my work to be the most exciting. Meeting and working with people from different countries and cultures has been a key highlight of my career.

Beyond that, my greatest satisfaction comes from helping companies transform their skills and processes to produce new, higher levels of performance. This is something that I have achieved both during my career in manufacturing and throughout my consulting career.

**Industrial Press: In addition to your ongoing writing and consulting engagements, what have you been working on?**

**Slater:** My major project, outside of writing and consulting, is the development of a website providing online training in spare parts inventory management: **SparePartsKnowHow.com**.

Currently, we provide five online training courses, as well as a resource library and online coaching.

**Industrial Press: Your new book discusses the whole spare parts life cycle, from initial purchase to final disposal. What does a spare parts life cycle entail? And what are the crucial issues?**

**Slater:** In terms of spare parts management, the life cycle really starts before the initial purchase, with the decision about whether or not to stock the spare part in the first place. This is part of what is described in my new book as the “Create and Stock” phase. What I find particularly interesting is that this is the point in time where companies have the greatest influence on their stock levels but where they tend to pay the least attention.

The life cycle then moves through the “Operations” phase, where the item is used and
then replenished. The key problem that companies most often have here is coordinating their information and activities across the range of departments involved.

Finally, the life cycle moves into the “Obsolescence and Disposal” phase. Here most companies are too slow to react, and that is why they end up unnecessarily holding on to excess stock of obsolete items.

_Industrial Press_: “Sparesology®” is an intriguing word, and one that you coined. You have said it is a practice that involves so much more than inventory optimization. What is this concept all about?

_Slater_: The problem that I see with spare parts inventory management is that it is too often perceived in a one-dimensional way. That is, typically, either focusing on optimization or managing slow-moving stock.

The practical reality is that achieving the best results in terms of availability and inventory investment requires a holistic approach, covering the entire life cycle and ensuring that all factors influencing the spare parts management outcomes work in concert to achieve the organization’s goals.

_Industrial Press_: Who are the players in spare parts inventory management?

_Slater_: There are actually many “players,” and they each have an important role to play. For example, maintenance needs to provide quality forecasts and data on needs, the storeroom needs to manage the storage and process information in an accurate and timely manner, procurement needs to purchase in a manner consistent with inventory goals, and finance needs to understand that not all inventory is bad. By getting all of these elements working together, the best results are achieved.

_Industrial Press_: Who can most benefit from the discussion of the complete “ecosystem” of spare parts inventory as discussed in your new book?

_Slater_: Ultimately, the company benefits via reduced downtime, reduced procurement expense, lower inventory investment levels, and improved workforce efficiency. Each department benefits in its own unique way through fewer surprises and having what they need, when they need it.

_Industrial Press_: What does the future of the spare parts industry look like? What do you think will be the key trends and major shifts? How will these changes impact manufacturing? Finally, what are some of the most exciting things to come?

_Slater_: The digitization of the supply chain should continue to bring efficiency gains in terms of procurement and supply. The emergence of the “Internet of things” and advances in predictive analytics should bring about the potential for improvements in forecasting and demand management. However, technology alone won’t solve a company’s problems.
Other Books by Levitt and Slater Available from Industrial Press

**Complete Guide to Preventive and Predictive Maintenance, 2nd Edition**  
By Joel Levitt  
ISBN: 978-08311-3441-9, $54.95

**Handbook of Maintenance Management, 2nd Edition**  
By Joel Levitt  
ISBN: 978-08311-3389-4, $69.95

**Lean Maintenance**  
By Joel Levitt  
ISBN: 97808311-3352-8, $49.95

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By Joel Levitt and Don Nyman  
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ISBN: 978-08311-3189-0, $52.95

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By Phillip Slater  
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By Joel Levitt  
ISBN: 978-08311-3426-6, $39.95

**Managing Maintenance Shutdowns and Outages**  
By Joel Levitt  
ISBN: 978-08311-3173-9, $52.95

**A New Strategy for Continuous Improvement: 10 Steps to Lower Cost and Operational Excellence**  
By Phillip Slater  
ISBN: 978-08311-332-0, $44.95

**Smart Inventory Solutions: Improving the Management of Engineering Materials and Spare Part, 2nd Edition**  
By Phillip Slater  
ISBN: 978-08311-3401-3, $49.95

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**Demand Driven Material Requirements Planning (DDMRP)**  
By Carol Ptak and Chad Smith  
Pages: 368, Hardcover  
Published: July 2016  
ISBN (print): 978-0-8311-3598-0, Price: $69.95  

“This book is the ultimate reference for this new way of life across a dynamic adaptive supply chain. With the development of DDMRP and now the writing of this book, Ptak and Smith have broken through common practice to bring common sense to supply chain management. If your company is facing variability and uncertainty across your supply chain and the future looks little like the past, then this book holds the answer. DDMRP represents the future of planning in today’s complex and volatile supply chains. Inherent flaws in the traditional planning approaches are exposed and resolved for current-day adaptive supply chains.

With the Demand Driven Adaptive Schema and the pivotal position of Demand Driven Sales and Operations Planning, this is not just a better way to plan; it is a better way to run an organization in today’s hypercompetitive environment. Operations and strategy can now easily and realistically be connected bi-directionally, allowing both to adapt to critical changes for the best return on share-holder equity.”

—Dick Ling, S&OP Consultant and Author of Orchestrating Success

**Industrial and Manufacturing Wellness**  
The Complete Guide to Successful Enterprise Asset Management  
By Mike Sondalini  
Pages: 246, Hardcover  
Published: April 2016  
ISBN (ebook): 978-0-8311-9384-3, Price: $47.95

“Mike created what could basically be referred to as an ISO 55001 implementation manual, with a big picture holistic engineering reliability approach to asset management. You will be surprised how he did that while also expanding on his existing ‘Plant Wellness Way’ methodology in just 286 pages! I also like how he emphasized throughout the book, attention to life cycle cost. Something that has been lacking in our industry. A must-read in today’s world.”

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“Mike Sondalini’s new book Industrial and Manufacturing Wellness is one of the best in our field that I have seen.”

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