

**CASE STORY**



**Facts about Arla Food**

Established in the spring of 2000 through the merger between the Danish MD Foods and the Swedish Arla, Arla Foods is a co-operative owned by approx. 7,200 Swedish and 8,300 Danish milk producers. Between them they supply 6,2 billion kg milk to the group, the equivalent of almost 80% of the total milk production in Sweden and Denmark. As Arla Foods also purchases approx. 0,9 billion kg milk per year in the UK, this means that Arla Foods sources a total of 7,1 billion kg milk, making the group the largest dairy company in Europe.

**Efforts made to avoid production breakdown due to improper maintenance are given high priority in any business. A breakdown reduces the total production capacity and as a consequence the profit margins, but in the food industry dealing with perishable goods a production breakdown is even more critical.**

**Therefore many resources are put into maintenance procedures. But in many cases it is possible to reduce the maintenance costs by cutting down on the spare parts in stock if the company implements a more effective maintenance management system.**

**API PRO ® Makes the Company Effective**

Arla Foods is the leading European supplier of milk-based products and the dairy in Götene is one of the largest sites in the Arla Foods group. The site today consists of four units; butter production, cheese production, powder production and a cheese storeroom. A central spare part stock serves all four units. Dealing with an increasing demand for documentation on changes made to production equipment and an increasing complexity in the total production machinery, a maintenance management system to handle these demands effectively was sought in the early 90'ies.

Key parameters in the selection process were ability to make maintenance effective, rationalize stock handling, userfriendliness and functionality. Having thoroughly searched the market for maintenance management system suppliers

API PRO ® was chosen. A demonstration on the efficiency of the system at NNP Mejeri, a smaller Swedish dairy, confirmed that API PRO ® was the best choice.

"Given the complexity of our production machinery and requirements for effective maintenance procedures it was crucial for us to make the right choice. The most important issue when choosing the system

### Facts about API

API Maintenance Systems A/S is the head office of the API group and responsible for the development, sales, implementation and support of the API maintenance management system throughout the world. The software is used by many leading companies worldwide in a variety of industries and organizations to maintain high-value capital assets such as plants, facilities and equipment.

was the user-friendliness and to see an active installation within the same business area as ours gaining real benefit from the system," says Curth Hallenberg, Maintenance Manager of the Ingredients division: "Today I am happy to say that we have never had any reason to regret this choice. API PRO® closely follows the development in our business and is always at the forefront with new upgrades that comply with new challenges to our maintenance procedures".

### Large Savings in Stock

The storeroom plant was one of the units that needed a system most urgently. After the conversion from the old method with card indexes and 36 binders the handling today takes place in a more effective way with API PRO®.

To Klas Erikson who is responsible for managing the system the benefits are obvious: "The big advantages are first and foremost to be found in the system's effective handling of orders and also the inventory functions and history. Today we can easily track wrong deliveries or removals by direct access to the history. This was practically impossible earlier."

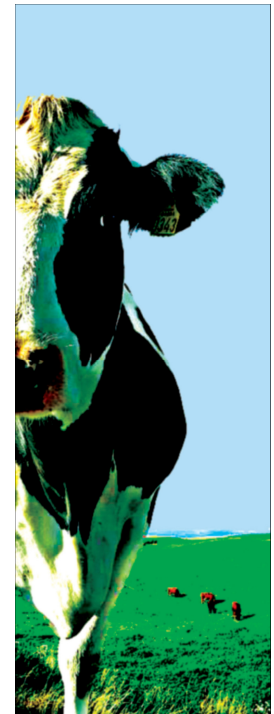
But the API PRO system has also reduced costs by cutting down on the number of spare parts in stock. At present there are more than 8,000 articles in stock at a value of more than SEK 9 million. Effective reports have made it possible for Arla to minimize the value of the stock and to determine its contents. About one third of the articles have not been touched since the start up of API PRO® and are now being watched closely.

### Stable System and Progressive Development

Since the adoption of the API PRO system in 1996 new versions and several upgrades have been implemented, but the basic

concept is still the same: effective surveillance of the maintenance procedures put into system and presented in an extremely user-friendly interface. Klas Erikson is impressed with the stability of the system as well as the access to new upgrades:

"The choice of a European supplier and the fact that we through the active user association are able to influence the development of the system makes it possible for us to run a clean standard version. Easy upgrades to newer versions and access to new development at low costs keeps the system alive. With API PRO we can always be sure to get the latest technology and functionality in a simple and resource saving way".



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