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## The Importance of Properly Servicing Equipment

Manufacturing settings carry a wide range of risks, largely due to the use of complex machinery and equipment and potentially hazardous materials. As such, properly servicing equipment is essential to maintain smooth operations and avoid potential losses.

Without sufficient servicing measures in place, manufacturing equipment could have a shortened lifespan and be more prone to malfunctions and breakdowns. In these instances, manufacturing companies could face a number of consequences, including widespread production inefficiencies, heightened workplace safety hazards, prolonged business disruptions, lasting reputational damage, and considerable regulatory and insurance penalties.

Considering these implications, it's vital for manufacturing companies to take equipment maintenance seriously and ensure effective servicing measures, thereby safeguarding their operations and bottom line. This article provides more information on the possible ramifications of poor equipment maintenance, highlights the value of taking a proactive maintenance approach and offers best practices for servicing equipment in the manufacturing sector.

### The Risks of Poor Equipment Maintenance

When manufacturing equipment isn't serviced properly, it can cause various problems. Key risks include:

- **Workplace accidents**—Poorly serviced equipment is less likely to operate as intended on the production floor, often putting extra strain on certain parts and mechanisms and consuming excessive amounts of energy. This could make the equipment more susceptible to

issues such as power surges, short circuits and misalignment, all of which could seriously injure—or even kill—nearby employees. The safety guards on this equipment could also become less effective, making workers increasingly vulnerable to injuries and fatalities.

- **Operational losses**—If poorly serviced equipment malfunctions or breaks down, it could disrupt the entire production process, potentially putting operations on pause for an extended period. This can prompt large-scale operational losses, including diminished production capacity, missed deadlines, reduced profitability and client dissatisfaction. Depending on the severity of the disruption, this could lead to long-term reputational damage and threaten overall financial stability.
- **Production quality concerns**—Poorly maintained equipment is also more likely to generate defects during the production process, reducing the quality of finished parts or products. In some cases, these defects may be so severe that they force the parts or products to be scrapped or reworked, driving up operational waste. If



major defects aren't detected in time, they could put consumers at risk following distribution and eventually lead to product recalls. These incidents can cause further reputational losses and make securing future business all the more challenging.

- **Regulatory issues**—Multiple federal agencies and organizations—including OSHA, the U.S. Food and Drug Administration (FDA) and the U.S. Consumer Product Safety Commission (CPSC)—have specific standards in place regarding proper servicing measures for manufacturing equipment, especially as it pertains to reducing occupational hazards and ensuring the safe production of certain goods. Failure to abide by these standards could result in substantial regulatory penalties.
- **Insurance and litigation challenges**—Incidents and associated losses stemming from poorly serviced equipment may not receive protection under some insurance policies (e.g., commercial property and equipment breakdown), prompting rejected claims, invalidated coverage and significant out-of-pocket expenses. Even if some policies do cover such losses (e.g., workers' compensation and product liability), excess claims could lead to premium increases, stricter underwriting standards and limited capacity going forward. Furthermore, incidents caused by poorly serviced equipment may result in costly litigation, particularly if other parties were injured or otherwise harmed by such equipment.

### The Value of a Proactive Maintenance Approach

In light of the ramifications posed by poorly serviced equipment, it's imperative for manufacturing companies to adopt a proactive rather than reactive maintenance approach, allowing them to detect and remedy potential equipment problems before they escalate and cause major disruptions and losses. Such an approach generally entails:

- Conducting routine equipment inspections and maintaining detailed records on equipment issues and related repairs
- Investing in advanced technology solutions (e.g., artificial intelligence and Internet of Things devices) that leverage real-time monitoring and predictive analytics to assess equipment performance, send alerts regarding possible problems and make tailored maintenance recommendations
- Regularly training employees on proper equipment

maintenance protocols, including how to recognize potential signs of poorly serviced equipment and timely intervention tactics

Altogether, this type of approach has been proven to minimize malfunctions and breakdowns on the production floor, limit operational downtime, and extend the total lifespan of manufacturing equipment.

### Best Practices for Servicing Equipment

In conjunction with a proactive maintenance approach, manufacturing companies should consider the following best practices for servicing their equipment:

- **Establish personalized schedules.** Equipment maintenance isn't a one-size-fits-all operation; servicing needs will differ based on the type of equipment and how often it's used. With this in mind, manufacturing companies should conduct in-depth assessments for each type of equipment found on the production floor, using this information to determine the most appropriate servicing intervals.
- **Prioritize critical equipment.** While all equipment needs to be properly serviced, manufacturing companies should make sure the equipment deemed most essential to their operations receives the utmost care and attention, thus limiting the likelihood of disruptions in the production process. This may entail conducting more frequent inspections of critical equipment and keeping plenty of extra parts on-site to allow for speedy repairs. In addition, if certain elements of equipment maintenance (e.g., real-time monitoring via advanced technology solutions) need to be allocated due to budget constraints, vital equipment should receive first priority.
- **Develop strong vendor relationships.** Manufacturing companies should build positive relationships with qualified vendors they can trust to service their equipment and make necessary repairs. These vendors should be able to clearly demonstrate their expertise, provide proof of required industry certifications and have a good safety record. When vendors conduct equipment maintenance and repairs, these activities should be well-documented to support any related safety audits, regulatory reviews and insurance claims.
- **Maintain compliance.** Manufacturing companies can work with legal counsel to determine all applicable OSHA, FDA, CPSC, and state and local requirements regarding equipment maintenance, making operational adjustments

as needed to ensure compliance.

- **Foster a safety culture.** Finally, manufacturing companies should work with senior leadership and management to instill a workplace culture that prioritizes occupational safety and production quality over time-saving or cost-cutting measures. In doing so, manufacturing companies can emphasize the importance of properly serviced equipment and ensure employees don't feel pressured to cut corners during maintenance tasks or use malfunctioning equipment, thus reducing the risk of associated accidents and injuries.

### Conclusion

Well-maintained equipment can make all the difference in promoting successful manufacturing operations.

Manufacturing companies can avoid costly incidents and lasting losses by understanding the risks of poorly serviced equipment and adopting a proactive maintenance approach and associated best practices.

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