

THE TRUE COST OF DOWNTIME



Why You Should Care About Downtime



• **30%**
of facilities have experienced unplanned accidents



• **82%**
of companies have experienced downtime in the last 3 years



• Unplanned downtime due to user error is **23 percent** in the manufacturing industry compared to **9 percent** in other industries

The True Cost



The average cost of an hour increased by **60%** between 2014 and 2016



• **98%**
of companies say **1 hour** of downtime costs over **\$100,000** [1]



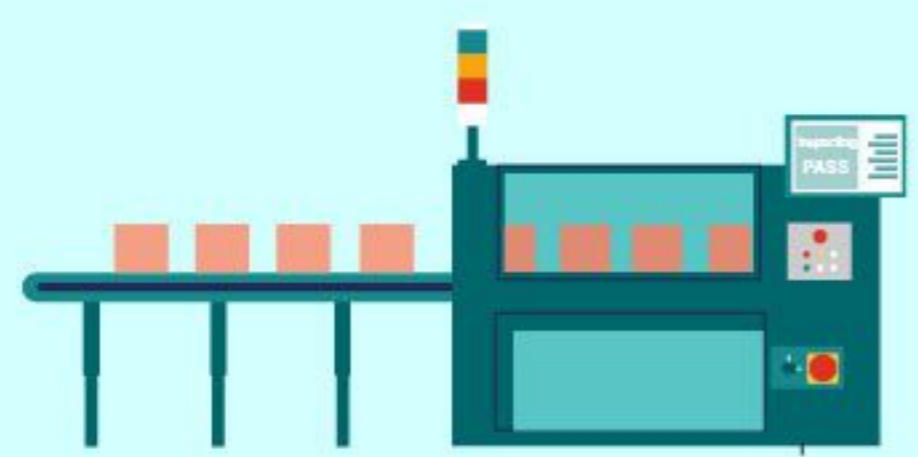
• **81%**
of companies say **1 hour** of downtime costs over **\$300,000** [1]



• **33%**
of companies say **1 hour** of downtime costs over **\$1,000,000** [1]

Strategies to Improve

Unplanned downtime is **4X** better for the top manufacturers



Track Downtime Accurately:
Use Automated systems to track downtime based on equipment inputs.



Categorize Downtime with reasons:
Knowing your main causes of downtime is key to resolving the issues



Conduct Regular Maintenance:
Regular maintenance can prevent downtime by catching issues early



Properly Train Your Employees:
In manufacturing user error is the top cause of downtime. Train your employees to prevent this



<https://randrmanufacturing.com>

Sources:

- [1] <https://www.randgroup.com/insights/cost-of-business-downtime/>
- [2] <https://www.machinemetrics.com/blog/the-real-cost-of-downtime-in-manufacturing>
- [3] https://bin95.com/news/Whats_True_Downtime_Cost.htm
- [4] <https://www.aberdeen.com/techpro-essentials/stat-of-the-week-the-rising-cost-of-downtime/>
- [5] <https://iiot-world.com/predictive-maintenance/the-actual-cost-of-downtime-in-the-manufacturing-industry/>
- [6] <https://arimo.com/machine-learning/2016/manufacturing-downtime-cost-reduction-predictive-maintenance/>
- [7] https://cdn2.hubspot.net/hubfs/136847/LNS_ManufacturingMetrics2016_FINAL_LearnMore.pdf
- [8] <https://www.simutechmultimedia.com/the-true-cost-of-downtime-what-you-dont-know-about-how-downtime-affects-your-productivity/>
- [9] <https://www.slideshare.net/emaintX3/costs-of-downtime-in-the-manufacturing-industry>
- [10] <https://www.vorne.com/solutions/reduce-down-time-in-manufacturing.htm>
- [11] <https://www.continuitycentral.com/index.php/news/business-continuity-news/2448-manufacturing-is-the-sector-most-prone-to-unplanned-downtime-due-to-human-error>