

# The Five Biggest Mistakes To Avoid When Ordering Custom Equipment

When you make mistakes ordering custom equipment, it can be costly both in terms of time and money. But more importantly in terms of aggravation. We've seen this happen too many times and it's a pity because in most cases it's pretty easy to avoid these hassles. The purpose of this paper is to put together our combined years of experience and knowledge and let **this expertise** help you avoid the common pitfalls.

These pitfalls are obvious to us. But if you are just getting started, they are less so. Read each of these closely. If you avoid these, I promise that you will have a much more pleasant (and efficient) experience.

## **Pitfall #1:** Not providing detailed specifications to the equipment manufacturer

Detailed specifications can take many forms including specification for each piece of equipment to be built or a process specification defining what needs to be accomplished with a project.

At a minimum:

- make sure you clearly communicate with the supplier what the goals of the project are
- ensure that you receive a detailed proposal spelling out the suppliers understanding

If there are any items in question, make sure to get those ironed out, in writing. Make sure you are clear as to the equipment to be provided. The absolute worst time to be arguing about the scope of supply components is during installation!

## **Pitfall #2:** Not considering future capacity increases

Carefully study both your current needs and your future needs. This, of course, is not as easy as it sounds. You'll need to put some time into this. But a problem that happens over and over again is that someone purchases equipment based on current needs and doesn't account for growth. That is, the equipment that you buy is already at capacity and has no ability to scale.

Always go through the exercise to determine if future capacity increases will be required. That could be the addition of a new packaging machine or silo or something else. Spend the time up front to determine the best solution.

Your current low cost bidder may propose a 4" pneumatic conveying system to meet your current needs. However, if they are at the maximum capacity associated with that line size then no additional capacity increases can be met with that system. You'll miss the boat if you don't consider the alternative bidder that is slightly higher in price with a 5" system that affords future increases.

### **Pitfall #3:** Not considering future process changes

Granted this one is tricky at best. But it's a fact of life (and production) that processes will change. So you have a challenge in that you must look for equipment that can accept some modification and, hopefully, be able to accommodate the change in process. If you know those process changes up front, all the better. But if you don't, then you'll have to do some educated guessing.

As a quick example, say you are in the market for a screener and your current application is for overs removal only. Then the screener quoted will be relatively small since overs removal is a fairly simple application. However, if the process changes to remove fines only, the screener will need more area to accommodate that application. Finally if overs and fines need to be removed, you'd be best served to see if there can be accommodations made now to add a second screening surface in the future.

### **Pitfall #4:** Not utilizing manufacturer's aftermarket services

The allure of saving money can be overpowering. Especially when it occurs like a no-brainer. After all, it's the same thing, just a different vendor, right? Unfortunately not always. When you buy aftermarket parts from a vendor different than the original equipment manufacturer, you run risks.

For example, if you purchased a dust collector from a company, but buy the replacement bags from a 3rd party, you may run into a problem with emissions. You need to make sure the 3rd party provides an emissions statement for the dust collection process. Continuing with the same example, not all bags are exactly the same. Some manufacturer's 6" bags are slightly larger and others slightly smaller in diameter and you may end up with an imperfect fit.

### **Pitfall #5:** Not researching equipment manufacturer

When you purchase equipment from a manufacturer, you are relying heavily on that manufacturer. Depending on where this equipment fits in your production line, you could be betting your company on them. Yet we've seen situations where due diligence is simply not performed. Lazy or crazy, it's just bad business.

Make sure you investigate the company that will be working on your project. While the top-level diligence items such as D&B reports, etc., will be handled by the purchasing department, it is prudent to research the types of systems/industries where the company is already involved. In very good and very bad economies, many companies try and get into other markets where they believe their expertise will crossover. Unfortunately, this is not always the case.

For instance, a company may have tremendous experience in handling cement and decide that it's a good idea to venture into the frac sand market. Certainly there are similarities between these products. But there are significant differences as well which may not be as obvious to a company entering into a new industry. Just don't be the Guinea Pig.

## Now What?

These are the problems that we see over and over again when helping people with custom equipment. I promise you that if you read, understand and observe the advice given above, then your purchase experience will likely be a good one. That's because we're advising you to do a lot of up-front work. We're clear that that's the way to avoid the problems at installation.

**Need help?** That's what we're here for. Give us a call **(985) 748-8482** and we'd be glad to walk through your scenario with you and provide you some advice (from our hard-earned experience).