



Critical Spares Checklist

INTELLIGENT ASSET MANAGEMENT SYSTEMS

ABC Analysis: A process used to classify items to make decisions impacting inventory controls, including on-hand quantities, reorder points and cycle counting frequency. "ABC" refers to the criticality of each item and is the basis for deciding what to stock.

ABC

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| <p><input type="checkbox"/> Item Master
List all items required by Equipment Maintenance Plans, used to repair or replace a component, or used to overhaul installed assets.</p> <p><input type="checkbox"/> Standard Taxonomy
Group items by Noun (i.e., Bearing) and Noun Modifier (i.e., Tapered Roller).</p> <p><input type="checkbox"/> Item Attributes
Define the unique characteristics associated with each item, such as manufacturer, model, size, shape, installation, supplier, or specific parameters.</p> <p><input type="checkbox"/> Lead-Time History
Record the average request-to-receipt lead time for each item.</p> <p><input type="checkbox"/> Usage History
Record the total quantity issued within the previous 12 months for each item.</p> | <p><input type="checkbox"/> Item Cost
Record the average cost per unit of issue for each item.</p> <p><input type="checkbox"/> Order Cost
Calculate the cost of ordering each item, to include internal administrative cost in addition to the Item Cost.</p> <p><input type="checkbox"/> Carrying Cost
Calculate the average cost of warehousing items, including property taxes, warehouse expenses, and provisions for obsolescence.</p> <p><input type="checkbox"/> Cross-reference Suppliers
Sort the Item Master by supplier to determine the Maximum Lead Time for all items sourced by each supplier.</p> <p><input type="checkbox"/> Cross-reference Assets
Sort the Item Master by Asset where each item is used to determine the impact of not having each item in stock.</p> |
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Item Classification	Frequency of Issue	Maximum Lead-Time	Consequence of Stockout	Average Order Cost	Regulatory Required?
A - Critical Spare	<input type="checkbox"/> 1 per 3 Years	<input type="checkbox"/> More than 1 Month	<input type="checkbox"/> Extremely High Risk	<input type="checkbox"/> Above \$5,000	<input type="checkbox"/> Yes
B - Replacement Part	<input type="checkbox"/> 3 to 6 per Year	<input type="checkbox"/> Up to 1 Month	<input type="checkbox"/> High Risk	<input type="checkbox"/> \$1,000-\$5,000	<input type="checkbox"/> No
C - Consumable Item	<input type="checkbox"/> Daily or Weekly	<input type="checkbox"/> Up to 7 Days	<input type="checkbox"/> Medium Risk	<input type="checkbox"/> \$100-\$1,000	<input type="checkbox"/> No
D - Do Not Stock	<input type="checkbox"/> Less than 2 per Year	<input type="checkbox"/> Less than 1 Day	<input type="checkbox"/> Low Risk	<input type="checkbox"/> Below \$100	<input type="checkbox"/> No