



UNLOCKING SAVINGS AND PRODUCTIVITY IN THE POWER INDUSTRY

COMPANIES RECOGNIZE, BUT UNDERVALUE, POTENTIAL COST SAVINGS FROM EFFECTIVE LUBRICATION

56%

of companies believe they can **reduce costs by >5%** through lubricant selection and/or management



But only

1 in 4

think savings could **exceed 10%**



In reality lubricants can impact up to

20% to 30%

of total maintenance expenditure¹



POSSIBLE RELIABILITY AND PRODUCTIVITY IMPROVEMENTS ARE ALSO UNDERESTIMATED

Only **38%**

believe effective lubrication can help improve **equipment availability**



41%

understand how **improved wear protection** can result in cost savings



LACK OF LUBRICANTS EXPERTISE AND PROCESS ARE BARRIERS TO TOTAL COST OF OWNERSHIP² SAVINGS

The benefits of higher quality lubricants are not fully understood

60%

do not expect it will help **reduce unplanned downtime**



49%

do not expect it will help **reduce maintenance costs**



59%

think they do not conduct **staff training** on lubricants as regularly as they should



Only **48%**

think **lubricant product performance** should be an important purchase consideration



Only **43%**

have all the **correct lubrication management procedures** in place³



THIS IS HAVING A FINANCIAL IMPACT

62%

admit their incorrect lubricant selection has caused unplanned downtime



1 in 4

companies believe costs **exceeded \$500,000⁴**



and **1 in 5**

companies state costs **exceeded \$1 million⁴**



EFFECTIVE LUBRICANT SELECTION AND MANAGEMENT CAN HELP COMPANIES LOWER **TOTAL COST OF OWNERSHIP (TCO)** THROUGH **REDUCED UNPLANNED DOWNTIME AND LOWER MAINTENANCE COSTS**

SHELL LUBRICANTS WORK WITH CUSTOMERS TO HELP DELIVER TCO SAVINGS

At least **\$139 million** savings delivered to customers worldwide (2011-2015)⁵



260 Shell Lubricants technical specialists help customers reduce TCO through effective lubrication



OEM and customer collaborations enable Shell Lubricants to develop products that help improve performance, productivity and profitability



Shell Lubricants Services to help upgrade lubrication:

Shell LubeAdvisor

Helping identify and seize savings

Shell LubeMatch

Tailored product advice

Shell LubeAnalyst

Lubricant monitoring

Shell LubeCoach

Staff training

This survey, commissioned by Shell lubricants and conducted by independent research firm Edelman Intelligence, is based on 212 interviews with Power sector staff who purchase, influence the purchase or use lubricants/greases as part of their job across 8 countries (Brazil, Canada, China, Germany, India, Russia, UK, US) from November to December 2015.

1. Potential impact calculated based on Shell Lubricants site surveys with customers.

2. Total Cost of Ownership (TCO) is defined by Shell Lubricants as the total amount spent on industrial equipment, including cost of acquisition and operation over its entire working life, including costs of lost production during equipment downtime.

3. Shell recommended procedures are delivery and storage, oil change, oil dispensing systems, efficiency of grease lubrication systems, oil analysis and training employees in lubricant selection or management.

4. \$ figure based on converting local currency into equivalent \$ amount.

5. Based on savings delivered to Shell lubricants customers from 2011-2015.

SHELL LUBRICANTS
TOGETHER ANYTHING IS POSSIBLE