

## Where Have All The Flowers Gone?

*John S. Mitchell, Contributing Editor*

Despite many great successes, condition assessment and condition based maintenance have been disappointing underachievers. From as early as the late 1960s, the great growth prophesied for suppliers of condition assessment instrumentation, systems and service has never been realized.

Beginning with a seminal paper published in the U.K. in the late 1960s by Douglas Neale, market analyses published during the 1970s and early 1980s cited the enormous opportunities to dramatically reduce equipment failures, production loss and maintenance costs. The condition assessment industry was consistently forecast to expand at a compound annual growth rate of 15% to 17%.

If actual results had been even reasonably close to predictions, today the condition assessment business would be close to \$1.5 billion annually rather than the anemic \$700 million reported last year by Automation Research Corporation. To define anemic, revenue from packaged salads (check them out in your local grocery) is two to three times larger than the revenue from sales of condition assessment instrumentation and systems! Alex Rodriguez, the very talented shortstop for the Texas Rangers, individually has an annual income about equal to the total revenue of the number two condition assessment company (and enjoys a far greater profit!).

**What else is happening?** Professional conference attendance is way down. The annual PPM Technology Conference routinely drew over 1500 participants from the mid 1980s through the mid 1990s. It is now defunct following several years of decline. Conferences that continue consider 200 attendees a stellar performance! A few years back a highly promising new conference with illustrious backing and strong, knowledgeable presenters basically drew zero participants!

**Ask other questions.** Do condition assessment practitioners consider themselves in a prestige specialty equivalent to business systems, IT or even operations? Do condition assessment practitioners feel they are recognized in proportion to the value they contribute to their company? How many times is a skilled technical specialist with a solid improvement initiative overruled by

accounting?

Committed people who have contributed significantly to the condition assessment industry have and are leaving for other, more promising endeavors. Departing from condition assessment employment to distribute wine is one notable example! Look at condition assessment product catalogs from fifteen years ago; there haven't been many visionary new ideas. Compare this to controls and test instrumentation where technology and products have improved dramatically over the same time period.

Beginning about fifteen years ago and accelerating to a conclusion over the last five years, the top suppliers of condition assessment instrumentation and systems have all been acquired by larger organizations. The acquiring companies seem to view condition assessment as little more than an accessory to differentiate their primary business. The dedication to innovation and close support required for a healthy condition assessment industry is rapidly going away. A survivor of the typical post acquisition staff annihilation was overheard to remark that key managers installed by the new parent didn't know anything about the application, product or customers, didn't want to know, didn't care! Their sojourn in a condition assessment company was but another ticket to be punched enroute to some imagined higher corporate glory. Significantly, the revenue and profit of this particular company have reportedly declined since the acquisition.

Companies acquiring suppliers of condition assessment instrumentation and systems seem to place little value on application knowledge and close support by field personnel. The justification seems to go something like this: We have fellows in the plants nearly every day replenishing lavatory cleaning supplies. He or she (mustn't be sexist!) can easily load condition assessment products on the truck and take care of that as well. This could be an exaggeration perhaps – but not by much!

This shortsighted attitude demonstrates two things: first, total ignorance of the knowledge and support necessary to build and maintain their customer's success = your success. And, more important, it shows disrespect for you! Are

you willing to purchase complex technical applications from someone who has no more than one to two days training in your product and is unlikely to have more than a rudimentary acquaintance with your application? Furthermore, with so many demands on their time, they can't possibly provide you with the immediate answers and support you need. At least one company has proven themselves wrong twice and is on it again for the third time! Perhaps the third time will turn out to be the charm!!

So much for where we have gone wrong. Most important is what can we do to reverse the situation and restore some real life in the condition assessment industry?

First and most important: Despite nagging in this and other publications, and with some notable exceptions (see *Reliability* magazine, Vol. 9, Issue 2) we have never established a conclusive business case for condition assessment. Program after program has been curtailed or even terminated altogether as a cost reduction measure. We should be demonstrating profits gained! Only a few have taken this vital task seriously – we all must!

Second, reward suppliers who seriously serve your interests. Penalize those who don't. Suppliers understand revenue. If sales decline, they will respond in one of two ways: by an attempt to restore profitability possibly with further reduction of personnel (support for you) or by realizing their mistake and improving service.

No matter how painful it may seem in the short term, only you can force changes. Stop complaining about poor support and instead, simply stop buying. You can do without a new toy for a couple of years. If current suppliers don't respond in a positive way and continue to spiral down, others will sprout to fill your needs!

Finally, make every effort to join and help organizations trying to help you. Make an effort to share and effectively build on your own experience and that of others. There really is strength in numbers. If we don't all hang together, assuredly we'll all be hanging separately!

The author can be contacted at: [jsmitchell@worldnet.att.net](mailto:jsmitchell@worldnet.att.net).