

## Optimization of Spare Parts Management for Production Equipment at 25 Factories using “SiteRemix”

Management of production equipment plays a critical role in the manufacturing industry. Meiji Co., Ltd. has taken a number of initiatives to resolve the issues of improving its production efficiency while optimizing equipment repair costs. As they continued to look for the system best suited for their company, the parts management system of the “SiteRemix” maintenance support solution of Hitachi Power Solutions caught their attention. They have achieved a great deal of progress with this effort by implementing it at 25 of their factories (not including group companies). As they look to the future, they are pursuing a more precise parts management system and are working to create a system that brings further improvements, with the aim of utilizing it as the main maintenance management system.



### Challenges

### Solutions

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| <p><b>1</b> A platform was needed for sharing and optimizing inventory of parts, which had been managed individually at each factory.</p>                    | >>> | <p><b>Implemented “SiteRemix” to centrally manage parts inventory at 25 factories. Created a move from individual optimization to overall optimization.</b></p>                 |
| <p><b>2</b> In order to reduce downtime, parts were kept in stock, and this inventory was becoming a major cost.</p>   | >>> | <p><b>Visualization of the numbers of parts in stock increased awareness of spare parts management at each factory, raising expectations for a cost reduction effect.</b></p>   |
| <p><b>3</b> The company was looking for a trusted partner with a proven track record so the system could continue to be used worry-free into the future.</p> | >>> | <p><b>Selected Hitachi Power Solutions for its extensive history of implementing solutions in various industries. Has confidence in follow-up services into the future.</b></p> |

## B background of the Project

### Looking for a Strong Partner to Centralize Spare Parts Management

Meiji manufactures a wide variety of products, primarily in its 25 factories in Japan. Mr. Hanamura of the Engineering & Environment Team pointed out some issues with equipment management at the manufacturing sites.

“Management of parts used to be conducted individually to best suit each factory, but that produced problems, such as discrepancies in their levels of management, and excess parts were being held in stock, leading to the urgent need to reduce fixed costs via centralized management. We tried implementing multi-function, general-purpose packages of software, but that gave us other problems, such as the large amount of effort needed for implementation, and difficulty learning to use the functions. Amid these challenges, we had to build a platform quickly for our headquarters and all the factories, and promote systemization.”

However, the spread of COVID-19 infections at the time had a major impact on society, which interrupted the efforts toward systemization. Subsequently, the project was resumed in 2021 as one of the company’s internal initiatives in response to increasing societal demand for ESG management.

Mr. Hanamura recalled that when they first began its operation, “There was some pushback from factories about the changes in how parts were managed. We got people onboard via

online briefings and individual phone calls, so now the initiatives are moving forward at each factory. This has led to achieving things like appropriate stock levels and not purchasing unnecessary parts.”

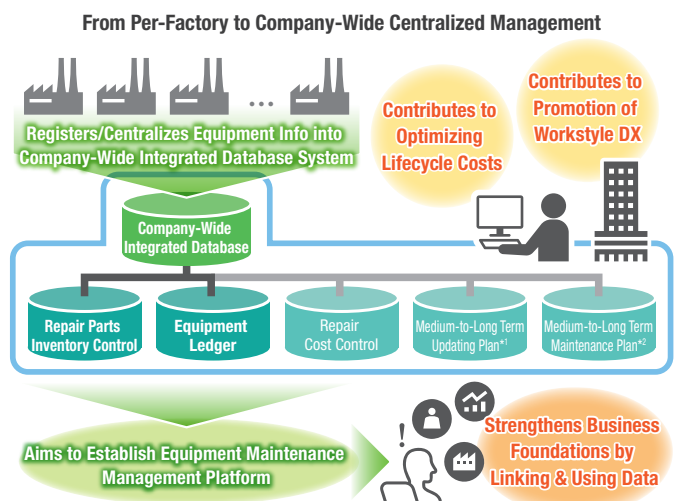
Mr. Komatsu, the manager of the Engineering & Environment Team, noted, “This excellent result was only possible because Mr. Hanamura applied his factory experience and understanding of the problems on the factory floor to organizing the knowledge on the management side. He is the key person on this project as he gathered viewpoints from the factory floor and made them mesh just right with Hitachi Power Solutions.”

Hitachi Power Solutions was the only choice when selecting a partner to build the system. “Considering Hitachi Power Solutions’ flexibility in customization and future-oriented DX, I couldn’t imagine using anyone else,” said Mr. Hanamura.



**Mr. Suguru Komatsu**

Manager of Engineering & Environment Team  
Engineering Dept.  
Manufacturing Process Strategy Div.  
Meiji Co., Ltd.



\*1 Building the system; scheduled to finish October 2024. \*2 Planning for FY 2025.

## Project Results

### Visualization of Parts Inventory Raises Awareness of Spare Parts Management and Speeds Collaboration Between Factories

When all factories worked together in using the system, Mr. Komatsu says they set specific numerical goals.

“Our first goal was to reduce overall inventory costs by 10%. Implementing ‘SiteRemix’ allowed us to make detailed checks of inventory, which increased awareness of efforts. Some factories have already achieved the goals they set, so I expect to see a clear reduction effect as we move forward.”

Mr. Hanamura added, “Getting everyone to understand that they could reduce waste if they got involved was a great achievement.

In addition, not only factory equipment environment managers but also manufacturing employees can now check parts at multiple locations from their own computers. This allows them to check which factory has the parts that their own factory needs when they don’t have them in stock. So now they can get those parts delivered quickly.

It demonstrated its usefulness when electrical components were

scarce due to the shortage of semiconductors,” he said as an example of the system performing beyond expectations.

Mr. Komatsu also has hopes for a ripple effect.

“Using the high-level visualization capabilities allows each factory to check the flow of over 60,000 parts in stock at 25 factories, so they can use it as a tool to reviewing their own parts management.

It helps in comparing figures from previous periods and the current period, verifying which parts have increased in number, by how much, and for creating sheets for reviewing parts management.

Ideally, each factory makes these efforts on its own, and now that is actually happening.”

#### Mr. Daiki Hanamura

Engineering & Environment Team  
Engineering Dept.  
Manufacturing Process Strategy Div.  
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## Future Prospects

### Aiming to Expand Its Use as a Comprehensive Management Tool at Meiji

Now that efforts to improve parts management have picked up pace, Mr. Komatsu offered a new vision for the future: “What we are working on is standardizing the work that had been done by each individual factory; in other words, firming up our foundations. In the future, we want to use ‘SiteRemix’ as a comprehensive maintenance management tool. In order to do that, it is essential to update what is standardized and expand the infrastructure.”

Mr. Hanamura said, “More specifically, we aim to visualize not only parts costs, but also maintenance costs as a whole. This will contribute to reducing manufacturing overhead costs and increasing cost competitiveness. It will be more efficient if we roll this out to warehouse and logistics facilities and manage them all with the same system.”

Mr. Komatsu said, “If management at each site improves and becomes more precise, the vision Mr. Hanamura mentioned will become a reality. To achieve this, I hope each and every person will take it upon themselves to work on these problems.

I also hope they take pride in working to contribute to management from the factory floor.” He emphasized that “‘SiteRemix’ is a system for that purpose, and with Mr. Hanamura leading the charge, we will give support and make it even easier to use.”

“SiteRemix” started out simply as a parts management system, but its use is likely to play a variety of roles in the future and contribute as a comprehensive maintenance management tool.

### Reaching Ever Better Manufacturing via Strong Partnership

In terms of expectations for Hitachi Power Solutions in the future, Mr. Hanamura said, “We are building up a cumulative database of data related to equipment repair costs, with parts management as the starting point. We look to use this data to create a system of ever greater improvements. Hitachi Power Solutions has an extensive track record of implementations, and we appreciate getting advice on how to improve our systems, including through case studies of other companies.”

Mr. Komatsu added, “‘SiteRemix’ is a tool for improving manufacturing in Japan and revitalizing the Japanese manufacturing sector.

Hitachi Power Solutions is a partner that transcends the order-receiving relationship and looks to move forward by improving things via the exchange of ideas.”

In the next stage, Hitachi Power Solutions will support the food manufacturing industry with its ability to propose technology-based solutions aligned with the desires of its customers.



#### ■ User’s Profile

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Responsible for Meiji Group food business under the group slogan, “Now ideas for wellness”. Delivering great taste, fun, health, and peace of mind to the world, with product lineups for all generations, from babies to the elderly.

Established: December 21, 1917  
Capital: 33.64 billion yen  
Business Fields: Manufacture and sale of milk and other dairy products, confectioneries, and other foods

