

Communicating the cost benefits of power solutions

Ashley Taylor discusses the long-term challenge faced by cost approvers when investing in power control solutions.



Ashley Taylor, Finance Director, Eurotherm by Schneider Electric.

Working for Eurotherm, I often find myself talking with technical experts; this is especially true when it comes to the glass team. In a recent discussion, my own experience as a cost approver, coupled with theirs, allowed us to clearly define the real benefits of the latest Eurotherm power solutions. This led to an interesting conversation on how customers are approached and how glass solutions are presented.

As Finance Director, I have a duty to ensure that working capital

is utilised as effectively as possible, balancing short- and long-term profitability with capital investment. Factor into that operational risk and uncertainty and the equation can become quite complex.

Counterparts in other industries have the same responsibility. The issues to consider become even more critical when investment is needed in a capital asset lasting 15-20 years, such as a typical glass furnace where, because of the timeframes, the number of 'unknowns' increases even more.

How much of an issue are carbon emissions and the cost of energy? Will there be a need to increase production in the same footprint? How will trends change over the next 20 years and what issues will appear on the horizon? These and other issues need to be taken into account.

Often, the person signing off the project proposal is like me, in a purchasing or finance role, with little technical knowledge. That is why a project proposal that demonstrates clarity over uncertainty and risk is always more favourable.

During discussions with the team, it was recognised that while real value is offered in Eurotherm's



Process and power systems designed for cost-effectiveness over the lifetime of the furnace.

glassfibre bushing and electrical boosting solutions, all too often we have been too technical and have not spelt out those benefits well enough from a financial perspective. The company's latest glassfibre bushing and electrical boosting solutions do have attractive long-term benefits. And its latest power solutions offer a lower cost of energy, lower cost of maintenance and reduced production downtime. Knowing Eurotherm has the most effective solution in these areas presents a compelling business case; we have just not been saying it very well.

Eurotherm has a fantastic history, developed over the last 50 years, during which an ability to solve customers' challenges has been proved. Communicating the technical solution is of course key but highlighting the business case behind a Eurotherm solution - particularly in the glass industry - is what the company is getting better at. A lot of work has been done to improve its approach in this area, to clearly show cost approvers why a Eurotherm power solution makes sound financial sense over the lifetime of the furnace and beyond. ■



EPower controllers use the latest technologies and innovations to manage processes and reduce energy costs.

ABOUT THE AUTHOR:

Ashley Taylor is Finance Director at Eurotherm by Schneider Electric

FURTHER INFORMATION:

Eurotherm by Schneider Electric, Worthing, UK
 tel: +44 1903 268500
 email: info.eurotherm.uk@schneider-electric.com
 web: www.eurotherm.com/glasspowersolutions