

Purchase of production equipment: new or used?

By E.P. Woldendorp, W.H. Vonderhorst and E. de la Parra

Not only the ever-shortening product life cycle, but also the increasing competition and the resulting pressure on cost prices force producers of electronics to rationalise their production processes continuously.

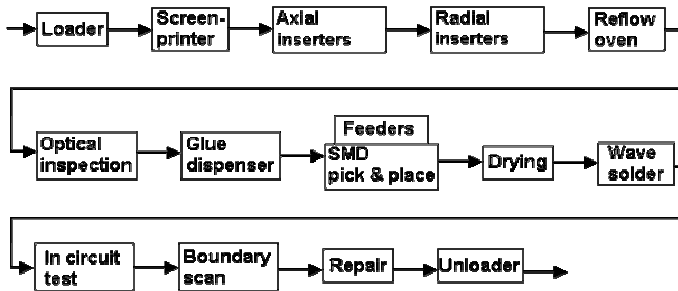


Figure 1: production line

There is a big difference between the electronics industry and other industries, usually characterised by parallel operation. In a parallel operation the production equipment are set alongside each other and generally can produce independently from each other. In the electronics industry however serial operation is much more common than parallel operation. (see figure 1). In a chain of consecutive machines the weakest link determines the production speed and together with the sum of the machine rates, the final cost price.

Optimum process

For the electronics industry, even better coordination of production machines is a good way to optimise production speeds and cost prices. This means that machines that are too slow or too fast, or too expensive should be replaced by ones with the right production speed and a minimal machine rate.

These considerations apply both at the time of an economic boom, when new products have to be introduced quickly, and during economic downturn when swift response to changing circumstances is needed to protect market shares.

Better alternative

Purchasing new machines is of course an option but requires sufficient capital. Instead the purchase of machines that have become redundant elsewhere seems an excellent alternative. Not least because a used machine requires less investment, which translates in a lower machine rate because of lower amortisation costs.

Just to be clear, this does not concern machines that are technically obsolete, but those that are no longer viable from a cost price point of view, and therefore have come onto the market.

Strong preference

Especially the operating staff prefer equipment that they are familiar with and are already present in the company. The operators are familiar with the controls and do not require further training.

Also from a maintenance point of view there is a preference for the use of identical machines. The maintenance staff are familiar with the machines and often spare parts are still present.

Good solution

When the purchase of a used machines is considered, it is a problem to find a specimen of good quality form a reliable source at short notice. For this TwenTech, a broker and supplier established since 1992 in the business of production machinery and testing systems for the electronics industry, can be of service.

In the past few years an extensive network of reliable suppliers has been built and use is made of a database of machines and equipment for sale around the world. Finally, TwenTech also takes care of the after sales care as today's customer can be also tomorrow's customer.

continuation

Examples

A recent example of the purchase of a used machine is the assembly company Elect at Weerselo. Elect specializes in small runs of special circuit boards and needed a circuit board oven at short notice for the processing of larger items. The wanted oven was soon located and with the trust bestowed in TwenTech by ELECT further inspection was unnecessary, allowing the oven to be delivered to the client within a fortnight.

Another example is the supply of a number of assembly machines to Neways Leeuwarden. Neways Leeuwarden is part of Neways Electronics International NV, a producer of custom-made electronics.

To extend the assembly capacity Neways called on TwenTech.

The result was an offer of several Philips CSM84V machines, followed by an inspection at the seller's in Sweden and a swift delivery of the machines to the Neways factory.



Photo 1: assembly machine, Neways Electronics International NV, Leeuwarden.

The final example concerns Faber Electronics BV, Velp, designers of electronic equipment like emergency lighting and navigation systems and a producer of custom made electronics.

Faber were looking for a silk screen printing machine to extend the the SMD assembly line. TwenTech managed to find the desired model in the adjoining part of Germany. Faber and the seller were brought together, the machine was inspected by Faber and within a week the machine was in the Faber factory.



Photo 2: silk screen printing machine, Faber Electronics BV, Velp.

Summary

More and more, suppliers are forced to rationalise their production processes. One way of doing this is by optimising the production machinery. For this new equipment can be bought but the purchase of used equipment is an attractive alternative. For support with the choice and purchase companies can call on the knowledgeable staff of TwenTech. This also applies for possibly hard-to-find spare parts.



TwenTech

Production Equipment & ATE

Postbus 545

7500 AM Enschede

The Netherlands

tel + 31 - 53 - 483 66 33

fax + 31 - 53 - 483 66 31

www.twentech.com

sales@twentech.com [email form](#)

Reply coupon

fax to : + 31 - (0)53 - 483 66 31

Company:

Address:.....

Phone.:.....

Contactperson:.....

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