

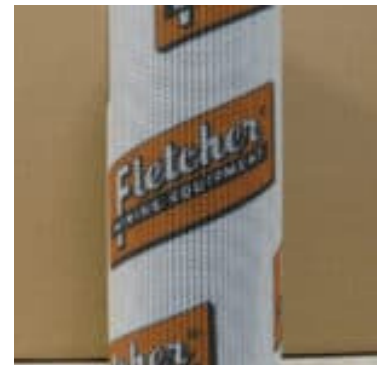
Increasing Aftermarket Sales for Mobile Equipment Manufacturers

Many original equipment manufacturers (OEMs) lose a significant amount of business by not gaining the re-sale of aftermarket OEM spare parts from their customers for warranty and service work. This is because their customers are sourcing these replacement products from other manufacturers or distributors. If you are an mobile hydraulic OEM, hydraulic filtration elements (filters) are an excellent opportunity to gain back those sales and keep your equipment running longer and more efficiently for the end customer.

In our related technical guide *Selecting The Right Hydraulic Filter*, we discussed the benefits of selecting the right filter, as well as why hydraulic filtration is so important to keep a system running reliably. Each machine that you build as an OEM can potentially have numerous filters in the circuit, and can have a significant impact on performance for the end user. As a leading hydraulic filter manufacturer, Schroeder Industries has developed several solutions to ensure end users continue using the right consumables.

Filter Wraps

Available on a range of filter types and sizes, filter wraps are used to physically wrap or cover the filter element. They are a great reminder of an OEM source when customers need to replace the elements as they can feature a company name, logo, or phone number. This is an excellent example of an innovative way to market a brand, and also encourage end customers to return to an OEM to order a replacement.



Patented Technology

Schroeder has patented a unique "Geo-Seal" housing that is designed to work with Schroeder filters. This technology deters end-users from going to an aftermarket manufacturer to replace high quality elements from brands like Schroeder, Parker, or Eaton with potentially low-quality filters. There's a lot of technology that goes into making a filter and using it correctly in a hydraulic system, so patented compatibility systems can help ensure those end users are getting the highest efficiency and performance.

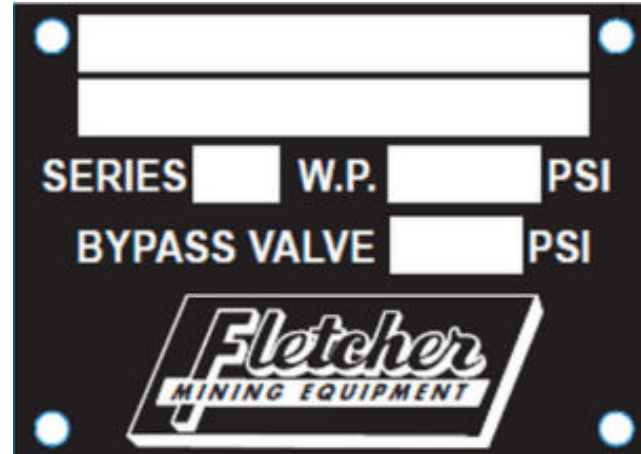


This is important because when customers start changing from the original design, you can see drastic changes to the performance and reliability of the machine. If it can be prevented, an OEM can gain revenue from aftermarket sales, but just as importantly it can also save time and money from excessive warranty repair that was not caused by a fault design, but rather poor performance.

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Custom Labeling

Similar to a filter wrap, custom labeling on the housing of the filter is a great place to add a logo, contact information and part number, however in a more or less stationary manner. This can benefit the replacement process because when a customer calls for a replacement, they have an OEM part number readily available to order. This reduces the time needed to figure out what machine and what filter was used which can speed up the reorder process.



Using solutions such as Schroeder Geo-Seal, filter wrapping, and custom labeling is a great way to help retain business from aftermarket sales. Depending on the number of machines that an OEM produces, this aftermarket filtration business can grow exponentially. Take a look at a real world example below.

Real World Application

Imagine an OEM produces 100 machines a year. Each machine requires two oil changes per year given normal operation. The first year, the OEM would sell 200 filter elements to their customer, given 100% return on aftermarket. Now assume that the OEM produced an additional 100 machines in year two. Now there are 200 machines in operation at two filters per machine per year for maintenance under normal operation. That is 400 filters that the OEM will sell in year two.

As you can see, the number increases drastically as the OEM produces more machines. In our current example after five years the OEM would theoretically be selling 1000 filter element replacements while still only producing 100 machines a year. The mobile systems integration team has years of experience working with OEMs to source the best filtration systems for mobile hydraulic equipment. Work with our team to determine the best solution for your application and gain more aftermarket sales from your customers.

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