



## **CASE STUDY 20061005S**

### **Is Less Precision Worth a Few Hundred Dollars?**

#### *Purchase Price vs. Cost of Ownership*

Although UNIST has spent years developing proven solutions, which save our customers thousands of dollars, sometimes the smallest of margins make a difference in what we are able to accomplish when buying decisions are made on purchase cost alone. A machine builder followed a process which ended in using a competitor's lubrication system in order to shave some cost from the machine.

Step 1: Company purchased 2 Serv-O-Spray systems to OEM on their automated machining cells.

Step 2: In order to increase margin on future machines, the company decided to order only select UNIST components instead of an entire system, and integrate them to their own design of an MQL lubrication system.

Step 3: When system did not meet desired standards, customer purchased a competitive system whose price was even slightly lower than the UNIST components.

Step 4: Automated machining cells meet cost requirements, but machine builder admits that fluid cannot be controlled as precisely as with UNIST system.

Conclusion: What has been overlooked here is cost of ownership. While the UNIST system may have added cost to the original machine, it was only a question of a few hundred dollars. If the value of this relatively small expense had been communicated to the end user, they would have happily requested the UNIST system for its overall control, accuracy, efficiency – ultimately saving the end user thousands of dollars in fluid, related maintenance and part quality.