Recurring Revenue from Asset Lifecycle Management Services

Industrial OEM Dealers

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iOn™

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iOn for Asset Lifecycle Management

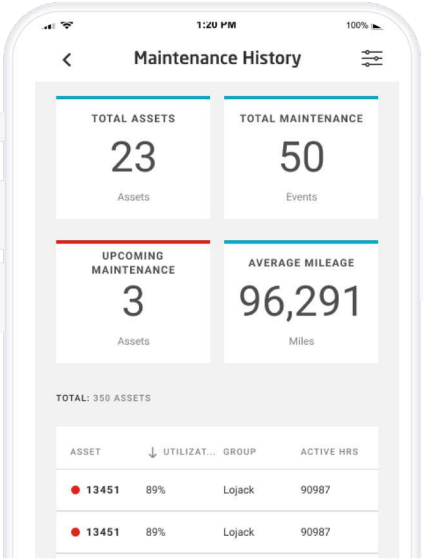
Asset Lifecycle Management is a business process that aims to maximize the efficiency and optimize the profits generated by assets throughout their lifecycle. This includes the conceptual design phase through the regular usage to the eventual decommission and replacement.

In an industry where the understanding of hourly operating and owning costs is paramount, Lifecycle Management can be the difference maker to help maximize profits over losses.

Heavy Equipment OEMs and Heavy Equipment Dealers are in a unique position to provide Asset Lifecycle Management as a service to their customers through telematics. Owners and operators can use real-time data driven services to make equipment repair, optimal replacement, and retention decisions based on a given piece of equipment's economic life. Asset Lifecycle Management shows customers how to get the best value out of their investment and lower their hourly owning and operating costs. OEMs and dealers can leverage Asset Lifecycle Management as a new revenue stream while showing ROI for this service to their customers.

CalAmp's iOn Suite is a web-based, fleet and asset management application through an all-inclusive Software as a Service (SaaS). It bundles all of CalAmp's Telematic Services to extend the Asset Management service value proposition and increase return on investment for owners and operators.

iOn can be configured to present users with the features that they need and the assets for which they manage. For an OEM or Dealer, each customer can be a sub-group in iOn. Reports can be run on a selected sub-group for all customers that are being managed.



The client iOn application works on desktop computers, laptops, tablets or mobile phones to empower OEMs, Dealers and their customers to have just-in-time information to make better decisions.

Here are some ways CalAmp's partners are using iOn to create a reliable and sustainable business environment with greater visibility into the management of their Assets.

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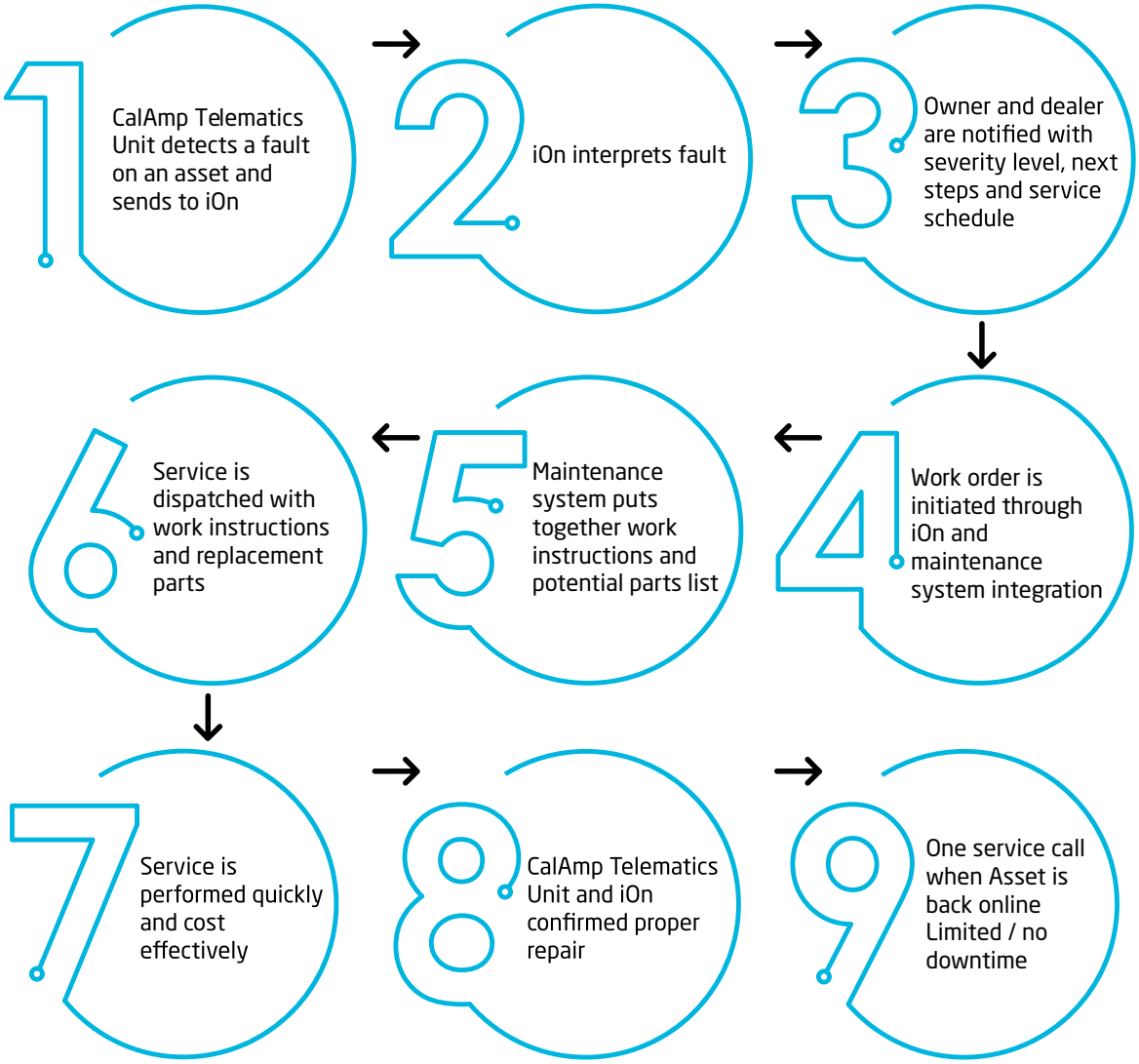
Asset Maintenance Scheduling

Service is a great way for OEMs and their dealers to stay in front of their customers and drive revenue streams through parts and labor.

To automate the collection of data required to drive maintenance schedules, the hours-of-use are captured by CalAmp's iOn Maintenance Scheduler. The system automatically alerts the owner/manager and dealer when optimal maintenance is needed. The system also automatically sends out Alerts if an engine fault is detected. Alerts can be configured to be sent to any number of recipients.

iOn can also be integrated with the Dealer's Maintenance Management software application through the iOn Application Programming Interface (API). Any maintenance, fault or service trigger can initiate a GPS location of the asset followed by a maintenance work-order. Once the work order has been initiated by iOn, the ongoing workflow and next steps are followed through by the maintenance management solution.



iOn Reports will show other useful insights about the overall health of the customer's assets. Reports can be run on-demand or scheduled to be sent to any number of users, within the Dealership or to the customer as an automated report.

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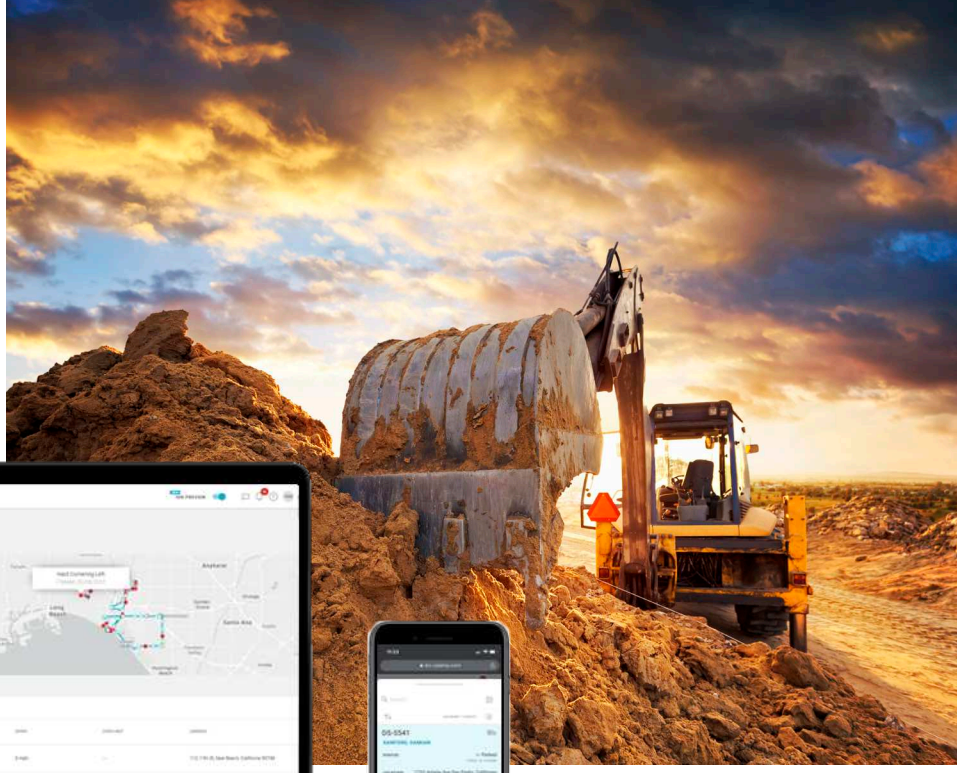
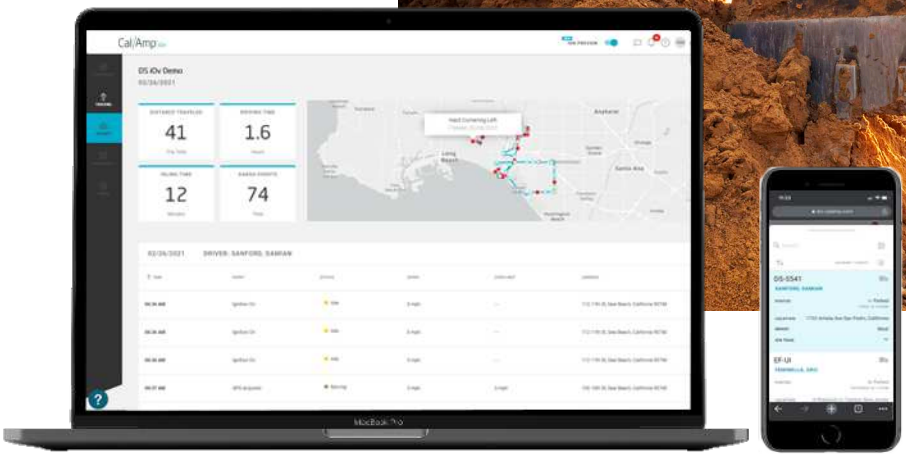
Staying in Motion Requires a Smart Solution





In addition to automating workflows associated with routine and reactive maintenance, iOn can also help with asset location and monitoring. Using the iOn Search feature, the asset in need of maintenance can be quickly located and with the interface to Google Maps, provide the route from the Dealership to the asset in the field along with the projected time to travel to the destination. With user defined geofences in iOn, Alerts can be sent when an Asset has been picked up at a customer site and when the asset has been delivered to the Dealership for maintenance.

iOn Reports will show other useful insights about the overall health of the customer's assets. Reports can be run on-demand or scheduled to be sent to any number of users, within the Dealership or to the customer as a PDF or Excel spreadsheet.

Asset Replacement Schedule

Heavy Equipment Lifecycle Cost Analysis (LCCA) comprises life-cycle costs, depreciation, equipment decision procedures and replacement models. The decision to repair, rebuild or replace a piece of heavy equipment is a function of ownership and operating costs. Through iOn, hours-of-use, fuel usage, maintenance and other metrics is used to plan when assets should be replaced to maximize the initial investment, optimize the resale value, and leverage new capabilities available on a new model.
In addition to monitoring usage data for asset replacement purposes, the Dealer also has the historical maintenance and service data that can factor into when the asset should be replaced. The dealer and OEM can apprise customers of the optimal time to replace their equipment before it's a diminishing asset.

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Asset Utilization

Another value-added service is for the OEM and Dealer to monitor asset utilization. Assets that are heavily utilized may indicate a need to add an additional resource to minimize delays due to unavailability. Underutilized assets may indicate a change in the customers business model and the need to replace the underutilized assets with assets that are more aligned with the business need.

Real-Time Alert Notifications

Learn about events and exceptions such as engine light on/off or upcoming maintenance. Alerts are useful when assets enter or leave a work zone so you can monitor arrivals, departures and unauthorized use.

Reporting & Historical Data

Monitor fleet activity, events and locations visited and replay a visual illustration on the map where a vehicle has been. Make informed decisions using AEMP-enabled OEM or CalAmp telematics data to review actual jobsite performance.

Visibility of Equipment

Save time by locating assets and their current condition quickly regardless if the fleet is out in the field on large and multiple jobsites or sitting on your lot.

Geofences & Maps

Display a map of the current locations of your assets to view status, problems and opportunities. Define locations for alerts and reporting around your yard or jobsite.

Manage multiple jobsites

Through a single, cloud-based platform that enables seamless monitoring of diverse assets, from service vehicles to high-value equipment

Provide data driven insight

On equipment usage and driver behavior to identify productivity patterns and improvement areas

Add out-of-the-box telematics services

Such as the smart proximity iOn Tag to track expensive portable equipment and iOn Vision to monitor driver activity and behavior while operating fleet vehicles

Anticipate maintenance needs

Schedule repairs and upkeep based on usage reporting to reduce potential breakdowns and assist with current and future project planning

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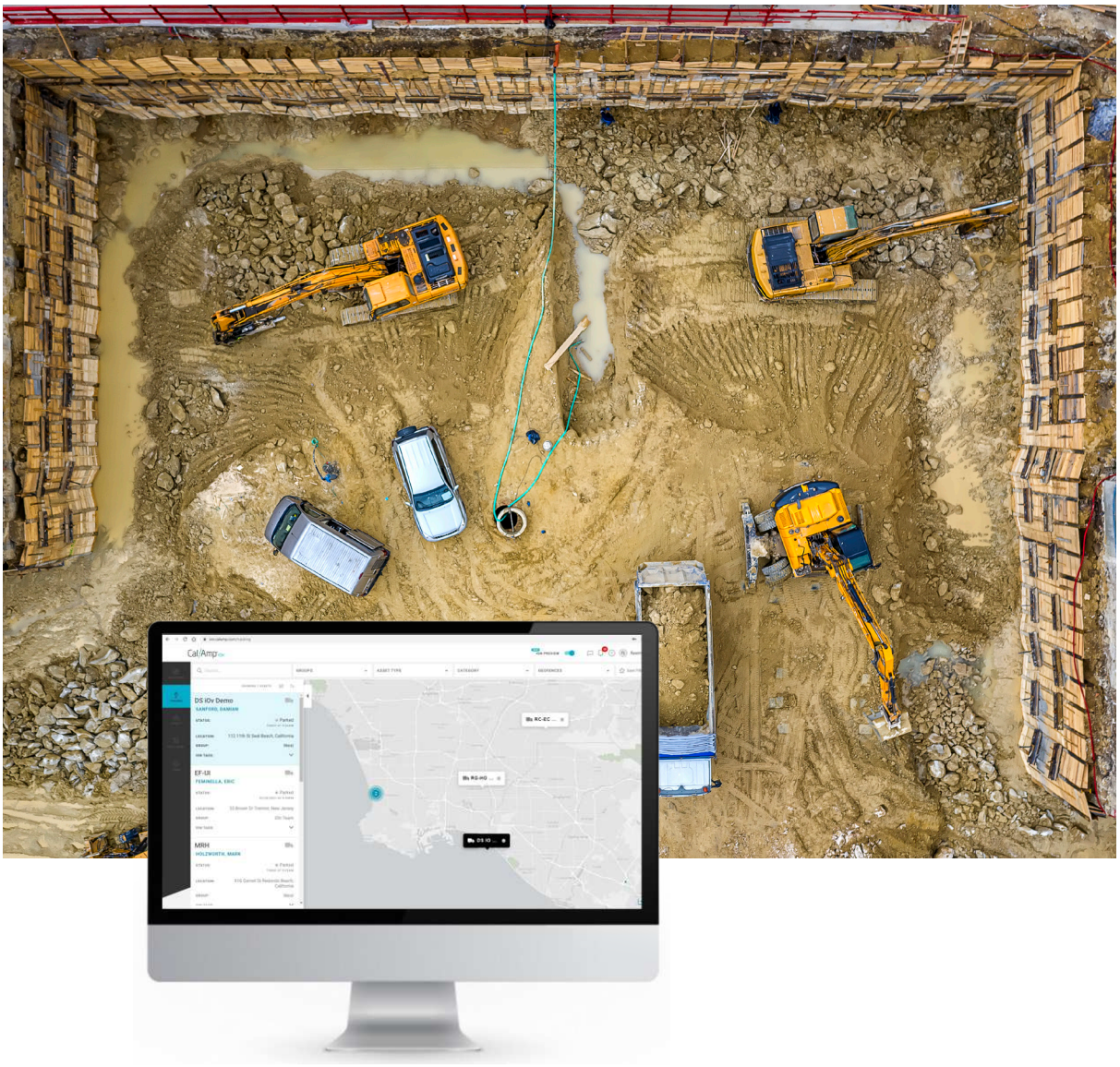

Conclusions

Managing the Lifecycle of Heavy Equipment has proven to be an effective way to get best economic life out of an Asset.

CalAmp's iOn platform provides a set of capabilities that empower Industrial OEMs and their Dealers to provide a valuable service to owners of Heavy Equipment. The goal is to maximize uptime, reduce opportunities costs, optimize asset allocation and replacement and ultimately drive commercial success for customers.

The services described above will provide ongoing recurring service revenue for the OEM and Dealer and create customer interaction that will enable the OEM and Dealer to be viewed as the trusted advisor and the logical partner for ongoing business.

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