



# Case Study : Cost Savings

## Comprehensive Cloud MES Dramatically Lowers Implementation Costs and Risk

*For an industrial systems company, manufacturing complex products across several plants requires flexibility, traceability and visibility. They looked at traditional on premise MES solutions and determined they would be too difficult and costly to implement and maintain. In order to be successful, they needed to keep initial costs low, prove the value and functionality of a new MES, and maintain productivity. They chose 42Q.*

### The Challenge

A growing industrial systems company evaluating potential MES solutions found on-premise deployment would incur high up-front costs and take up to a year to implement. This company's product is complex, involving intricate subassemblies that require advanced processing at multiple plant locations. To accommodate growth and new production lines, they needed a flexible, easy-to-install MES that would enhance visibility across plants.

The operations team began the evaluation process by reviewing on-premise solutions but excluded them based on:

- Implementation cost estimates exceeded \$1 million and require at least one year of configuration and customization work.
- Ongoing maintenance would also involve substantial recurring costs. The IT team would have to be called for each change or realignment.
- The high levels of expenditure and risk would require months of product evaluations before deployment could begin.



## Why 42Q

After an extensive search, the company discovered 42Q's comprehensive, cloud MES solution. They discovered 42Q would eliminate many of the costs and risks associated with on-premise solutions. With 42Q, upfront costs are eliminated. Also, there was no need for extensive IT resources to acquire and install servers, databases licenses, and OS licenses in preparation for acquiring and installing the on-premise MES software itself.

42Q MES is based on a subscription model—the customer pays for what they use, easily scaling up or down. 42Q's cloud solution eliminates IT infrastructure; new customers simply log in, configure, and use their new solution:

- Tracking, serialization, routing, work instructions, and paperless travelers can be configured and used the same day.
- 42Q takes care of machine-to-cloud integration; 42Q supports 150 machine protocols with no need to install local software.
- The customer can make changes to production lines without disrupting productivity.
- 42Q can be deployed on a few lines to perform proof of concept, adding or subtracting lines as needed. The customer never pays for functionality or scale they don't need.

	42Q Cloud Solution	Traditional, On Premise Deployment
Initial Software License	\$0	\$450,000
Annual License Fee	\$60,000 - \$120,000	\$80,000
DR/HA Annual Maintenance	\$0	\$140,000
Hardware: Database Server, Archive, Tape Backup	\$0	\$110,000
Consulting Services, Integration	\$0	\$300,000
People: Applications Support, Datacenter, Infrastructure	\$0	\$400K/Year

*Cost Comparison, Traditional On-Premise MES vs. 42Q*

## Results

The customer deployed 42Q's solution on five production lines. The lines were up and running within eight weeks. At this point, the customer had only spent \$50,000. They were able to use this initial deployment to prove the value and fit of the solution within their factory. The operations team and factory managers reported minimal disruption to productivity, and were surprised by how simple it was to integrate life cycle management and enterprise resource planning systems.