

**EFFECTIVE USE OF PRODUCTION CAPACITY OF MACHINERY ENTERPRISE
IN TRANSITION**

The article deals with the theoretical and practical aspects of the improvement of production capacity of engineering enterprises. The concept of «capacity» is disclosed. The condition of the efficient use of production capacity is also analyzed. The necessity of improving the efficiency of production facilities engineering enterprises in Ukraine is proved. The ways of solving this problem are given.

Effective production capacity is the maximum amount of product that can be produced by the company and sold on the market to the consumer at a certain price level. Its boundaries can be set on the base of the break-even chart of the company and its production ability. The use of the innovation strategy of enterprises diffusion of technological innovations as a new form of renovation active fixed assets will overcome the negative trends in capital productivity, and practically implement the strategic and tactical target set for the implementation of the concept of optimal technological development to the world of science and technology achievement.

Increase of the level of the fixed assets at implementation of production potential is possible by reengineering business processes.