Here's a rough draft of the press release I expect to distribute next Monday and Tuesday:

JAPANESE CREATE "MILES AWARD" HONORING AMERICAN WHO DEVELOPED VALUE ANALYSIS

The Japan Society of Value Engineers will inaugurate the annual "Miles Awards," named for Larry D. Miles, the American developer of value analysis, in ceremonies at the Tokyo Chamber of Commerce and Industry this week.

The award is sponsored by the Japanese Society of Value Engineers, which was formed in the early 1970s to disseminate Mr. Miles' teachings in Japanese industry. Though Americans have come to think of Japanese learning from the U.S. as an activity which took place in the 1940s, 50s, and 60s, value analysis played a particularly great role in Japanese industry after the oil crisis of 1973, when it was seen as a remarkably appropriate technique for increasing output while conserving resources. Ichiro Ueno, founder and chairman of the Japanese society, received the medal of honor with blue ribbon from the Emperor of Japan last year for his work promoting value analysis methodology in Japanese industry. Yet the technique is far less known in the U.S., where it was invented, than in Japan.
Value analysis is a system based on the fact that providing VALUE means giving the consumer the FUNCTION or functions he wants at a competitive cost. The value analysis methodology requires business people to define the function or functions wanted, usually in just two words -- a verb and a noun. Then it helps them produce those functions reliably for costs as low as or lower than those of the best competitor. Methods include the formation of teams involving people from every functional area of a company, collecting extensive knowledge including knowledge on existing alternative ways of producing the functions sought, generating a multitude of new approaches to the problem through innovative thinking. Finally the teams select, improve, and implement the most appropriate ways of providing the functions from the numerous alternatives discovered and created. Value analysis commonly produces a 20% increase in productivity in areas where it is applied, and 40-50% increases are fairly common.

Mr. Miles developed the techniques of value analysis in the late 1940s after demonstrating an unusual aptitude during World War II in the General Electric purchasing department for keeping production lines going while cutting costs and even increasing quality. When Mr. Miles couldn't get a specific part of material, he would ask the vendor to put aside the specifications and give him something that
would perform the needed FUNCTION.

After the war GE sought to develop a process for doing consistently, on purpose, what Miles and others in the company had been doing by improvisation. Thus value analysis was born. GE and other U.S. companies used the technique successfully, saving millions of dollars. But a successful program requires constant management attention, and few top U.S. managers ever really understood the technique.

Japanese first showed interest in value analysis in the late 1950s, first visiting Miles at GE in groups of two or three and later sending delegations of several dozen to attend the annual meetings of the Society of American Value Engineers. The movement grew steadily in Japan and picked up further momentum with the establishment of the Society of Japanese Value Engineers in 1971. Meanwhile the U.S. value analysis movement failed to grow with vigor from the early 1960s until quite recently. The relative importance of value analysis in the two countries is indicated by the number of people who receive the designation Certified Value Specialist (CVS) from the value engineering societies in the two countries. In the whole U.S. there are some 250 certified value specialists; in Japan approximately 2,000 people took the examination to become certified value specialists this year alone.
Nonetheless, the Society of Japanese Value Engineers acknowledges a substantial debt to the U.S. value analysis movement and especially to Mr. Miles. The Miles awards will be given annually starting this year to one Japanese company and one division in a Japanese company whose value analysis activities have done an outstanding job of bring greater value to consumers. The announcement of the winners will take place at the annual conference of the Society of Japanese Value Engineers at the Tokyo Chamber of Commerce and Industry, Tuesday through Thursday, Oct. 11-13. The awards will be presented from 9:30-10:30 a.m. on Thursday, the 13th. Mr. Miles will deliver a special lecture titled "Basic Thoughts of Value Analysis/Value Engineering" at 3:15 on Thursday in English with consecutive Japanese translation.

All events are open for press coverage. Further information is available at the conference site, from the Society of Japanese Value Engineers at 704-1111, or from Robert Wood, consultant to the Society of American Value Engineers and correspondent for its publication Value World, at 721-3032.