

TALK TO TORONTO VALUE ANALYSIS (Early 1953) -- L. D. Miles

Purchasing Value Analysis is shocking us  
From motors  
transformers  
Television equipment  
appliances

Is based upon simple philosophy...what is it? etc.  
work better or sell better

Blasting, not picking

Easier to get 50% than 10-15%  
Shaft and hub 60/30  
Other examples

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Now new blood--basic raw material  
Call on Phil  
To evaluate is to reach way out...far and fast  
Comparison  
Miss Toronto  
Asbestos vs. paper  
To sit and think--not Value Analysis  
Expand the team  
Job of Materials Handling at Peterborough  
Put the law of probability to work  
Refrigerator Hinge -- \$47,000

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Value Analysis is operating in all manners now  
Ultimately we foresee...  
... Value Analysis trained buyers with Value Analysis specialists  
... then Value Analysis trained methods men  
... then Value Analysis trained engineers  
At the October Seminar for 60--in 2 mo. like this  
Ostrander  
Stevens  
Heckman  
Elmer  
Rome  
Schnoor  
Lockland--7

**Big job is to teach understanding**

**Then comes opportunity**

**Then the payoff**

**Value Analysis will not succeed unless it has management support**

**(Lockland)**

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**How does Value Analysis differ--if any--from Cost Reduction and from what we've always done?**

**Maybe some of techniques are a little better.**

**Value Specialists**

**Refr. Motor**

**Human Relations**

**No savings claims**

**No authority**

**Recognize teamwork**

**Recognize--suggestion**

**GE property**

**Recognize the manager's accountability**

**Recognize men too long on job less useful**

**Transformer job**

**Recognize answers only from right person**

**Television--Schnoor**

**Recognize terrific payoff--therefore expect Value Analysts to be high calibre men**

**Strong in the organization**

**Friendly--fair--soon their assistance to be sought by all.**

**Recognize get as much as possible into design but--then must start**

**No design ever right**

**Ref. Unit**

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**What do we see in the future?**

**We see mgmt realizing...**

**25% of cost is unnecessary and supporting effective steps to remove it.**

**Skilled Value Specialist--supported by good interflow of value information**

**We see the growth of the teamwork spirit--everyone reaching for help!**

**We see an average of 25 to 50% of cost eliminated.**

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**Since the October training school for 60 men...**

**6 engr. depts want to send men.**

**Mr. DuChemin wants 4 times/year**

**A dozen plants have sent unsolicited requests to be allowed to send men.**

**These men in only 2 mo. have come back saying, "I can see it all around in everything we do."**

May I close with a plea...

In everything you do, you know yesterday is gone...

In automobiles

In homes

In city streets

In mfg. methods

In management technique.

I plea for an understanding that yesterday's methods of cost reduction and value improvement are also gone. Today's are bold and fast and far reaching and will deliver to you dividends beyond your fondest hopes.

L. D. Miles/M