

# GENERAL ELECTRIC

56-7

SUBJECT

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November 29, 1956

Mr. L. D. Miles  
Manager of Value Analysis  
Building 32G, Second Floor  
Schenectady, New York

Dear Larry:

I would like to take this opportunity to thank you and your people for taking the time to talk to me on my recent visit to Schenectady.

During my discussion with you I gave you estimated figures saved by using the value analysis technique in our organization from 1953 to date. At this time I would like to give you what our budgeted figure, what our actual figure and what our final realization turned out to be:

	Budgeted	Actual	Per Cent of Realization
1953	\$250,000.	\$303,014.	121%
1954	250,000.	301,499.	120%
1955	250,000.	254,851.	101%
1956	<u>150,000.</u>	<u>163,894.</u>	<u>109%</u>
Total to date.	\$900,000.	\$1,023,258.	114%

I personally feel for a one man operation this is a considerable amount of money. It must be realized that during the year 1953, approximately six months was spent toward value analysis and in the year 1956 due to our move from Schenectady to Roanoke, Virginia estimated time spent for value analysis was approximately two to three months.

Our budget for the year 1957 for the value analysis unit is \$250,000. However, if two more value analysts could be placed on the job, I feel the savings would go better than \$500,000. The potential is in our factory to be picked up.

We are looking forward to putting on a seminar within our department, with your cooperation, sometime in the year 1957. This I have discussed with Roy Fountain. By having this seminar, I believe that our savings will go higher and the philosophy of value analysis will help those that take the course. I would very much like to have you and members of your organization visit our operation here in Roanoke so that you can see what we are doing and offer any other suggestions or recommendations or constructive criticisms.

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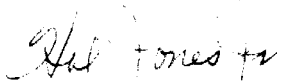
L. D. Miles

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If I can be of any service to you or your organization at the present time or in the future, please do not hesitate to call me.

Very truly yours,



Hal Jones, Jr.  
Value Analyst  
INDUSTRY CONTROL DEPARTMENT  
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Roanoke, Virginia  
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HJ: sm