

SCHENECTADY, May 10, 1957

Mr. M. E. Keenan
Manager - Manufacturing
BURLINGTON, VT.

It was good that you could attend the luncheon of our Value Analysis group meeting last week.

Your comment that you "felt that Value Analysis should start at the drawing board and not after the fact" prompted two thoughts to me...

The first statement that "Value Analysis should start at the drafting board" is one of the correct basic concepts around which our whole organization is built.

The second, "that it should not operate after the fact", I don't believe you really meant.

The job of our Value Analysis people in your departments is to learn, develop, and teach means to secure exactly the same performance for a fraction of the cost. Much of this can be accomplished "before the drafting board", much of it it is humanly impossible to accomplish then. As you know, it is humanly impossible to have in any man's mind all of the information which is applicable, especially in fields which are new, at the instant he could use it. Therefore, good value work starts at the best we can do originally and leapfrogs us ahead, taking drastic amounts out of cost rather immediately rather than leaving them there until commercial difficulty forces us to take these actions.

To accomplish the former, Value Analysis training and vast amounts of new applicable information must be taught into the minds of the methods engineers, the design engineers, draftsmen, and others in a training program before the product is designed. This you will recognize as one of the largest emphases of the Value Analysis program.

To promptly and profitably accomplish the latter, professional Value Specialists invest a portion of their time in promptly starting from "the best we could do at design time" and set forth specific usable ways to either eliminate large amounts of cost now, if tooling, the contract status, etc. will permit, or at least include these concepts in the first design of our next equipment.

L. D. Miles
Manager - Value Analysis

M/

HF Konig- LMEED- Utica

57-8

We have had quite a little contact with Mr. Keenan. He has given Value Analysis outward support up to a point. I have never been sure that we have been able to secure his belief in the real vitality and strength of our program. For that reason, I picked up his "do it right first" statement which is the sentence most often used by members of management to defer any Value Analysis action (although in this case he probably was not using it for that purpose.) Invariably when we offer training programs to managers who use this "do it right the first time" statement so that we can teach their men to more nearly do so,

ne men who need the training are "too busy" to be enrolled in it.

LD Miles/M