

TESTS FOR VALUE

Our Challenge — Our Obligation

*Every material, every part, every operation
must pass these tests*



1. Does its use contribute Value?
2. Is its cost proportionate to its usefulness?
3. Does it need all of its features?
4. Is there anything better for the intended use?
5. Can a usable part be made by a lower cost method?
6. Can a standard product be found which will be usable?
7. Is it made on proper tooling—considering quantities used?
8. Do material, reasonable labor, overhead and profit total its cost?
9. Will another dependable supplier provide it for less?
10. Is anyone buying it for less?

H. F. Eicher

GENERAL  ELECTRIC

value NEWS



ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

MARCH 24, 1962

UNLIMITED OPPORTUNITIES!



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We have openings

For 3 ambitious men who are interested in steady work and high income. Past experience in sales work, service work, and collecting, would be helpful. Interview.

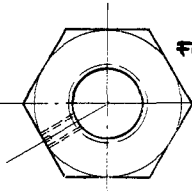
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SAVE UNNECESSARY COST BY USING MORE FUNCTIONAL PRODUCTS FROM SPECIALTY SUPPLIERS.

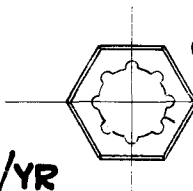
Another recent example:

SCREW MACHINE NUT + SET SCREW

STANDARD PALNUT



FORMER COST
 $8\frac{1}{2}$ ¢ EA.



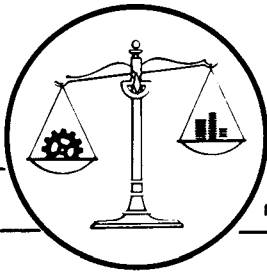
PRESENT COST
 $1\frac{1}{2}$ ¢ EA.

SAVINGS : \$ 11,000/YR

CONSULT YOUR BUYER FOR A SPECIALTY SUPPLIER!

CANADIAN GENERAL ELECTRIC, BARRIE PLANT

GENERAL ELECTRIC

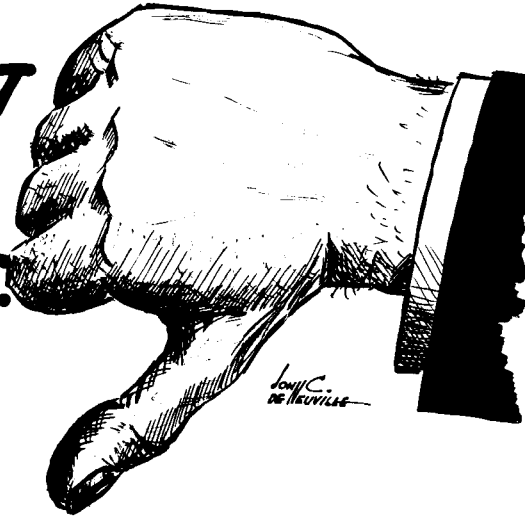


value NEWS

ISSUED BY: VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

APRIL 14, 1952

**DON'T ACCEPT
COSTS
ABOVE VALUE.**



JOHN C.
DE NEUVILLE

VALUE IS "THE LOWEST COST AT WHICH A PART OR MATERIAL IS RELIABLY AVAILABLE OR THE LOWEST COST OF SOMETHING ELSE TO DO THE SAME JOB."

WHICHEVER
IS
LOWER

FIRST EVALUATE, THEN DECIDE!



value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

APRIL 21, 1952

DON'T OVERLOOK SMALL ITEMS



IT'S WELL WORTH THE EFFORT

A RECENT EXAMPLE



Thick I.D. O.D.
 $\frac{5}{32} \times \frac{3}{16} \times \frac{5}{16}$



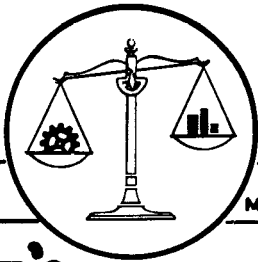
Thick I.D. O.D.
 $\frac{5}{32} \times \frac{9}{32} \times \frac{5}{8}$

SCREW MACHINE PART
at 8.00/M

STANDARD WASHER
at 1.80/M

Savings: \$ 1700/yr.

5 MINUTES OF QUESTIONING MAY SAVE \$500.00



value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPARTMENT, SCHENECTADY, NEW YORK.

APRIL 28, 1952

LET'S
FACE
THE
FACTS



WE ARE NOT USING ALL SPECIALTY
PRODUCTS TO OUR BEST ADVANTAGE

TOO MANY



~~ASSEMBLY = 1.00
SHOP COST = 12.00/M~~

NOT ENOUGH



= 6.00
= 9.00/M

SAVINGS = \$3.00/M

Convert Some More!

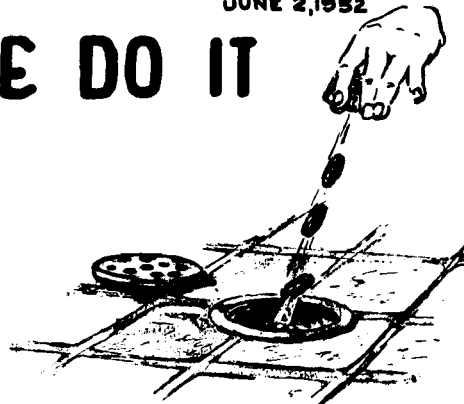


value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

JUNE 2, 1952

EVERY DAY WE DO IT



**" USE NEWER
MATERIALS SOONER "**

For Example :

CHANGING

*from- CONVENTIONAL CUTTING OIL
to- NEW, LOW VISCOSITY, NO SULPHUR OIL*

WHEN CUTTING ALUMINUM

SAVES $\frac{4}{5}$ OF THE COST

ON DISPOSAL PARTS

CUTTING OIL \$ 15.60/day
PRE-CLEAN PARTS 7.40
\$ 23.00/day

"NEW" OIL \$ 4.80/day
~~PRE-CLEAN~~
\$ 4.80/day

*"Someone knows how to reduce nearly every cost
without changing quality."* **GIVE HIM A CHANCE.**

TONY EWASKO - WHITE PLAINS

GENERAL ELECTRIC



value NEWS

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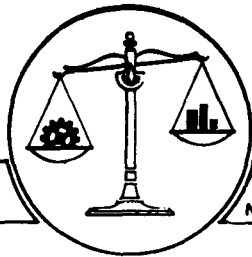
USE THE VALUE ANALYSIS CREED

JUNE 9, 1952

"NOT A DOLLAR OF COST
THAT DOESN'T BUY FUNCTION!"



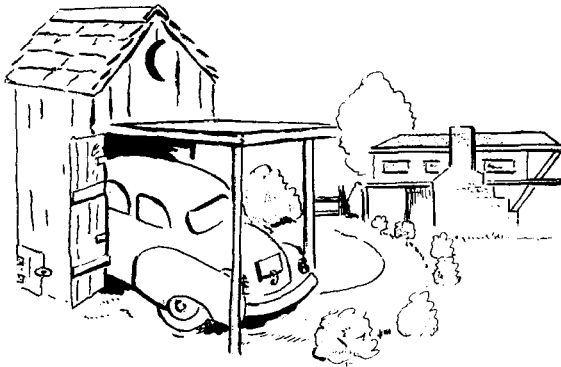
**FUNCTION IS SOMETHING THAT
MAKES THE PRODUCT "EITHER"
WORK BETTER OR SELL BETTER.**



value NEWS

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MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

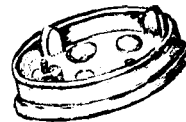
JUNE 16, 1952



THE HABITS OF
OUR FATHERS
LIVE WITH US

A RECENT EXAMPLE 

MICALEX PART



USE ONLY 450/yr.
MACHINED

@ \$ 650 ca. - \$ 2800⁰⁰/yr.

MOLDS COST \$ 650.⁰⁰
PARTS THEN COST .80 EA.

FIRST YEAR \$ 1010⁰⁰/yr.
THEREAFTER \$ 360⁰⁰/yr.

THE SAME PERFORMANCE FOR $\frac{1}{8}$ THE COST

"EVALUATE SOMETHING DIFFERENT"

A.F. FORNI — PITTSFIELD PLASTICS

GENERAL  ELECTRIC



value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPT. SCHENECTADY N.Y.

JUNE 23, 1952

DAY

AFTER

DAY



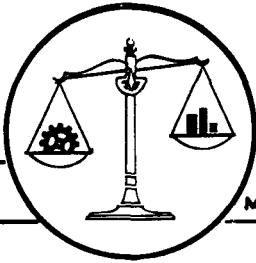
FOR YEARS

SPECIAL PISTON RINGS 11.75 EA.

NOW USE

**STANDARD RINGS WITH .63 EA.
MINOR CHANGES**

**THE MARKET GOES TO
THE ONE WHO THINKS**

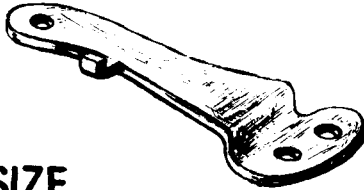


value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS & PURCHASING DEPARTMENT, SCHENECTADY, NEW YORK.

JULY 14, 1952

USE SHORT RUN STAMPING SUPPLIERS



TOOLS ONLY ^{\$}35.00

$\frac{1}{2}$ SIZE

PARTS - FIRST 100 ^{\$}5.00

If you

BUILD DEVELOPEMENT SAMPLES
MANUFACTURE IN SMALL QUANTITIES
USE SAMPLES FOR FIELD TRIALS
NEED STAMPINGS ON SHORT NOTICE

Investigate

SPECIALIST SUPPLIERS
OF SHORT RUN STAMPINGS

SEE YOUR BUYER OR PURCHASING VALUE ANALYST
GENERAL ELECTRIC



value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK.

SEPT. 2, 1952

WHAT'S WRONG WITH THIS PICTURE ?



THE BUYER SAYS, —

"We have to make that part
We need the liquidation."



THE ACCOUNTANT SAYS, —

"We can't make it that way,
it won't work."



THE FACTORY MAN SAYS, —

"We can't use that finish,
they won't buy it."



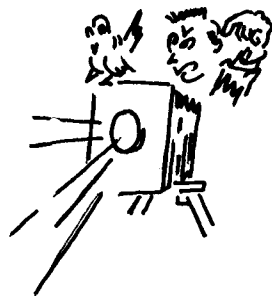
THE ENGINEER SAYS, —

"We'll have to get it of Smith Company--
they're the only reliable suppliers."



THE SALESMAN SAYS, —

"We can't get enough steel next year
to meet that quota."



IT'S ALL OUT OF FOCUS

IN GETTING OUR ANSWERS, LET'S FOCUS SHARPLY



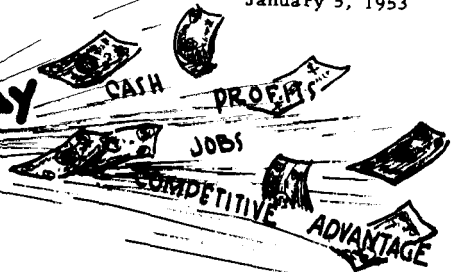
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MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK

January 5, 1953



**BLOWN
AWAY**

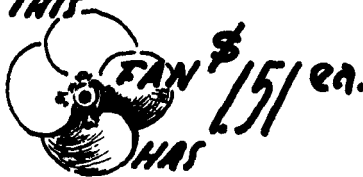


**THINK
TODAY!**

"What is basically costly
about the way we do it"?

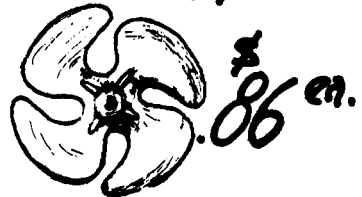
FOR EXAMPLE:

THIS



OVER LAPPING BLADES
MANY PARTS
MUCH LABOR
MUCH WASTE MATERIAL

A BETTER WAY



ONE PIECE BLADE
FEWER PARTS
LITTLE LABOR
SMALL WASTE
SAME AIR FLOW
SAME EFFICIENCY

THE **SAME PERFORMANCE** 40% OF THE COST

GIVE SPECIALTY SUPPLIERS A CHANCE

BOB MOORE - FITCHBURG

GENERAL  ELECTRIC



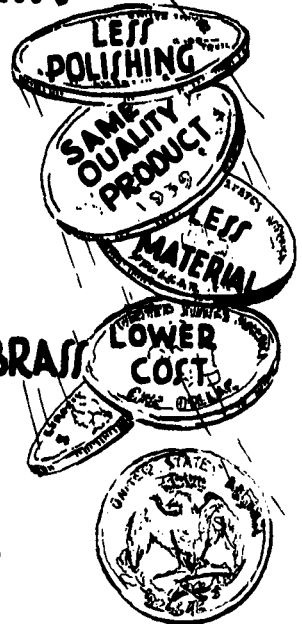
value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK.

January 12, 1953

PROFESSIONAL VALUE TECHNIQUES

PAY OFF AGAIN



NEW FINE GRAIN™ FORM BRIGHT™ BRASS

SUGGESTED

BY AN INFORMED SUPPLIER

VIGOROUSLY PUSHED

BY THE PRODUCT DEPARTMENT

**"THE LONG RACE GOES TO THE ALERT,
THE DILIGENT, AND THE PERSISTENT."**

"GOOD LUCK" TO THE GANG AT BARRIE WORKS

GENERAL ELECTRIC



value NEWS

ISSUED BY VALUE ANALYSIS UNIT
MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK.

January 19, 1953

**Yesterday
is
Gone!**



**BUT YESTERDAY'S
IDEAS PERSIST**

For example: **ASBESTOS TO CATCH PAINT DRIPPINGS**

"CAN'T USE PAPER — FIRE HAZARD"

\$5.00 / M sq. ft.



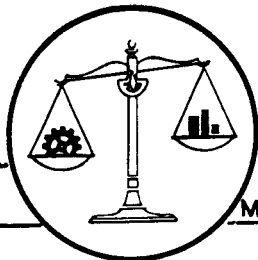
**THEN A
VENDOR
PROPOSED**

\$2.50 / M sq. ft.



**—TESTED AND APPROVED BY SAFETY COMMITTEE—
AGAIN ½ OF THE COST SAVED**

LET'S SEE, THINK, AND ACT 5 YEARS SOONER



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MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK.

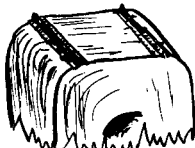
February 2, 1953

TEE IT UP
-DRIVE THE GREEN
-SINK THE PUTT



VALUE ANALYSIS SETS THE BALL ON THE EDGE OF THE GREEN
for Example: -

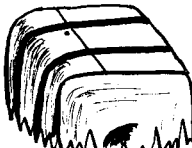
PRESENT



Angles + Bolts

\$1.76 ea.

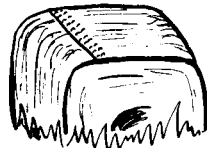
VALUE ANALYSIS
PROPOSAL



Metal Strapping

\$1.56 ea.

ENGINEERING
RE-EVALUATION
RESULTS



Metal Stitching

\$1.41 ea.

SAVING \$12,000/YR.

SAVING \$21,000/YR.

UNDISCOVERED MARGIN LIES KNEE DEEP ALL AROUND US

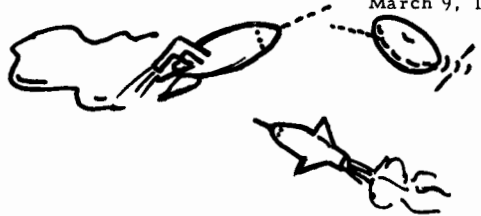


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MATERIALS SERVICES DEPARTMENT SCHENECTADY, NEW YORK.

March 9, 1953

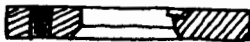
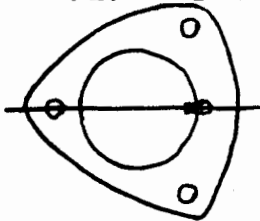
*Yesterday's
Battle
is won*



**TOMORROW'S
IS ON**

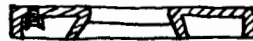
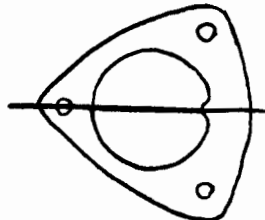
FOR EXAMPLE: CASTINGS V.S. STAMPINGS

YESTERDAY



54¢ each

TOMORROW



20¢ each

Tool Cost \$2,000
SAVING \$34,000/yr.

USE TOMORROW'S METHODS TODAY

GENERAL  ELECTRIC

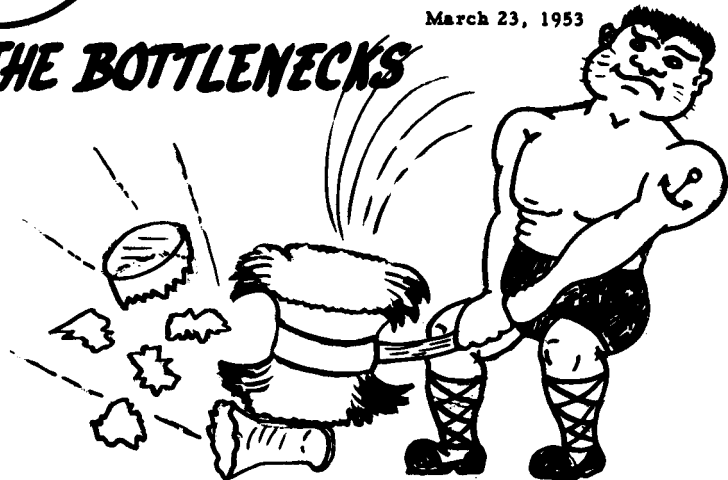


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MATERIALS SERVICES DEPARTMENT, SCHENECTADY, N.Y.

March 23, 1953

BREAK THE BOTTLENECKS



SUSPECT OBVIOUS REASONS "WHY IT WON'T WORK"

FOR EXAMPLE: CONTROL BUTTON

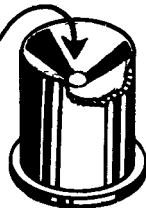
Cannot be Cold-headed

Can be Cold-headed



\$.06 Each

Change It Slightly



\$.02 Each

THE SAME FUNCTION FOR $\frac{1}{3}$ OF THE COST
Don't Discard the Idea—Overcome the Roadblock!

GENERAL ELECTRIC



value NEWS

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MATERIALS SERVICES DEPARTMENT, SCHENECTADY, NEW YORK

March 30, 1953

CASTING

SOMETIMES SAVES $\frac{1}{2}$ COST!

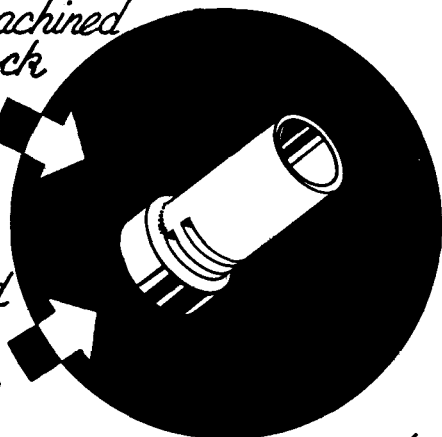
for example 300,000 valve seats

*made as screw machined
part from bar stock*

17¢ea.

cost and machined

9¢ea.



REDUCTION \$24,000/YR.

GET TODAY'S COST ON CASTING IT!

GENERAL ELECTRIC

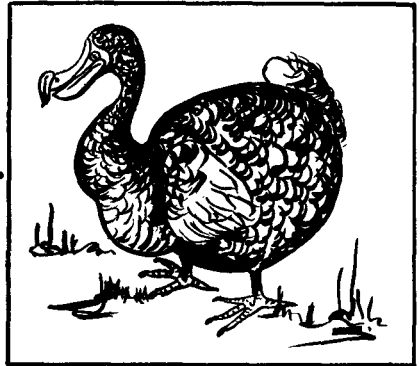


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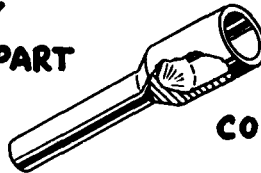
April 6, 1953

YOU CAN'T
→
FIND A "DODO"
(THIS BIRD IS EXTINCT)



*.... But its not hard to find parts still on
Screw Machines that can be Cold Headed for
1/5 to 1/10 the Cost*

**FORMERLY
SCREW MACHINE PART
16¢**



**NOW
COLD HEADED PART
3¢**

ACTUAL SIZE

LET'S GET THEM INTO THE COLD HEADERS SOONER!

F. W. PETERSON - WEST LYNN

GENERAL  ELECTRIC



value NEWS

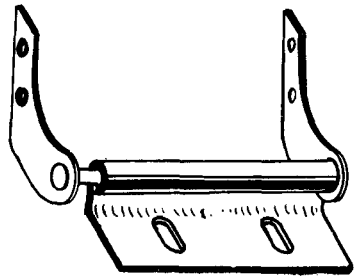
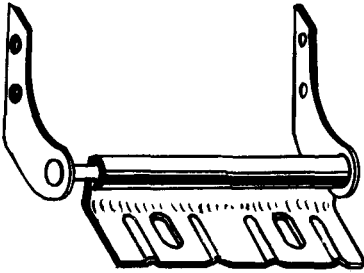
ISSUED BY VALUE ANALYSIS UNIT
MATERIALS SERVICES DEPARTMENT, SCHEENECTADY, NEW YORK

April 13, 1953

A VENDOR SAW IT!
NOW WE SAVE \$200/day
HE SUGGESTED "ROLL FORMING"

Former Stamped Hinge

Present "Roll Formed" Hinge



37¢EA.

27¢EA.

*Let your Specialty Supplier
help you with your problems.*