

UNITED STATES ARMY MUNITIONS COMMAND
AMMUNITION PROCUREMENT AND SUPPLY AGENCY
JOLIET, ILLINOIS

10 SEP 1963

IN REPLY
REFER TO: SMUAP-A

SUBJECT: Value Engineering Seminar

TO:

1. A skill level 40-hour Value Engineering Seminar is being planned for the week of 28 October 1963 to be held at the Lone Star Ordnance Plant. Day and Zimmermann, Inc. is hosting the seminar.

2. The objective of this seminar will be to train personnel who will be capable of returning to their installation and acting as Project Leaders at the work level in the actual application of Value Engineering to projects. It is expected that in a process of acting as Project Leaders for work projects within the installation, the skills learned by these people would be passed on to other members of project teams working under their leadership. Your installation is being allocated ___ spaces for this seminar.

3. Ten (10) teams are planned for the workshop. Each team will consist of five (5) individuals preselected based upon the information submitted by the participating activities regarding the individual's job classification and working assignment. Attached hereto as Appendix I is the format in which we desire the submission of proposed candidates to participate in this seminar.

4. In order that the seminar workshop be completely realistic and profitable, each installation participating is requested to submit a project for Value Engineering. Appendix II to this letter indicates the material and information required with each project submitted. If your installation desires to submit more than one project, this will be acceptable providing all of the necessary data is furnished.

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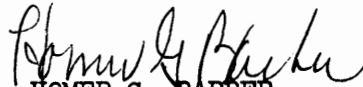
5. Appendix III outlines the schedule for the workshop and the agenda of subjects which will be covered in the lecture portions.

6. There exists a need for five (5) skill trained Value Analysts to assist in the workshop as Project Leaders, each acting as leader for two (2) workshop teams. Your assistance in obtaining the services of these people is solicited. If there is available in your installation an individual who can act in this capacity, we would like to have your assistance in making him available.

7. Submissions of candidates for the course and possible Project Leaders should be made available to this Agency, ATTN: SMUAP-AV, and should arrive not later than 28 September 1963. Projects proposed for submission should be described in the same letter. The description should be adequate on which to base a determination as to their usability.

8. Projects which are accepted for use in the workshop seminar will be identified by this Agency and the interested installations notified not later than 30 September 1963. Upon notification of acceptance of a project for the workshop Value Engineering Seminar by an installation, the project complete with all information required by Appendix II will be forwarded to Lone Star Ordnance Plant.

- 3 Incl
1. Appendix I
2. Appendix II
3. Appendix III


HOMER G. BARBER
Colonel, OrdC
Commanding

APPENDIX I

RECOMMENDED CANDIDATES FOR LONE STAR SEMINAR

Name

Job Title

* Work Assignment

* Under "Work Assignment", identify briefly the specific work the individual is doing.

APPENDIX II

PROJECT DATA

1. The most desirable type items for a project are those made from low complexity hardware and from systems or practices that are not too complex or involved. This will eliminate confusion and wasted effort in the project work.

2. Projects may be related to electrical or mechanical items and practices or techniques. However, it is most desirable to limit the projects for this training workshop seminar to technical items of either a mechanical or electrical nature encompassing minimum complexity.

3. It will be necessary to provide the following material and information for each project:

- a. One complete assembly or set of parts.
- b. One set of drawings, parts, specifications and bills of materials.
- c. One set of performance and environmental specifications.
- d. Complete manufacturing cost information (actual or anticipated) to include as a minimum costs of:
 - (1) Material
 - (2) Labor
 - (3) Burden. Burden is to be broken out where practical.
- e. Anticipated quantities of the hardware for a specified period of time or contract.
- f. Drawings which show the project installed in or its relation to the next assembly and to other parts.
- g. Drawings of detailed parts if project is an assembly.
- h. Information of present or anticipated sources of supply (make or buy) vendors, etc.

PROJECT DATA

i. Tooling costs - Actual or Anticipated.

j. For the purposes of this seminar, the cost of making Engineering Change Orders to current Technical Data Packages is considered to be \$1,000.

4. An additional note regarding cost information - this should consist of all costs involved in the present or designed condition. This will involve the gathering of planning papers, labor costs plus various portions of overhead for every operation involved and the manufacturing or planned method of production. Also to be included are material costs of every item purchased for the assembly or part making up the project.

APPENDIX III

VALUE ENGINEERING SEMINAR
AGENDA

First Day - 8:00 - 12:00

8:00 Assembly - Introduction
8:15 Seminar Outline Discussion
8:30 Introduction to Value Engineering
History
Munitions Command Program
Basic Principles and Definitions
9:00 Break
9:15 * "Value is Our Target"
9:30 "V.E. Techniques - and Job Plan"
9:45 "Information Phase"
10:00 Break
10:15 "Get All the Facts - Get Information from Best Sources"
10:30 * "Habits and Attitudes - Roadblocks"
10:45 Definition of Value (Examples)
11:00 Break
11:15 * "Costs and Cost Problems"
11:45 Team and Project Assignments
12:00 Close of First Session

12:30 - 4:30

12:30 Discussion of Project Assignments
12:45 "Define and Evaluate the Function"
1:30 "Creativity Phase"
1:45 Break
2:00 "Creativity - Applied Imagination"
2:45 Break
3:00 Project Work (Information Phase)
4:30 Close of Second Session

* Guest Speaker

Second Day - 8:00 - 12:00

8:00 "Evaluation Phase"
8:15 "Use Standards"
8:30 Project Work (Creative Phase)
12:00 Close of Third Session

VALUE ENGINEERING SEMINAR
AGENDA

12:30 - 4:30

12:30 "Value Engineering and the Supplier"
1:00 "Use All Resources"
1:15 Set up Supplier Displays
1:30 Supplier Introduction
2:00 Visit Displays and Project Work in Evaluation Phase
4:30 Close of Fourth Session

Third Day - 8:00 - 12:00

8:00 "Investigation Phase"
8:15 "Challenge Requirements"
8:30 Set up Supplier Display
8:45 Supplier Introduction
9:15 Visit Displays and Project Work in Evaluation Phase
12:00 Close of Fifth Session

12:30 - 4:30

12:30 "Reporting Phase"
12:45 * "Functions of Value Engineering Group"
1:15 Project Work - Evaluation and Investigation Phase
4:30 Close of Sixth Session

* Guest Speaker - Supervisor of Value Engineering Group

Fourth Day - 8:00 - 12:00

8:00 "How to Make Team Presentations"
8:15 * "Value Responsibility of the Designer"
8:45 Project Work - Investigation Phase
12:00 Close of Seventh Session

VALUE ENGINEERING SEMINAR
AGENDA

12:30 - 4:30

12:30 Review - Examples of Reports and Team Presentations
1:00 Project Work - Reporting Phase
4:30 Close of Eighth Session

* Guest Speaker - Chief Engineer, Product Design

Fifth Day - 8:00 - 12:00

8:00 Project Work - Reporting Phase - Rehearsal of Presentations
10:00 Team Presentations
12:00 Close of Ninth Session

12:30 - 4:30

12:30 Team Presentations (10 minutes per team)
1:00 Critique
2:30 Break
2:45 * Photos
3:15 Closing Remarks - Presentations of Certificates
3:30 End of Seminar
3:30)
4:30) Departure for Home Station

* Guest Speaker

TRAINING COURSE

COURSE: INTRODUCTION TO VALUE ANALYSIS

OBJECTIVE: To teach the student the meaning of Value Analysis, how it is used and a general understanding of the methods used. To establish in the student an appreciation of the possibilities for cost reduction and finally to instill in the participants a desire to use and apply the techniques.

COURSE OUTLINE:

<u>SESSION NO.</u>	<u>TOPIC</u>	<u>TIME</u>
Session 1 $\frac{1}{2}$ day	INTRODUCTION	10 min.
	WHY VALUE ANALYSIS? Rising Cost. The Defense Budget. Comparative Standard of Living. Rate of Growth USA-USSR. How can we compete?	15 min.
	VALUE ANALYSIS: WHAT IS IT? Definition: Value Function, Study. The Five Questions. Identifying a Function. Evaluation of Functional Value. Precedent. Film: "More for Your Money."	45 min.
	WHAT CAN IT DO? Plucking the Hawk's Tail. The M18A1 Mine Study. Outer Pack M2A1. Words from the Sec'y of Defense.	20 min.
	COFFEE BREAK	15 min.
	HOW DOES IT WORK? The Six Step Job Plan. Fact Gathering. Creativity & Imagination. Analysis.	300 min.

Session 2

$\frac{1}{2}$ day

VENDOR SUPPORT

Selected Vendors to Present Their Effort.

Program Development.

Technique for Execution.

Presentation & Follow-Up.

HOW IS IT USED?

30 min.

A Management Tool.

Employee Participation.

Everyday Use.

Team Efforts.

VALUE ENGINEERING CLAUSES.

15 min.

Use in FFP Contracts.

Use in FPIF Contracts.

Value Engineering Programs in CPIF and CPFF.

VALUE ANALYSIS/ENGINEERING ORIENTATION

<u>Time</u>	<u>Subject</u>	<u>Speaker</u>
1:00 - 1:30	What is it?	E. Knickerbocker
1:30 - 2:30	How Does It Work?	E. Knickerbocker
2:30 - 2:45	What Will It Do?	E. Knickerbocker
2:45 - 4:00	Value Engineering Clauses ASPR Part 17	E. Knickerbocker

This course will be held as many Wednesdays as is necessary to accommodate all personnel desiring to attend.