3/25/58

~~Mr. H. B. Miller~~ 3/26

Mr. C. W. Bryant C.W.B. 4/7

5829

Re: Canadian GE News, 11/29/57, page 4

Some good Canadian people are perceiving the strengths of the Value program and trying to do something about it.

Apparently they have elected to use our newer name of "Value Control."

→ LD Miles/M

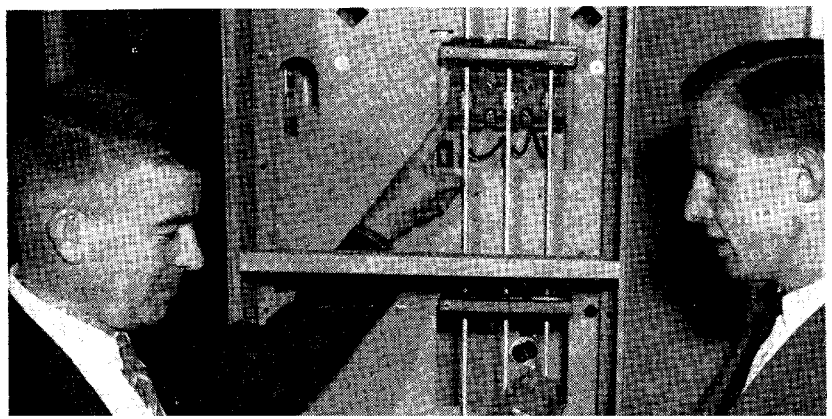
Att.

Aiding Our Job Security

A PROFITABLE STUDY was this Value Seminar of 51 people, just ended at our Peterborough Plant. They learned how the science of Value Control can greatly aid our purchasing, engineering and manufacturing people. They had classroom projects too; 17 of them are now being finalized and should result in sizeable savings.

- **Purchasing Idea Becomes A Company-wide P**
- **Value Control Now Science After 10 Success**
- **Creative Thinkers Look At The Function, Not**
- **They're Helping Our Costs, Sales, Profits An**

A Young Science — Headed For



Nearly 10 years ago an idea started out in our company. Today it has become a philosophy and a science that is saving us hundreds of thousands of valuable dollars each year.

. . . Its effect on CGE jobs has undoubtedly been great. Through important cost reductions, it has contributed to our position of leadership in many product areas, thus creating more work and new jobs.

Value Analysis started out as a purchasing technique around 1948, when many of the materials we use were in such short supply. Substitution—finding another material that would do the job as well—was often the answer. But it was soon obvious that Value Analysis was more than just a matter of substituting materials. Today, as Value Control, it has infiltrated into the very heart of our engineering, design and manufacturing. Its importance to our operations is paramount; especially at this time when there is greater activity among companies for the harder-to-get customer's dollar.

ide Philosophy

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s And Jobs

BUILT INTO this new Distribution Transformer at Davenport, Value Control made its mark in many ways. For instance, core nuts costing 6 cents were used previously for holding the core and coils. Now standard lock nuts are used, costing only 1.8c each. A small savings, but multiplied many times they all contribute to the whole.

VALUE CONTROL takes in everything from the initial design to the final packing and shipment. Here is a repack for TQL Circuit Breakers at Ward Street. Packaging costs were reduced by two-thirds by going to a different carton that holds ten units. Among other advantages were better storage, easier handling for contractors and cheaper transportation.

Talking over the new pack at Ward Street, above, is packaging analyst Bill Brown and Operator Ivy Luck.

r Bigger Things

In their constant search for the required function at minimum cost, our Value Control Specialists come up with hundreds of ideas each year. Some of the savings are small in themselves; but they all add up to substantial amounts, especially where the item is used in large numbers.

The Value Specialist is a man of many parts. His judgment and actions are based on a wide knowledge and experience of materials, manufacturing methods and processes. He must know his way around in many different fields. In a typical day, he may talk with engineers to see how a new material may be used without any sacrifice of quality; he may meet with vendors about producing some special part at lower cost; he may work with manufacturing people to investigate new methods, tools and processes.

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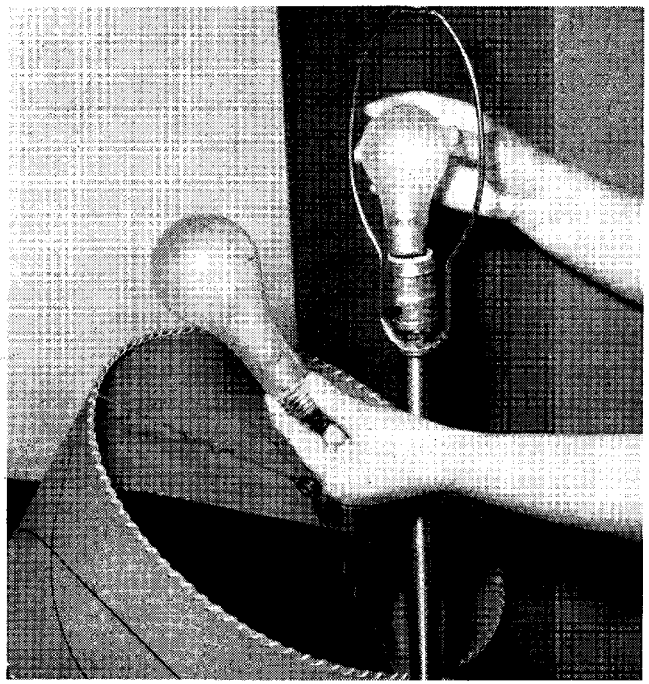
Fifty more of our people have just completed a Value Seminar at Peterborough. They were there to study the importance of value and the creative techniques for building it into our products. But they did more than that. During the course they also worked on a number of projects thought to have cost-saving possibilities. No less than 17 of them, now being finalized with Engineering, are expected to pay off in a big way.

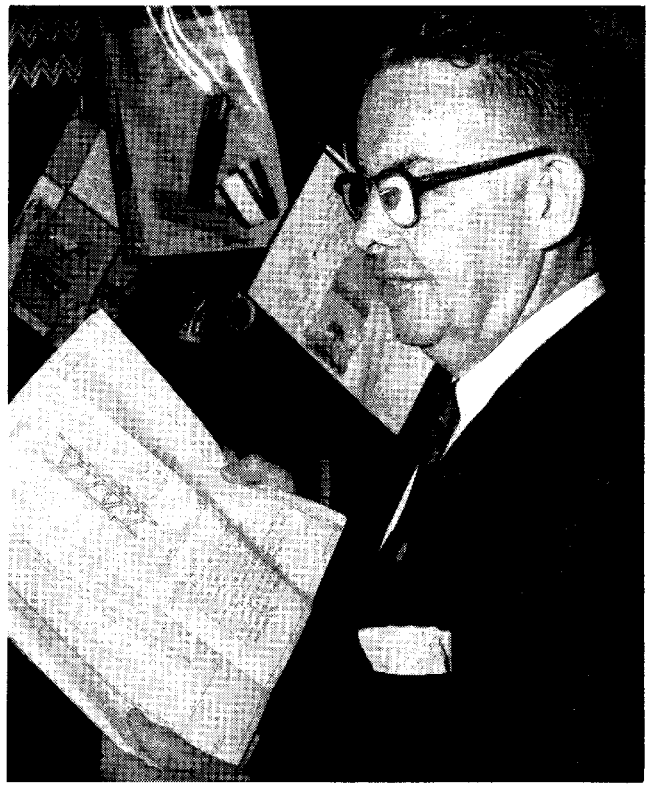
This is typical of the many advances made by our people in the past decade. They firmly believe that Value Control holds the key to price and profit leadership in many product lines. **Furthermore, they are sure that their accomplishments of the past are only a preparation for the advances still to come.**

ANOTHER TRIUMPH FOR VALUE CONTROL is this new transformer just introduced by Specialty, IPD. (Their Bob Jacques, above.) It uses about half as much costly material such as compound, copper and steel; also easier to make, it contains much creative thinking. For instance, case is now pressed from one piece of metal, instead of being spun.

brought down its
steel plate. Now it
ed on, instead of
ant's Nick Pypa.



A BETTER FUNCTION at lower cost often comes from Value Control, as seen by our 100-watt light bulbs. Smaller bulb, right, gives same light output, yet uses less materials such as glass and lead wires. Is also more convenient for packaging, shipping and manufacture.



BETTER PURCHASING TECHNIQUES resulted in a $25,000 savings on radio towers for a Civil Defence job at Royce; with no lessening of performance. Joe Gibson was among those who worked on job.

MORE WORK FOR OUR OWN PEOPLE will result from this new "stab block", soon to be made at Peterborough for switchgear components. Originally purchased from the U.S., it will now use only one imported part. Annual cost reduction will be around $19,000. Savings like this have helped us meet competition and take leadership in many product fields.

Discussing the item, above, are Value Analysis men Gord Thomson and Jim McNish.

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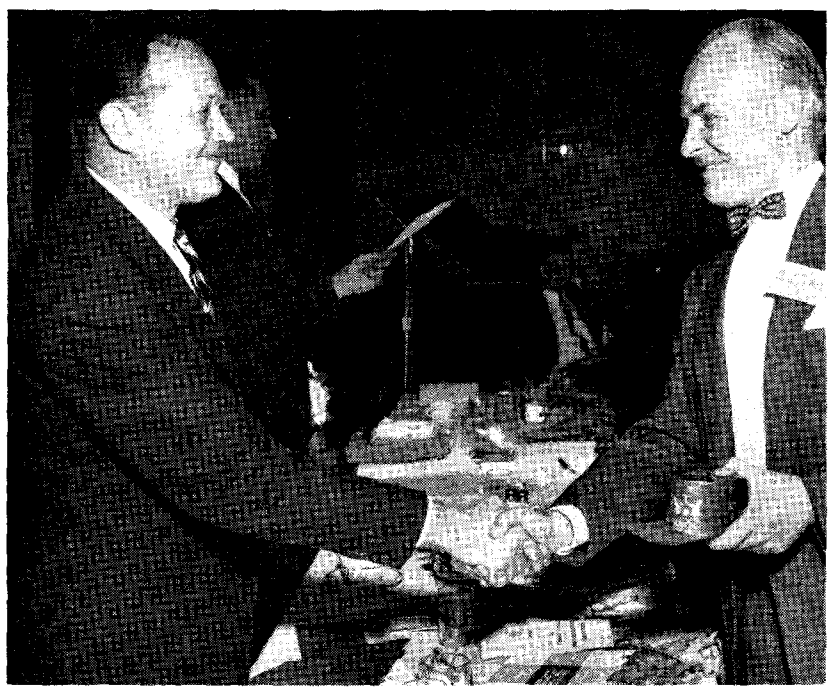
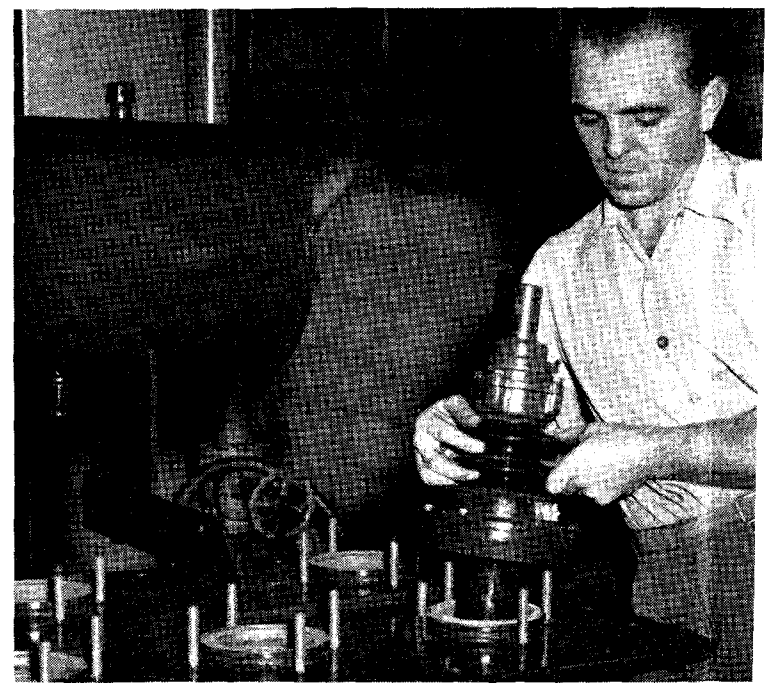
Scores of people in CGE are today trained in the techniques of Value Control. Each day brings new examples of their achievements. Basically, they are creative thinkers, who are trying to forget the past and what has gone before. They are always looking ahead, aiming for new and different solutions.

They are trained in the scientific evaluation of value itself, just as we analyze weight, performance and quality. They look at the function of a part in the product, rather than at the part on its own. Their aim is to provide that function at lower cost. Frequently they are able to suggest something that brings about even better value and better performance along with reduction in price.



HIS OUTSTANDING ACHIEVEMENTS in Value Analysis over the past ten years brought recognition to CGE's Claude Watt recently. He was one of ten men so honoured at GE Schenectady to commemorate the Tenth Anniversary of Value Analysis. Claude has helped train many other people in these techniques in CGE, which today are reaping sizeable returns.



CREATIVE THINKING, in this new bushing mount for power transformers, brought cost to 17% of original figure. Before, the flange was machined from steel plate is a forged part with little machining. Securing studs are now welded on, i screwed into drilled holes. Assembling the bushing is Guelph Plant's Ni