

[<< Return to Main Page](#) | [Print](#)

From the pages of Purchasing Magazine Online

## Letter to the editor

Staff -- 7/18/2002

*To the editor:* I am a Certified Value Specialist through the Society of American Value Engineers (SAVE). I got involved with value analysis/value engineering (va/ve) when I was working as an Industrial Engineer at E-Systems Inc., Montek Div., (now owned by MOOG) in Salt Lake City, Utah in the 1980s. We had some serious problems in product development on the Microwave Landing System (MLS) we were developing for the Federal Aviation Administration (FAA). E-Systems had sent me back to school to get my MBA through the University of Phoenix. One of the requirements for this MBA program was to complete a "real life" project where I would work and write a thesis about it. The problem we were having with development of the MLS seemed to be exactly what I needed for my project and thesis. So, I submitted an employee suggestion that we implement va/ve at the Salt Lake division.

The next thing I knew, I was put in charge of researching va/ve and implementing a program there. We hired some consultants to train our engineers, others, and myself in the process. va/ve took off like wild fire. The division president was fully behind it and even our customers got into the act. Boeing was a major customer and had given us a cost reduction target of 25% on their products with the promised reward of an extension of a five-year long-term business agreement. In the first year alone, the division saved \$6.4 million and reduced G&A cost by 10% by restructuring the whole organization. The problems in product development were solved and we went on to complete a number of prototypes and "qual-test" units. We also made Boeing happy and they awarded us the extension on the long-term business agreement, which was worth over \$100 million.

To make a long story short, I couldn't find many references on va/ve for my MBA, except in Purchasing Magazine. Your articles back then really helped me. I just read your Oct. 4, 2001 article, *Why Value Analysis Matters*. I'm encouraged that you are reviving the tradition of devoting an issue to va/ve. After my experience at E-Systems, I accepted a job as a Value Engineer for EG&G at the Idaho National Engineering and Environmental Laboratory (INEEL) in Idaho Falls. va/ve was very active at the INEEL for a number of years. However, we haven't done a va/ve study here for over four years now. Like you said in your article, va/ve is an "old saw." I'm still trying to sell the idea here wherever I can. But, not many of our project engineers and managers are familiar with it. This is probably due to the fact that we have changed contractors here three times in the last 10 years.

I also am an adjunct instructor for the University of Idaho here in Idaho Falls where I teach classes in quality. I have built va/ve into my curriculum as a product/process improvement tool. Much of my work at the ineel has been in the quality area and I have found VA/VE and elements of va/ve, especially the fast modeling and function analysis, to be very useful. I will be using some of the examples from these articles in my class. Perhaps I can get some students turned-on to va/ve like I was/still am and they will use it in their careers.

I am looking forward to more articles on va/ve in PURCHASING Magazine. Thanks for trying to keep it alive!

*Jim Wixson, CVS-Life, CMfgE Advisory Engineer Becthel-BWXT Idaho, LLC Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho*

[<< Return to Main Page](#) | [Print](#)

© 2007, Reed Business Information, a division of Reed Elsevier Inc. All Rights Reserved.



ADVERTISEMENT

### More By This Author

[Marshs inks distribution deal](#)

[NEDA announces Executive Conference plans](#)

[New report slams China's steel export policies](#)

[More >>](#)