

III. Examples

During fiscal year 1967 there were approximately 550 individual VE actions which produced savings of more than \$100,000 each. There were several thousand actions of lesser amounts with the Air Force reporting about 800 in the fourth quarter. The following examples are set forth to illustrate the actions which are being taken in the area of value engineering:

A. *Aircraft acceptance tests*.—A saving of \$226,000 was achieved by a VE review which recommended elimination of certain acceptance test requirements for the CH-47 aircraft. Two major tests were found unnecessary based upon the electronic configuration of the delivered model. (Army.)

B. *Missile support*.—The support plan for the Pershing guidance and control section was subjected to a VE study team analysis. Implementation of the team recommendations for reduction of lifetime buys on select high dollar spare parts, increased general support capability for rework, reduced maintenance turnaround, and produced savings of \$5.98 million. (Army.)

C. *Barracks*.—A VE review of engineering plans for new living quarters at a training station indicated that a reduction of overhead space was feasible without sacrifice of function. The final design reflected a reduction of 2 feet 8½ inches in the height of the building which cut construction costs by \$141,000 in fiscal year 1967. (Navy.)

D. *Bomb fuse*.—Through a VE analysis on the EX 332 fuse, alternate manufacturing methods were suggested. Design changes were made which decreased production costs and saved \$152,000. (Navy.)

E. *Strike cameras*.—Over \$2.1 million was saved as the result of a VE design review of the KA-71A low-altitude aircraft panoramic camera. The required functions in the redesigned camera, designated KB-18A, were maintained, performance improved, and unit cost reduced by about 40 percent. (Air Force.)

F. *Minuteman test procedures*.—Methods, procedures, and test data from the service test laboratory responsible for LGM-30 propulsion subsystem certification, was subjected to a VE study. Results indicated that contractor performance of a similar test for comparative analysis was an unnecessary duplication of test effort. Dual conduct of non-ballistic tests was eliminated, cutting costs by \$250,000. (Air Force.)

G. *Oil drum adapter*.—Revision of detail drawings for the hose connection adapter to fuel drums was approved based upon a VE study. This change produced a saving of \$139,000. (DSA.)

I.D. INVENTORY ITEM REDUCTION

I. Scope and objective

A. This area applies to the total number of items in the DOD supply system. It includes all types, kinds, and sizes of items managed by the military departments, the Defense Supply Agency, and other DOD components.

B. The basic objective of the area is to initiate management improvement actions which will reduce the number of items carried in the DOD supply system. This objective can be achieved by: (1) identifying interchangeable and substitute items; (2) improving and developing more complete item identification data; and (3) applying standardization studies to additional classes of items.