



## ESCATEC launches Value Analysis Value Engineering service to improve customers' products and reduce costs

**Heerbrugg, Switzerland – 26 October 2015** – ESCATEC, one of Europe's leading providers of contract design and manufacturing services, has launched a new service for customers – Value Analysis Value Engineering (VAVE). This looks at products both in the design stage and in production to see how they can be improved in terms of cost of manufacture and functions. The VAVE program for one customer resulted in savings of over a million euros in a year.

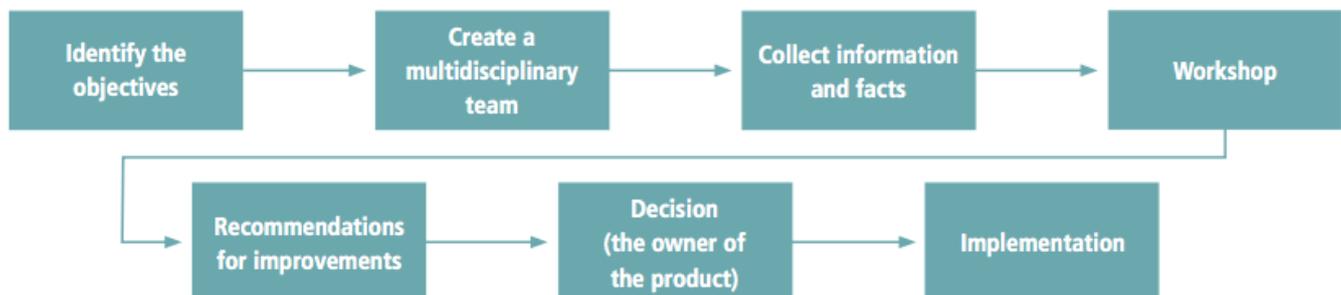
Johan Halling, ESCATEC's General Manager in Penang, Malaysia, explained: "VAVE uses a multi-disciplinary approach to question and evaluate more than just how to reduce the Bill Of Materials (BOM). It looks at the functions of the device and deconstructs each function to determine the costs of implementing it – materials, labour and overheads. This can reveal that some functions are very expensive but not really necessary and so can be eliminated. Similarly, some functions are inexpensive and yet can provide important USPs to improve the appeal of a product. By understanding the drivers and their costs, most products can be optimised, improved and made for less."

Practical examples include replacing welded parts with ones that screw together or even snap fit. Reducing manual assembly steps with automation if the capital cost of automation can be recovered in an appropriate timeframe given the life of the product. Even packaging for a device can often be improved to ensure safety in transit plus reducing the volume of the packaging to cut transport and storage costs.

"Naturally, a key part of any proposed changes is to do a risk analysis," added Halling. "This is particularly important for medical products as significant changes would require re-approval which is expensive and time consuming. This means that the electronics, being the vital part of a device, stays the same while the chassis and similar low level aspects can be changed."

Michael Walser, Head of R&D at ESCATEC, emphasised: "Doing VAVE during the design stage of a new product can be even more effective as substantial savings and improvements can be made before it even goes into production. This can make the difference in turning a project into a highly profitable and successful one."

The new VAVE service is not only available to existing ESCATEC customers but also to companies who just want a VAVE analysis done in their existing products or products in the design phase. This can take the form of two-day collaborative workshops called "*Check it out*" that bring together all the relevant disciplines to analyse a product. One workshop resulted in a 45% saving in manufacturing costs while another increased optical efficiency by 30%.



### ESCATEC

The ESCATEC Group provides fully-integrated electronic and mechatronic design and manufacturing solutions to assist customers in achieving success in their market. Its one-stop solutions and best-in-class service enable companies around the world to operate more profitably, sustainably and efficiently. Founded in 1984, its history is full of innovation, which made it a first choice partner for many European and North American OEMs. The Swiss-owned company perfectly blends Swiss business philosophy and attention to quality, precision and detail with the advantage of low-cost, mass-volume manufacturing capabilities in its Asian factories.

**Further information about ESCATEC**, one of Europe's leading providers of contract design and manufacturing services: [www.escatec.com](http://www.escatec.com) [enquiries@escatec.com](mailto:enquiries@escatec.com)

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