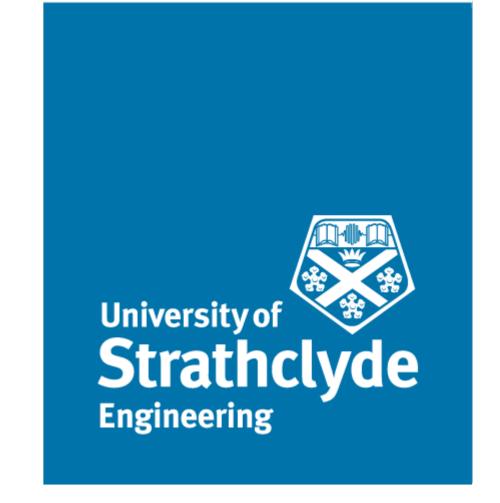
Parametric Costing Model for Design-To-Cost Remanufacturing in Radar Systems

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1. Project Aim & Objectives

Build a **Parametric Cost Estimation Trade-Off** model of a Design to Cost Remanufacturing process support for the decision making, while designing a digitization life-cycle cost of a radar system, which include benchmarking current best practices and tools. "**Design-To-Cost** (DTC) simply means designing a product from a scratch to meet the target cost or market prices, which the customer is willing to pay" (Cost Improvement, 2010).

- Literature Review of the Cost Modelling.
- Evaluate Industry Best Practice (Benchmarking).
- Develop clear understanding the Cost Trade-Off.
- Develop a Parametric Costing Model.

2. Costing Methodologies & Tools

Reason for conducting this research was due to the **Gap in Knowledge** that is evidenced by extant literature review of the DTC Model and based on EOL design experience in the Marine industry.

Methodologies	Tools	Data Collection Points
Define Key Cost Specifications	Excel Data collection	Detail Costing Models: QED, DFM.
Use the appropriate Cost Estimation Methodology	Ture Planning	Process Simulation

3. Cost Estimating Model Methodology

Key Benchmarked companies tend to use following product design Estimation tool to reduce re-manufacturing cost of the product.. **Cost Estimation**Methodologies are;

- Unde
- Understanding of the As-Is model
 - Create a database of the Product configurations, building blocks up to component level.
- Develop the structure of tools for the Radar System cost validation
- Start collecting costing data of every process and components.
- Identify all different Life Cycle Cost drivers.
- Identify cost estimation methodologies; Parametric, Analogy and Detailing costing model..
- Identify and validate all cost drivers up to the components of the LCC.
- Develop a model for the end users for the LCC estimation.
- Gather all historical data to develop the Parametric Costing Equations.
- Validation of all internal and external cost drivers for the estimation method

4. LCC Process Stages



5. Cost Estimation

"Cost estimation is a forecast of costs based on a logical extrapolation of available historical data"

Analogy Cost Analysis

Making adjustments for complexity, technical differences on actual product design cost to drive the Reman Product Cost Estimate.

Apply to

Select analogous strongest analogies

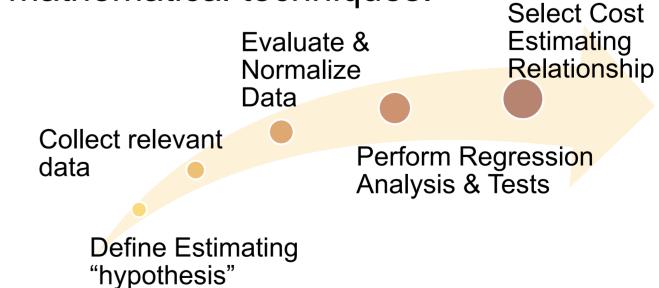
Disaggregate systems

Develop cost complexity factor

Select analogous system

Parametric Cost Analysis

It involves collecting relevant historical data, and retaining products to be estimated through the use of mathematical techniques.



6. Conclusions

- 1. The majority of organizations, define products as a top level of component which drives the major costs.
- 2. The DTC Cost Reduction Team provides support for the Costing which get the same attention, such as product quality, performance & improvement
- 3. Cost Versus Target should be reviewed by the DTC Team with the Production and Manufacturing Managers.

