

Cost Modeling Feature Grants Flexibility

Aaron Harrison, United Gear & Assembly, Inc.

The Client

United Gear & Assembly, Inc. has developed long-term working partnerships with their customers by offering the highest level of service, quality products and competitive pricing. Their 150,000 square foot manufacturing facility boasts engineering services, a full machine shop, extensive gear and shaft manufacturing, as well as heat treat and quality inspection areas. United Gear serves a variety of industries, including transportation, mining, pulp & paper, forestry & logging, marine, wind energy and general manufacturing. Every component manufactured by United Gear adheres to the United Gear Quality Assurance Program in compliance with their ISO 9001:2000 certification.

The Problem

[United Gear](#) [1] produces rather specific and complex parts, yet serves a wide-range of industries. Because of the diverse variety of parts the sales and engineering departments were faced with, variations in the cost estimating process began to emerge. Controlling the estimating process became time consuming and the company was confronted with the reality that the process in general had become extremely cumbersome and inefficient.

“When we began our search, we were looking for a solution that would emphasize a consistent and methodical approach to the process,” said Aaron Harrison, Manager of Product Estimating. “We found that the vast majority of our difficulties were related directly back to that particular issue. So we figured that if we could find a solution to standardize the process, we’d be much better off.”

United Gear & Assembly, Inc. relied heavily on estimating knowledge and spreadsheets to come up with their estimates. With everyone taking a different approach to the manufacturing process, management felt it was time to pursue a solution that would provide consistency and control to their process.

“Many of our difficulties came directly from a lack of consistency,” Harrison continued. “The person quoting typically would be faced with choosing between various machining scenarios and differing estimates for the related cycle times. Based on the significant increase in our business and the manufacturing demands of our customers to bring on new work, our estimating and quoting process became more and more challenging.”

How Costimator Helped

Costimator has several features United Gear likes, but it is the Cost Modeler feature that addresses their needs directly. The embedded Cost Modeler tool enables users to quickly develop process and feature-based cost models geared towards the

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specific needs and requirements of their organization. The end result is an estimating system that can be easily configured and can generate extremely accurate and consistent cycle times and costs, which is critical to any shop.

“Without a doubt, our favorite feature of Costimator is its Cost Models,” says Harrison. “It makes us a far more agile organization across the board because we don’t need to hire a specialized engineer to put together the models. Everyone from sales to management can use the software. The cost models we need are almost all included in the software and what little isn’t – you can program yourself to customize it to your needs.”

The Cost Modeler database, in Costimator, is designed to enable the creation of manufacturing processes, custom processes, part features and products as desired by the user. Once each Model is complete, it can be attached to a specific work center for calculation of manufacturing time and cost based on the characteristics of the equipment use to make the final part or product.

The result? United Gear has seen their business double since they began using the software.

“What Costimator has done for us is that it’s created more accurate cycle times that are close to machine cycle times,” he continued. “That means more consistent quotes and less time spent in the cost-estimating process itself. All the savings in both time and money has led to our business doubling since we started using the software. Costimator has become a significant part of our business.”

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[1] <http://www.ugaco.com/>