

8.4 Cost status report on DTC for development cost

8.4.1 How to make the cost status report

8.4.2 Relation between DTC cost status line and PMD of development activities

8.4.1 How to make the cost status report

Figure 8.4-1 shows a cost status report example for DTC for development costs on the basis of the combination of the activity image of Design-To-Cost (development costs) in Figure 8.1-3, staged examination activities in Table 8.2-2, and the table showing the relation among the activities (example).

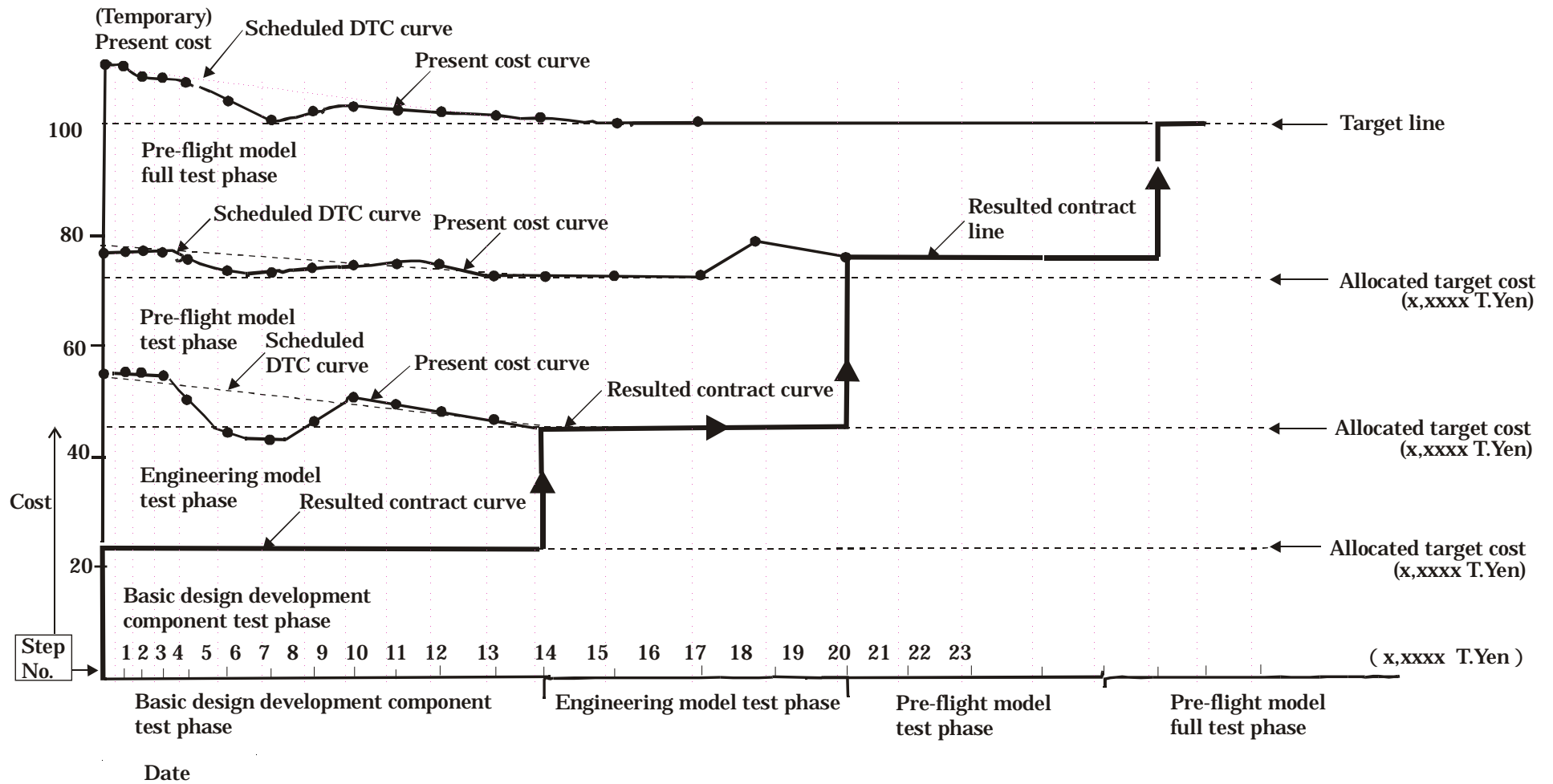
Because the vertical fluctuations of the DTC scheduled curve and present cost lines are very small on the vertical cost scale of this cost status report when the development costs are huge, the scale should be adjusted so that the small fluctuations can be visually controlled.

8.4.2 Relation between DTC cost status line and PMD of development activities

It is necessary to observe the following rules in summarizing the present cost status. This also applies to DTC for mass production costs.

- (1) Do not employ a way of thinking in which, because the present cost status was reported as ___ Yen in the last DTC, there is a change in cost by ___ Yen when compared with the last cost status report.
- (2) The present cost status by the latest DTC result must indicate whether all the remaining activities can be completed within the allocated budget (See Figure 6.3-4); if there is the possibility that the remaining activities cannot be completed, report what kind of DTC trade must be examined for the allocated activity budget that seems impossible, what are the remaining examination issues for each stage and when they must be examined, and if there are possible perspectives under some conditions. Figure 6.3-4, "Form of the predicted report to achieve target values," in Chapter 6 summarizes the thinking of the contents of the report.
- (3) The customer who requests the implementation of DTC has to recognize that the effect of DTC implementation is high on the activities in the induction approach stage, and low on the subsequent activities in the deduction approach stage.

Fig. 8.4-1 DTC cost status report example for development cost (Present and contract cost report)



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