



Deutsche Gesellschaft
für Luft- und Raumfahrt
Lilienthal-Oberth e.V.



ROYAL
AERONAUTICAL
SOCIETY
HAMBURG BRANCH e.V.



VDI

Verein Deutscher Ingenieure
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Obsolescence Management (OM)

Discontinuing obsolescence issues ...



... with comprehensive
Obsolescence Management !!!



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Obsolescence Management (OM)

1.

Content



2.

Me and ABSC



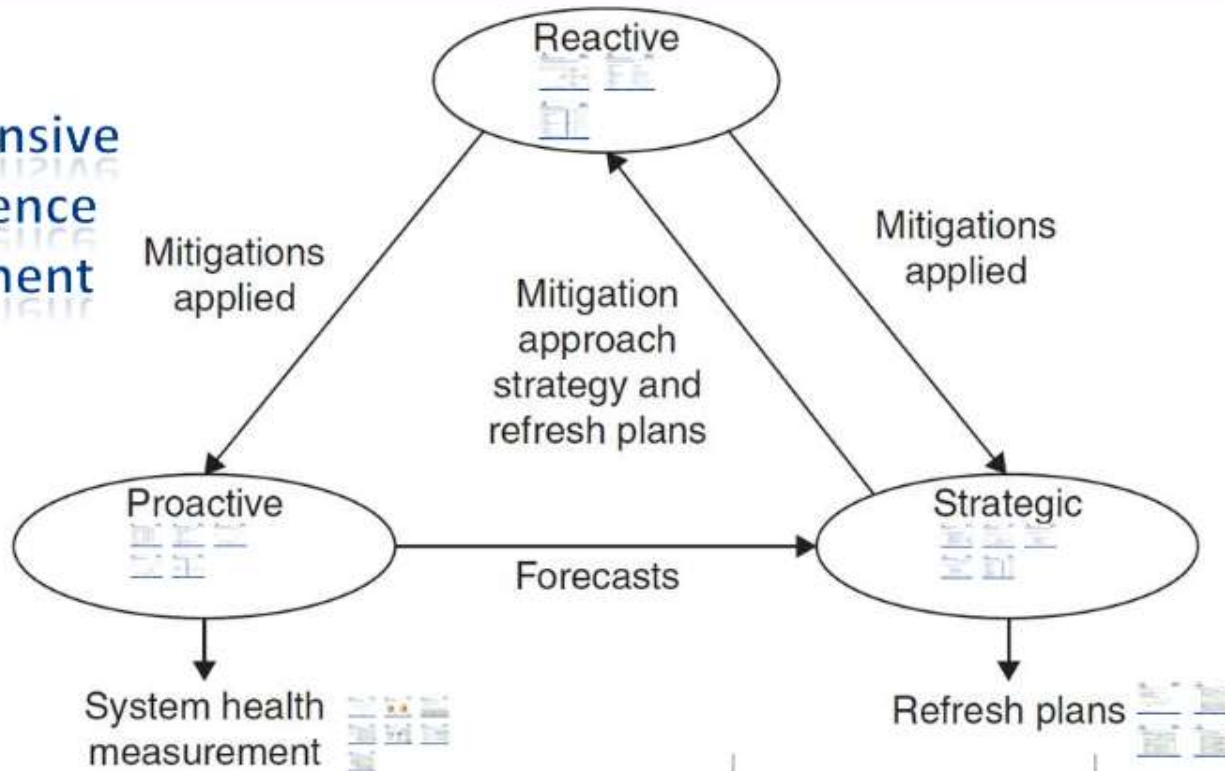
3.

Why OM?



4.

Comprehensive
Obsolescence
Management



5.

Contact Us





CONTENT

Objective: Comprehensive Obsolescence Management – an overview

- Me and ABSC GmbH
- Why Obsolescence Management?
- Reactive Obsolescence Management
- Proactive Obsolescence Management
 - System Health Measurement
- Strategic Obsolescence Management
 - Refresh Plans



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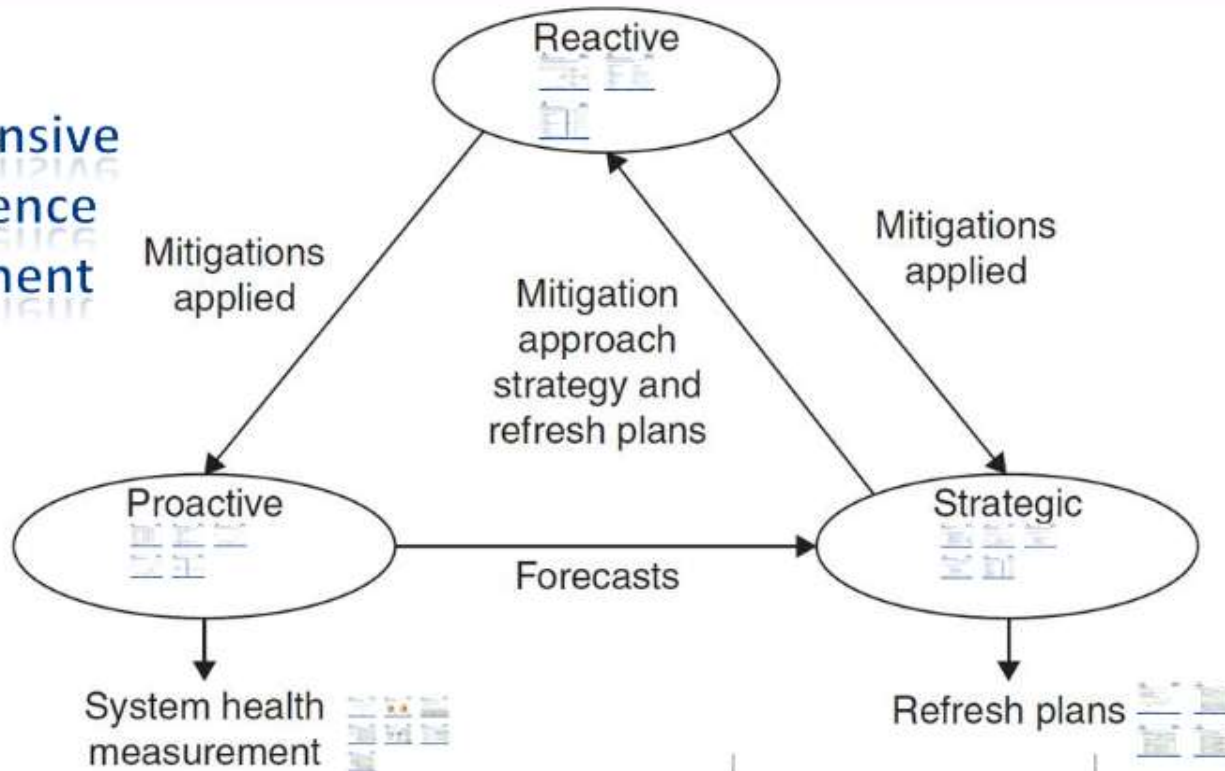
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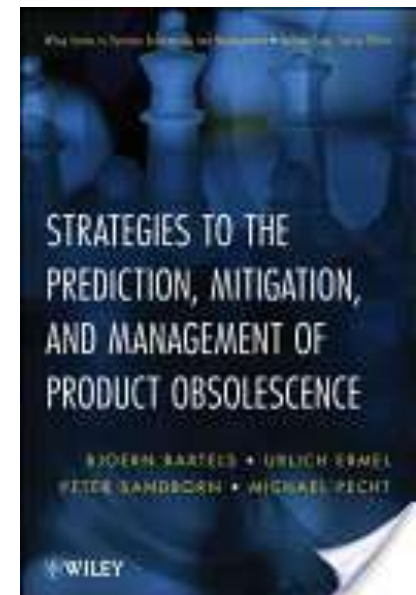
BJOERN BARTELS

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Obsolescence Management (OM)

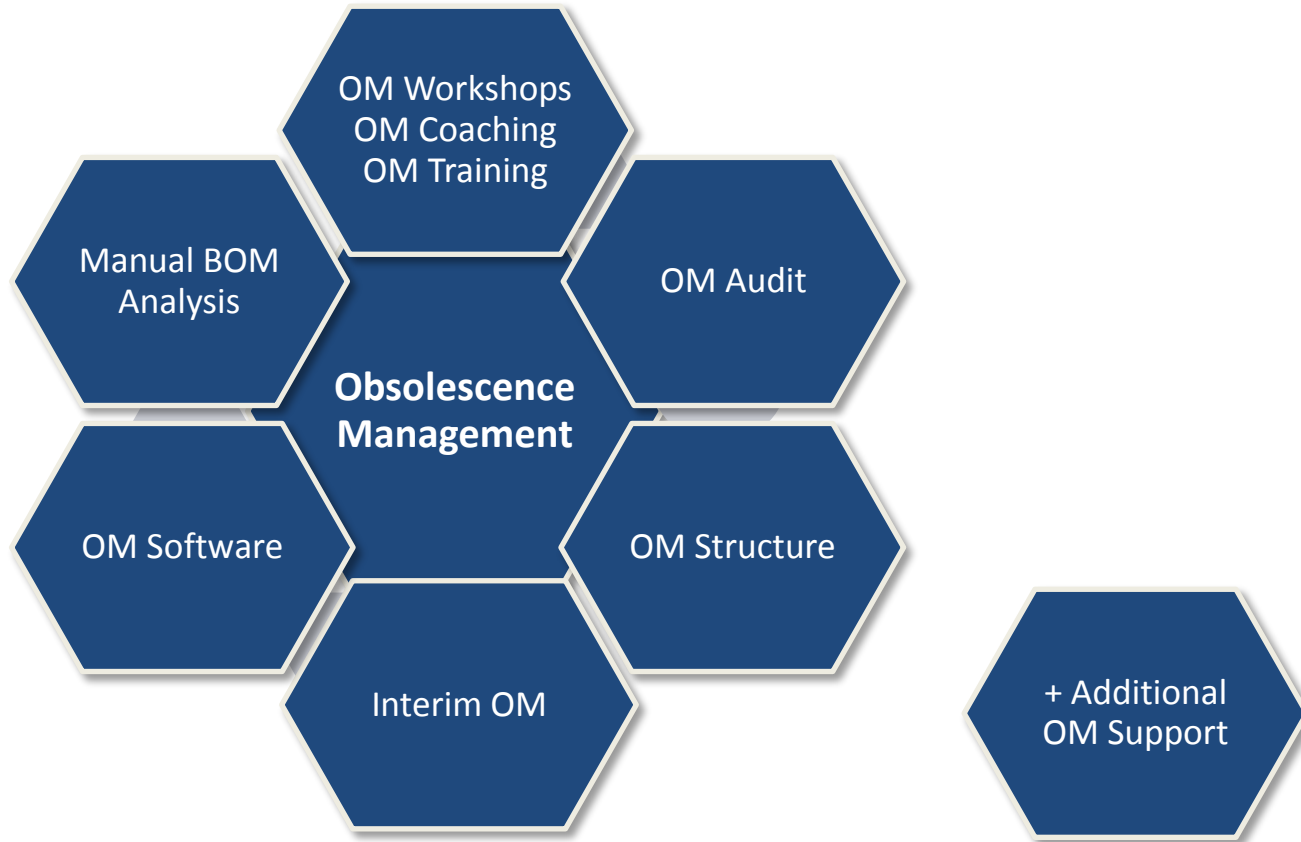
About me:

- Master of International Business | Industrial Engineer
- Senior Consultant | Obsolescence Management Lead at ABSC GmbH
- Coauthor of the co-operational work with the CALCE Institute of the University of Maryland, USA:
„Strategies to the Prediction, Mitigation and Management of Product Obsolescence“ (May 2012, Wiley)
- VDI-chairman of the expert committee „Obsoleszenz-Management (FA209)“
- Active member of the Component Obsolescence Group (COG) association





ABSC Obsolence Management Service Portfolio





ABOUT ABSC GMBH



Obsolescence Management (OM)

DDW Group



Founded:
2001

**Provisionally Shared
Services**



Founded:
1990
Business Division:
Engineering Services
& Consulting



Founded:
2001

Business Division:
System Engineering & Development
Electro-Mechanical Design Engineering
CAD/CAE Software Engineering & Consulting
Software Engineering



Founded:
2001
Business Division:
Animation
Design

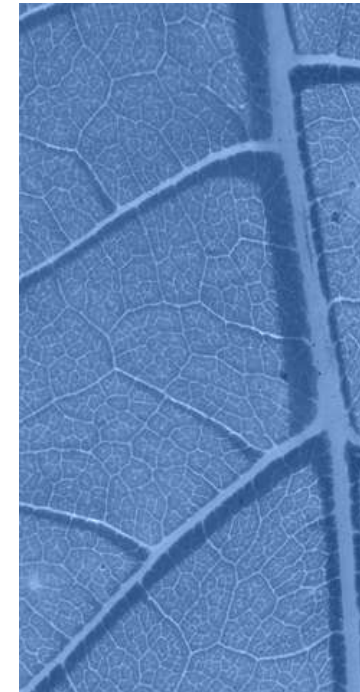


ABOUT ABSC GMBH

What are Our Services?

- **ENGINEERING SERVICES & CONSULTING:**
 - Configuration Management
 - Requirements Engineering & Management
 - Process Management
 - Quality Assurance & Management
 - Project Management
 - Obsolescence Management

- **IT SERVICES & CONSULTING:**
 - IT Infrastructure
 - IT Support
 - Software Development





ABOUT ABSC GMBH

Who are We?

- As an interdisciplinary parent organization, the DDW-Group GmbH offers a full range of services in various areas.
- Employees: 200
- Locations:
 - Germany: Munich, Oberhaching, Donauwörth, Manching, Bremen, Hamburg
 - Australia: Sydney
 - UAE: Dubai
- Proposed locations:
 - France: Marseilles, Toulouse
 - Spain: Barcelona, Seville



ABOUT ABSC GMBH

About ABSC GmbH

- **Consulting & Coaching**
 - Tool- & Methods – Selection and -Implementation
 - Training
 - Transfer of Management Tasks
- **Complete Solutions**
 - Transfer of Complete package at fixed price
 - Projects and Performance
- **Service**
 - Providing expert knowledge





ABOUT ABSC GMBH



Obsolescence Management (OM)

Who are Our Clients?



Further:

- AlixPartners GmbH
- Astrium GmbH Audi AG
- Australian Aerospace Limited
- Australian Defence Industries ADI
- Cimpa GmbH
- Epcos AG
- ESG Elektroniksystem-und Logistik-GmbH
- FCT electronic gmbh
- GLS Gesellschaft für logistischen Service GmbH
- Howaldtswerke-Deutsche Werft GmbH
- Krauss-Maffei Wegmann GmbH & Co. KG
- LBS Bayerische Landesbausparkasse
- Lisa Dräxlmaier GmbH
- MilSat Services GmbH
- Müller-BBM GmbH
- NHI NATO Helicopter Industries
- Premium AEROTEC GmbH
- Regierung von Oberbayern
- SALUS Haus Dr. med. Otto Greither Nachf. GmbH & Co. KG
- Stadtwerke München GmbH
- T-Systems International GmbH
- Wittenstein AG



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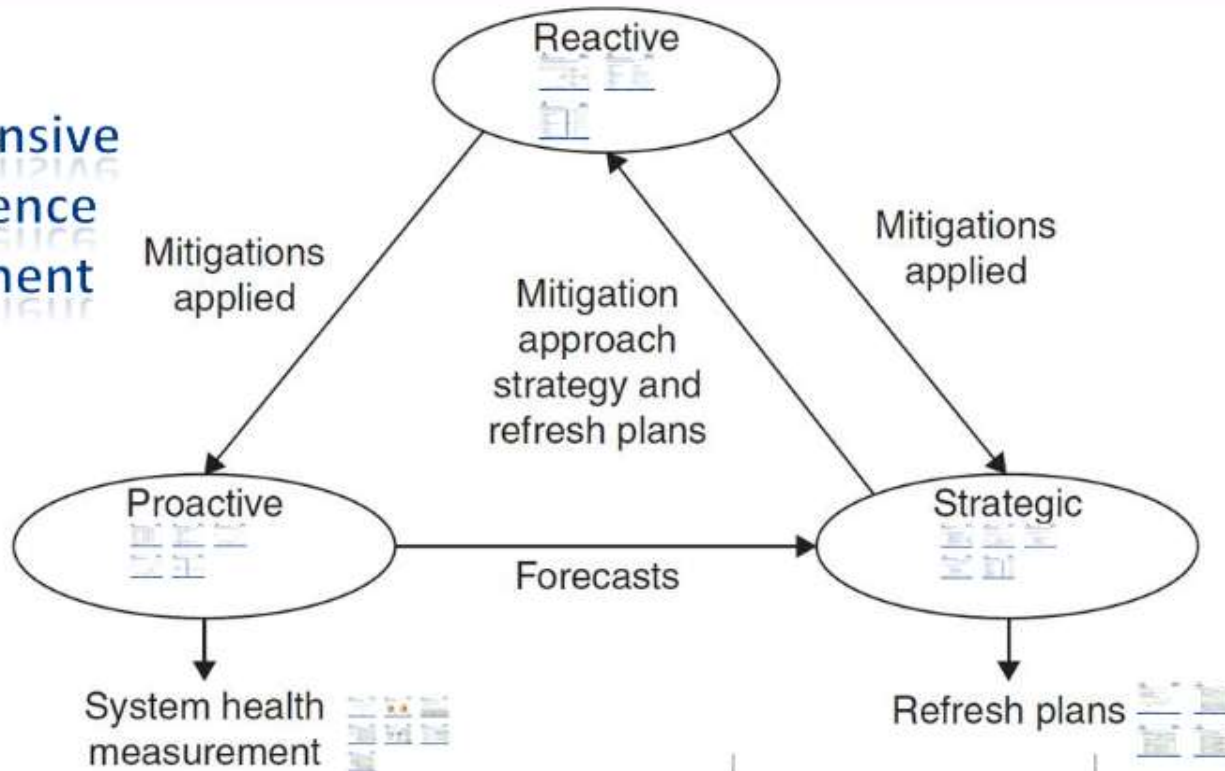
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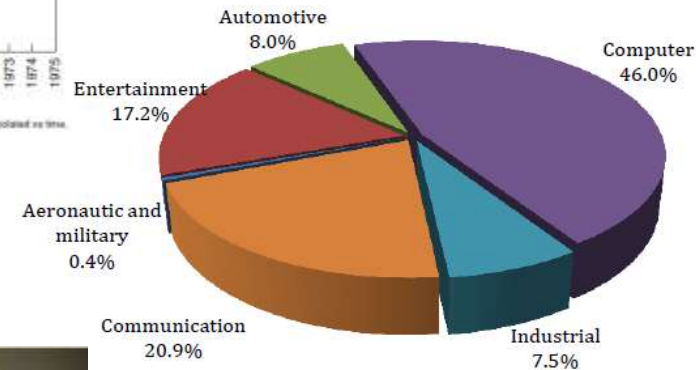
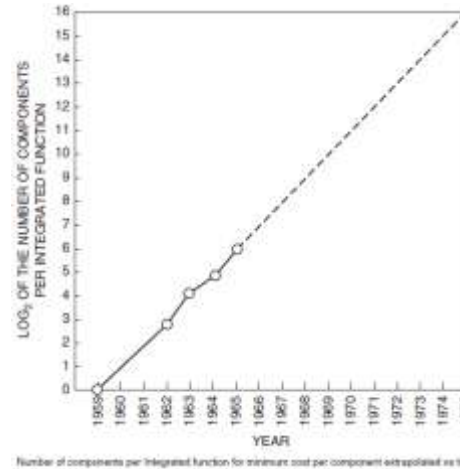




WHY OBSOLESCENCE MANAGEMENT?

Reasons for Obsolescence

- **Technological Evolution**
 - Advanced Technologies
- **Technological Revolution**
 - New Technologies
- **Market Forces**
 - Insufficient Demand
- **Environmental Policies and Restrictions**
 - RoHS, REACH, WEEE
- **Allocation**
 - Long Delivery Times/ Temporary Obsolescence
- **Planned Obsolescence**
 - „Throw Away Society“/ Build-In Obsolescence



The oldest light bulb glows in a fire department in Livermore, USA since the 18th of June 1901 (Guinness World Record)

Figures: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence" / Rogowski, R. (COG) "The Obsolescence Minefield" / www.dailymail.co.uk / www.howtodothings.com



WHY OBSOLESCENCE MANAGEMENT?

Costs Resulted through only Reactive Approaches

- **\$81 million** were used to get obsolete or almost obsolete parts and to redesign parts of subassemblies
 - U.S. Air Force F-22 program
- **\$600,000** were invested to replace an obsolete Intel chip
 - A plane manufacturer for commercial planes
- **\$500 million** were spent to redesign an obsolete radar system
 - U.S. Air Force F-16 program
- **\$264,000** were invested to make a „Life of Type (LOT) Buy“ of an obsolete logic device
 - KC-130F/R program in 1997
- **\$250,000** is the average cost for a redesign of a PCB to eliminate obsolescence
 - US Deputy under secretary of defense for logistics (DUSD [L])
- **\$26,000 to \$2 million** is the disproportion of a redesign of a PCB
 - Electronic Industries Alliance (EIA) Manufacturing Operations and Technology Committee



WHY OBSOLESCENCE MANAGEMENT?

Savings realized with Obsolescence Management and Suitable Tools

- **\$459 million cost savings realized since 2001**
 - Space & C3I programs - Hill AFB, Utah
- **Process reached a 23 to 1 Return on Investment (ROI)**
 - Independent Air Force judgment of SMART
- **\$34 million cost savings realized since 2009**
 - B-2 program - Tinker AFB, Oklahoma
- **\$100 million cost savings realized since 2001**
 - Boeing, Mesa – AH-64 Apache
- **F/A-18E/F, over \$50 million cost savings realized since 2003**
 - Boeing, St. Louis
- **AV-8B Harrier, over \$30 million cost savings realized**
 - Boeing, St. Louis
- **\$150 million cost savings realized since 2001**
 - AEGIS Weapon System - NSWC, Port Hueneme

Source: Supportability Management Assessment Report Tool (SMART) by RAC



WHY OBSOLESCENCE MANAGEMENT?

If Beer Becomes Obsolete, Would You...

- ... try to negotiate with the manufacturer?
- ... pay more for the left overs?
- ... struggle to find another drink that substitutes beer?
- ... invest for development, testing and qualification of a new drink?
- ... stock beer and still drink it although the expiry date is long exceeded?

If none of the suggestions mentioned above sound like a suitable resolution for you ...

...be forward-looking and develop, implement and continuously improve an obsolescence management system!!!





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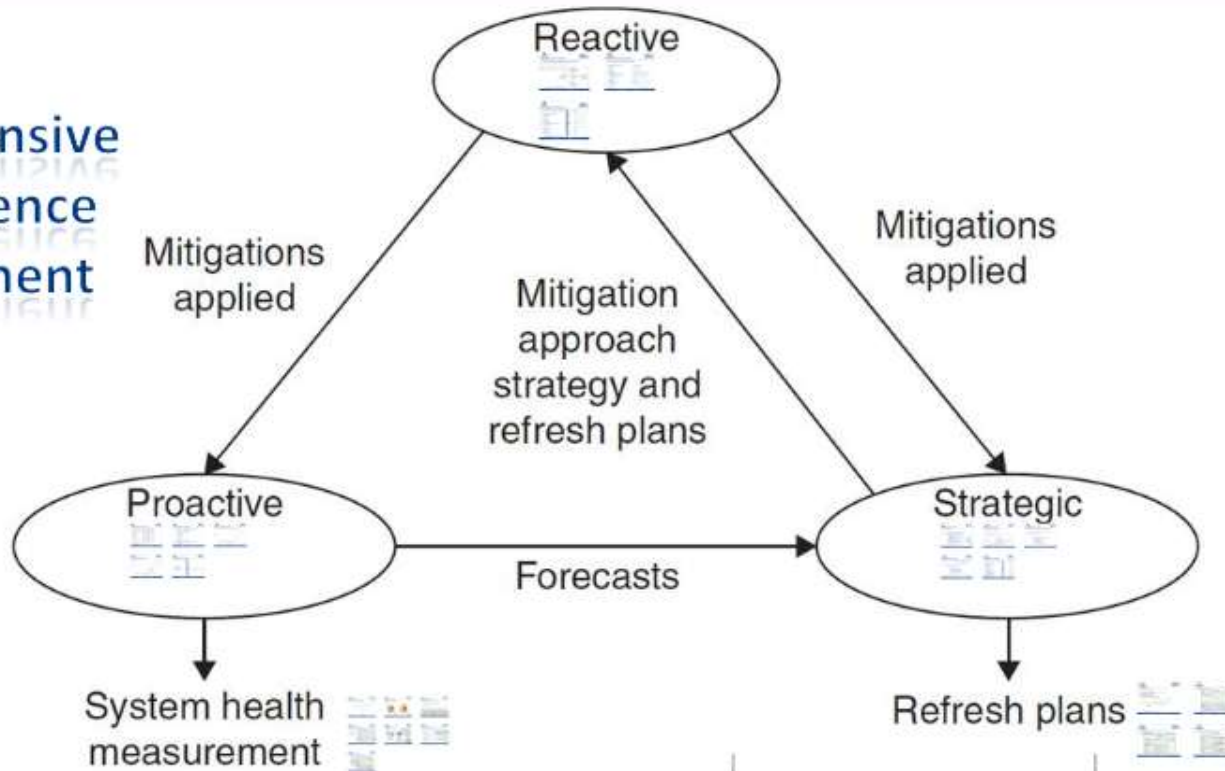
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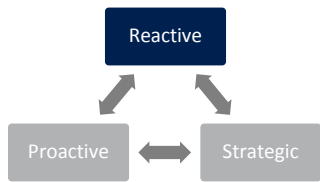
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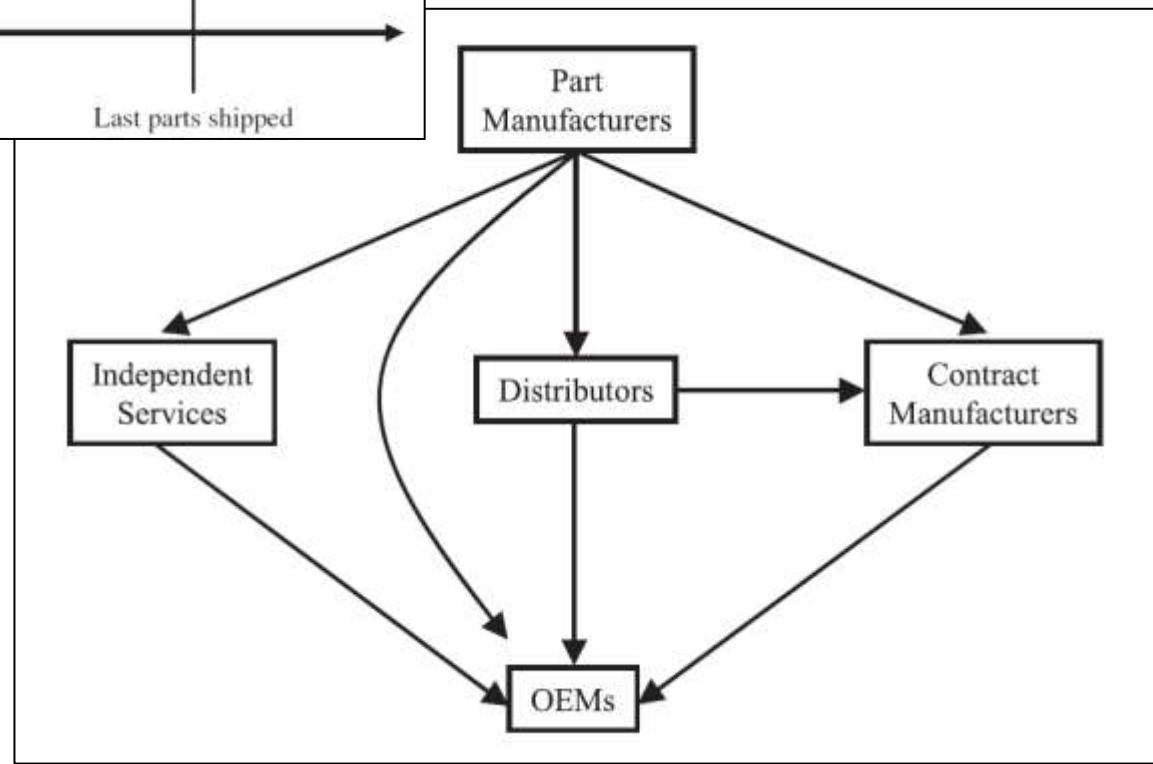
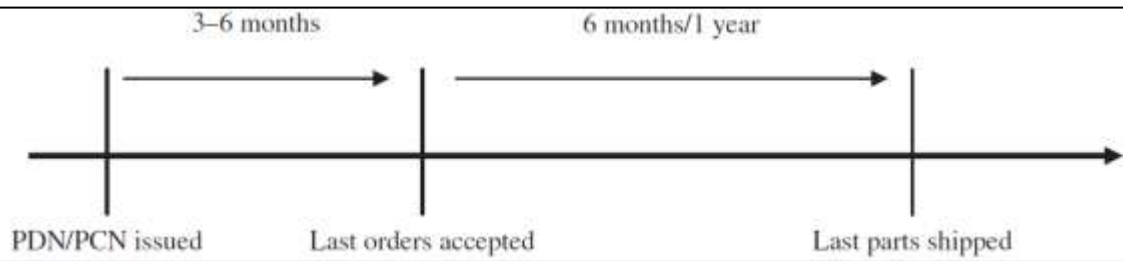
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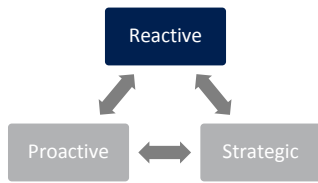


REACTIVE OBSOLESCENCE MANAGEMENT

End Of Life (EOL) and Part Change Notification (PCN) Paths



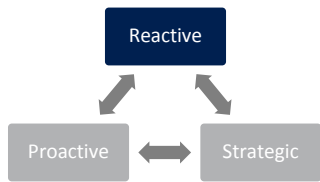
Figures: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"



REACTIVE OBSOLESCENCE MANAGEMENT

Choice of Suitable Strategies (Resolutions)

- **Negotiating with the Manufacturer** → Original Manufacturer
- **Existing Stock** → Own Stock or Brokers
- **Reclamation** → Cannibalization
- **Alternate Parts** → Equal or Higher Performance
- **Part Substitution** → Fit/Form/Function (+ Finance) Replacements
- **Increase Performance of Components** → „Uprating“ (e.g. COTS as MIL)
- **Aftermarket Sources** → Use Official Sources (!Counterfeit Parts!)
- **Copy Components** → Emulation
- **Redesign** → Expensive but can solve several obsolescence issues
- **Reverse-Engineering** → Reproduction
- **Component Buys** → „Life Of Type (LOT) Buy“ or „Bridge Buy“



REACTIVE OBSOLESCENCE MANAGEMENT

Objective - Process with Suitable Strategy

- **Negotiating with the Manufacturer**
- **Existing Stock**
- **Reclamation**
- **Alternate Parts**
- **Part Substitution**
- **Increase Performance of Components**
- **Aftermarket Sources**
- **Copy Components**
- **Redesign**
- **Reverse-Engineering**
- **Component Buys**

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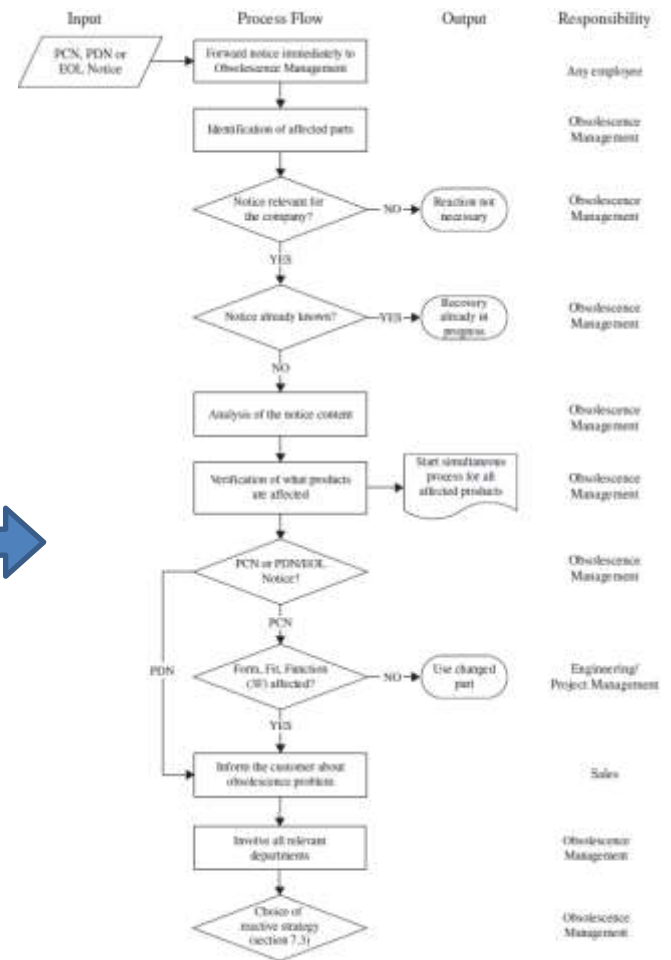


Figure: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"



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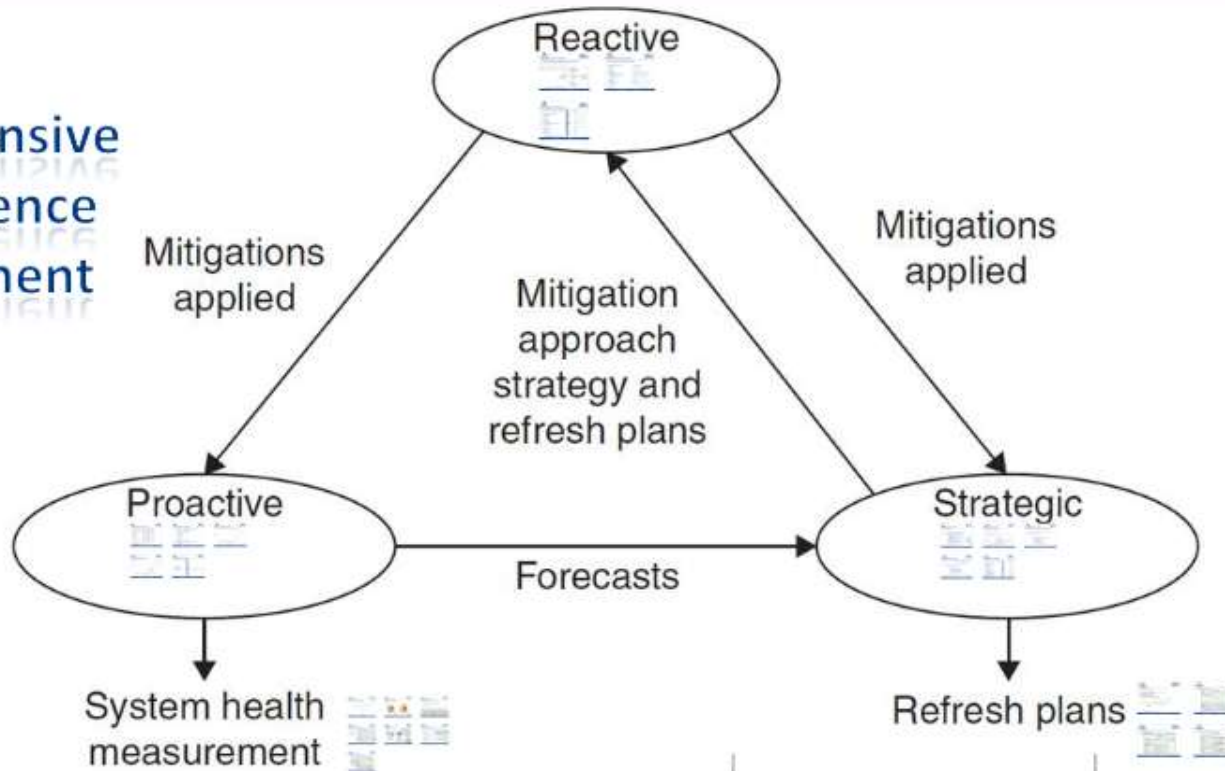
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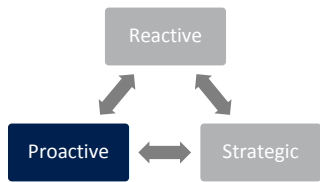
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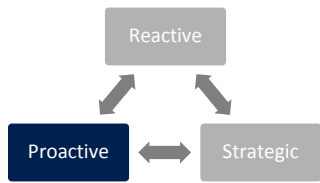
PROACTIVE OBSOLESCENCE MANAGEMENT

Recurring Engineering Costs of Obsolescence Resolutions

Resolution Type	90% Confidence (Left Limit)	Mean	90% Confidence (Rt Limit)
Reclamation	\$1,000	\$20,000	\$39,000
Alternate Source ¹	\$0	\$41,000	\$92,000
Admin Substitute	\$1,000	\$3,000	\$5,000
Desktop Substitute	\$0	\$5,000	\$10,000
Normal Substitute	\$22,000	\$34,000	\$46,000
Complex Substitute	\$122,000	\$423,000	\$724,000
Emulation ²	\$29,000	\$73,000	\$117,000
Aftermarket Mfg	\$0	\$33,000	\$58,000
Redesign - COTS ³	\$82,000	\$1,118,000	\$2,154,000
Redesign - CP ⁴	\$542,000	\$1,094,000	\$1,646,000
Redesign - PNHA ⁵	\$654,000	\$1,010,000	\$1,366,000

- ¹ Alternate source includes parts from a different manufacturer (not already in the applicable technical data package) that meet the part specification.
- ² Emulation cost values provided do not include integration into the using next higher assembly or system
- ³ Redesign – Commercial Off-the-Shelf
- ⁴ Redesign – Custom Part includes the development and validation in the application of new component-level parts
- ⁵ Redesign – Peculiar Next Higher Assembly

Figure: Defense Microelectronics Activity “DMSMS Non-Recurring Engineering (NRE) Cost Metric Update”



PROACTIVE OBSOLESCENCE MANAGEMENT

Further Example - Used Time for Obsolescence Resolutions

Resolution Type	Weeks to Resolve (Avg)
Reclamation	12
Alternate Source ¹	11
Admin Substitute	4
Desktop Substitute	8
Normal Substitute	25
Complex Substitute	40
Emulation ²	26
Aftermarket Mfg	21
Redesign - COTS ³	42
Redesign - CP ⁴	61
Redesign - PNHA ⁵	64

¹ Alternate source includes parts from a different manufacturer (not already in the applicable technical data package) that meet the part specification.

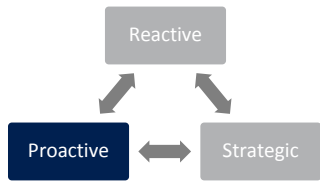
² Emulation time values provided do not include integration into the using next higher assembly or system

³ Redesign – Commercial Off-the-Shelf

⁴ Redesign – Custom Part includes the development and validation in the application of new component-level parts

⁵ Redesign – Peculiar Next Higher Assembly

Figure: Defense Microelectronics Activity “DMSMS Non-Recurring Engineering (NRE) Cost Metric Update”



PROACTIVE OBSOLESCENCE MANAGEMENT

Recurring Engineering Costs of Obsolescence Resolutions

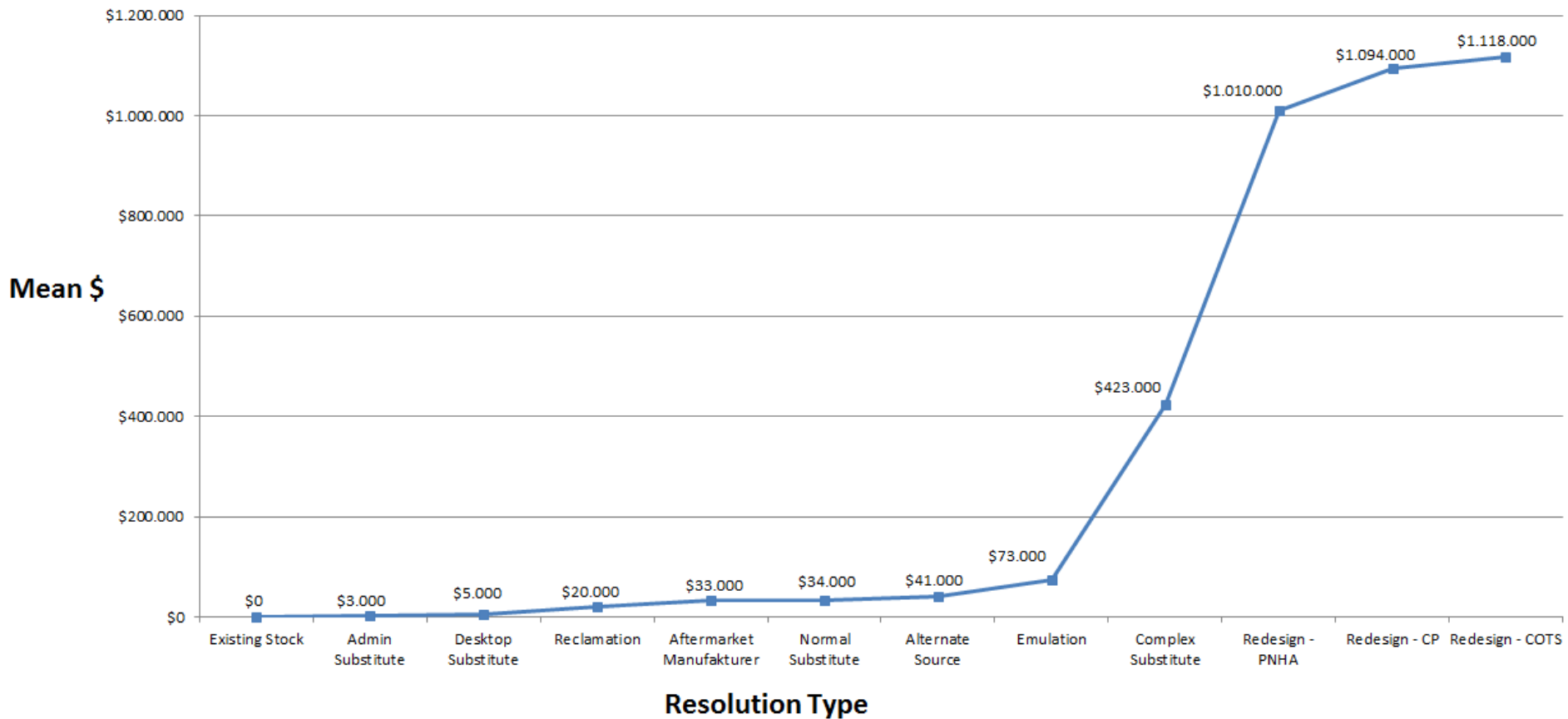
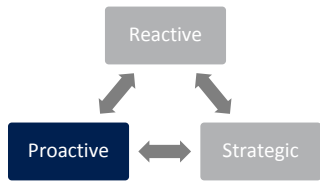


Figure: B. Bartels – ABSC GmbH



PROACTIVE OBSOLESCENCE MANAGEMENT

Objective - Cost Savings

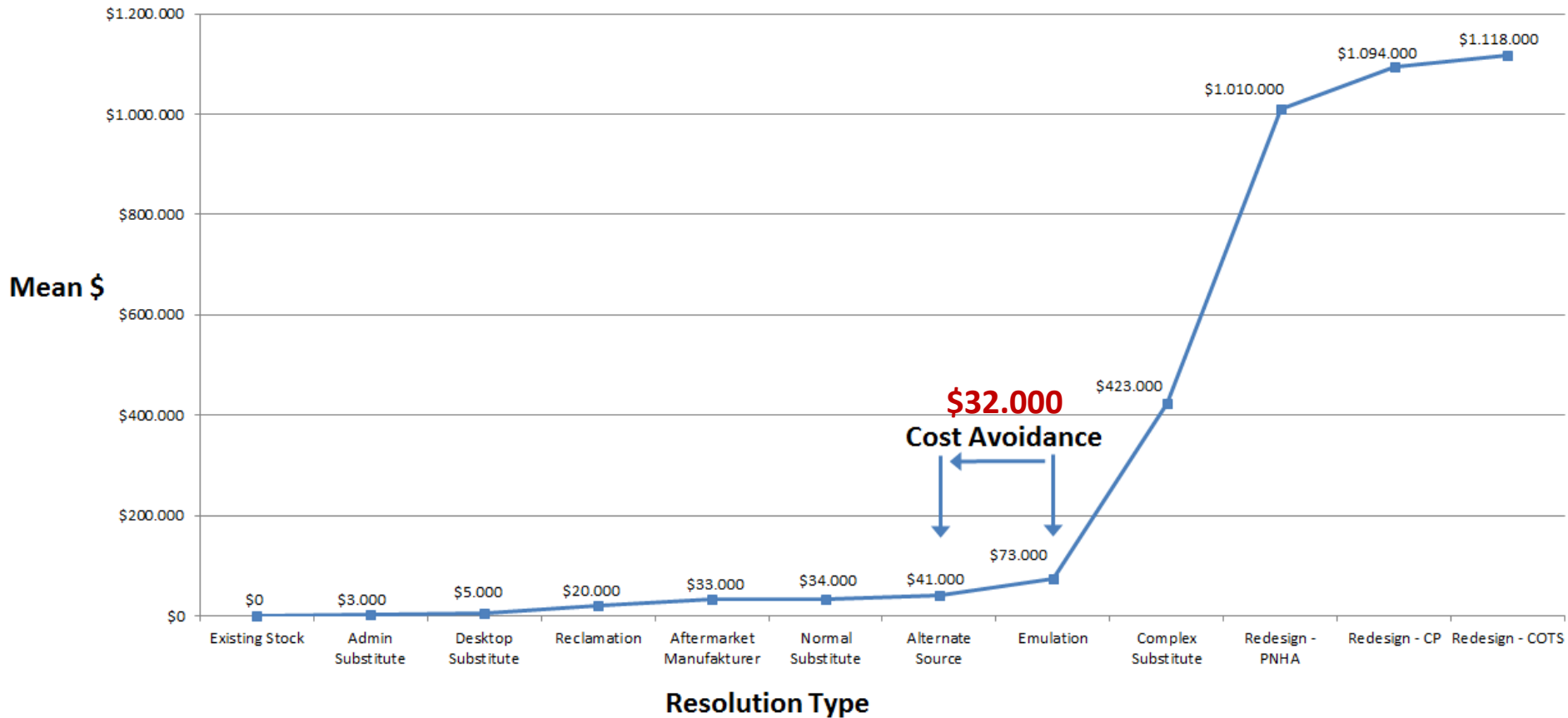
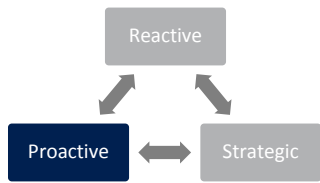


Figure: B. Bartels – ABSC GmbH



PROACTIVE OBSOLESCENCE MANAGEMENT

Objective - Choice of the Right Strategies

- **Bill of Material Management**
- **Material Risk Index**
- **Health Monitoring**
- **Component Availability**

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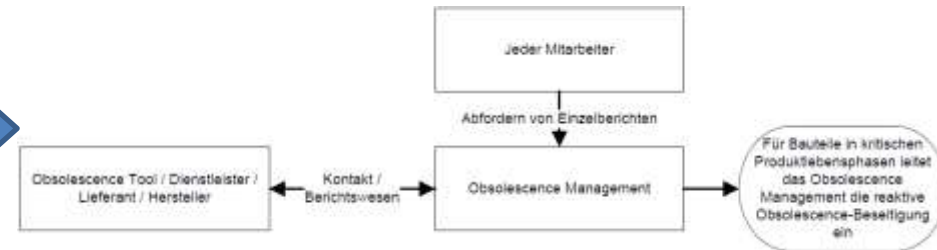
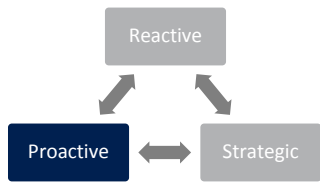


Figure: B. Bartels – ABSC GmbH



SYSTEM HEALTH MEASUREMENT

Manual BOM Analysis - Risk Analysis

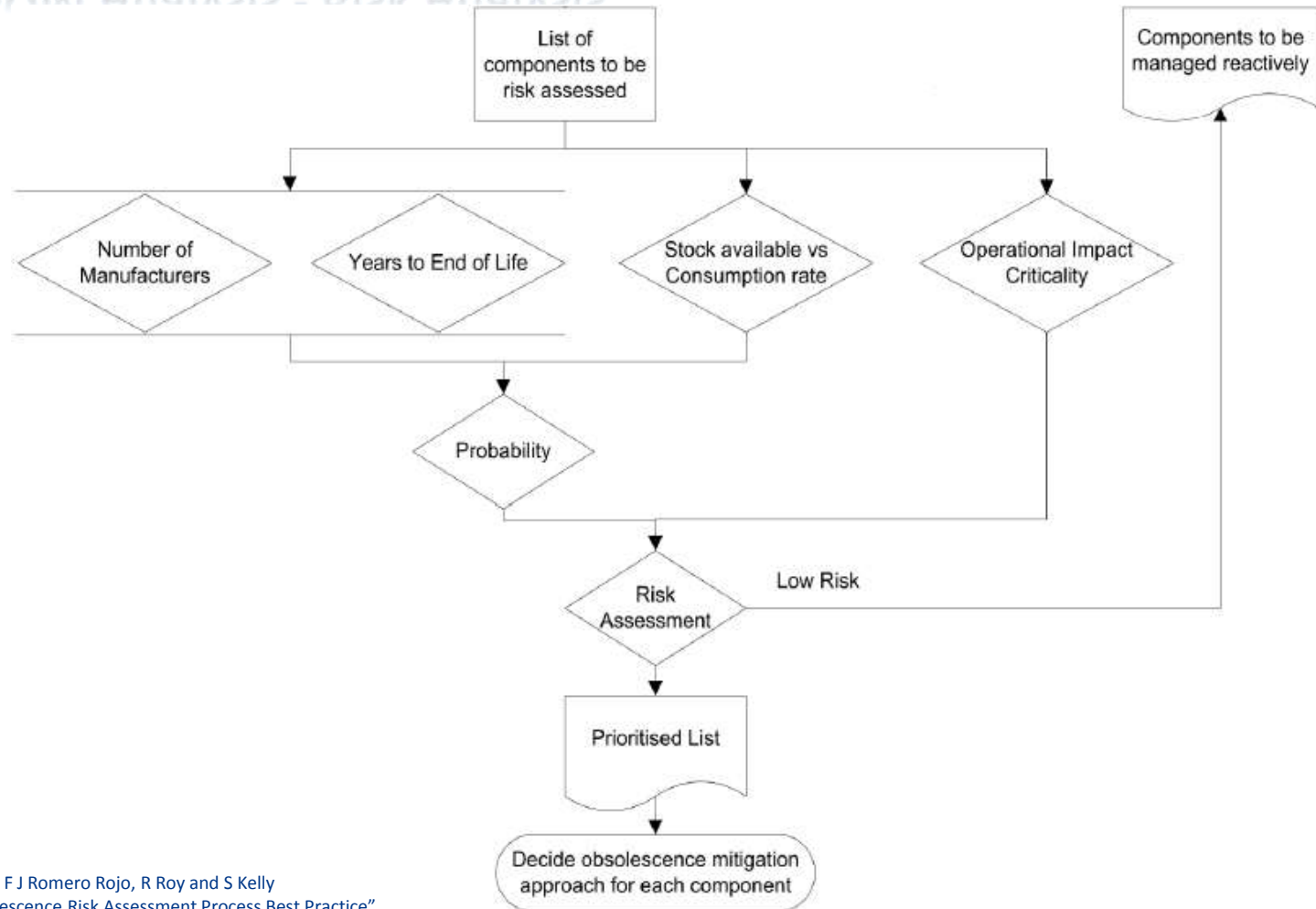
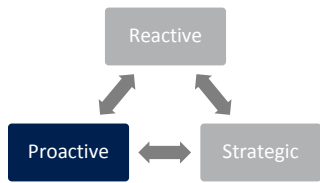


Figure: F J Romero Rojo, R Roy and S Kelly
 "Obsolescence Risk Assessment Process Best Practice"



SYSTEM HEALTH MEASUREMENT

Manual BOM Analysis - Risk Analysis

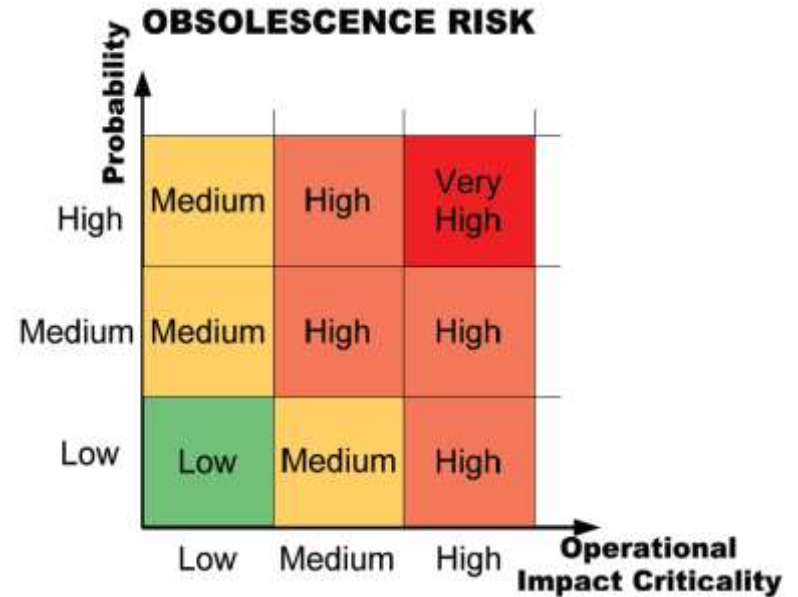
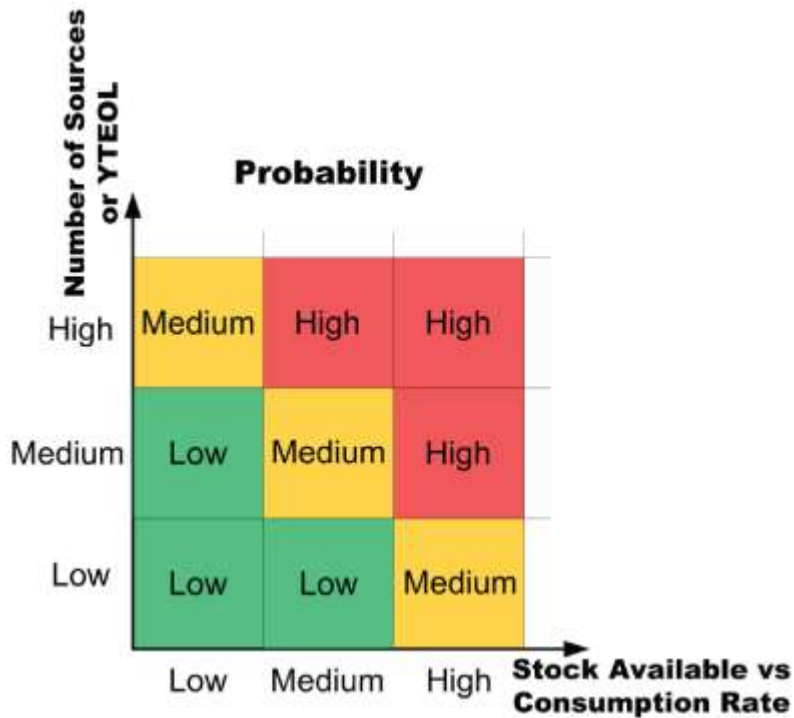
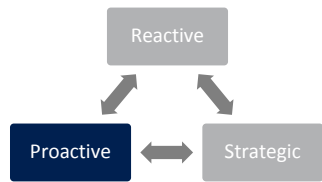


Figure: F J Romero Rojo, R Roy and S Kelly
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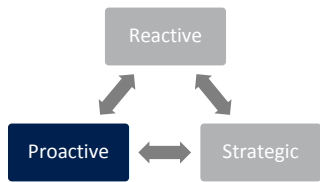
SYSTEM HEALTH MEASUREMENT

Manual BOM Analysis - Obsolescence Analysis

- Analysis of availability of required components on the basis of the BOM
- Once or repeated in preset time frames
- Prediction of availability
- Normally resistors, capacitors, customer drawing parts and standard parts aren't analyzed

P/N	Manufacturer	Description	Quantity	Part Status	Life Cycle Stage	Life Cycle Code	YTEOL
CX0805MRX7R0BB103	Yageo	Ceramic capacitor -125 °C 10% min. 50VDC	3	Active	MATURE	3.85	> 8
ADS7800AH	Texas Instruments Inc	12-Bit 10ms Sampling CMOS ANALOG-to-DIGITAL CONVERTER	5	Active	DECLINE	4.89	2 to 4
LG M47K-G1J2-24	OSRAM	LED green	1	Discontinued	DISCONTINUED	5	0
M38510/05353BCX	Defense Supply Center Columbus	QUAD 2-INPUT XOR GATE, CDIP14, CERAMIC, DIP-14	2	Active	MATURE	3.89	> 8
AD9215BCP-80	Analog Devices Inc	10-Bit, 65/80/105 MSPS, ANALOG-DIGITALKONVERTER 3V	6	Discontinued	DISCONTINUED	5	0
FAN7888M	Fairchild	3 Half-Bridge Gate-Drive IC	1	Active	DECLINE	4.01	4 to 8
TP554160DGQ	Texas Instruments	1.5-A, 60V STEP DOWN SWIFT DC/DC CONVERTER WITH ECO-MODE	1	Active	MATURE	3.8	4 to 8
JMK212BJ106K	TAIYO YUDEN	Ceramic capacitor -85 °C 10% min. 6,3VDC	3	Active	MATURE	3.34	> 8

Figure: B. Bartels – ABSC GmbH



SYSTEM HEALTH MEASUREMENT

Tool Support - Analysis Of Obsolescence Information

- Availability status with “Discontinued” and “Obsolete” predictions
- “Part Replacement” information with FFF Rating and statement about key parameters

Part Number	Description	S	C	O	R	E	Overall
900514-021	MICROCIRCUIT,DIGITA	78		95		93	88

Part Details:

Availability Status: Mfr. Part Number: Functional Description:

CAGE: NSN: Part Type: Unit Price: Total Quantity:

Availability Key Elements:

Approved Sources: Replacement Sources: Years To Discontinued: Years To Obsolete:

Manufacturer Depth: Life Time Buy End Date: Life Time Buy Days Remaining: Life Cycle Code:

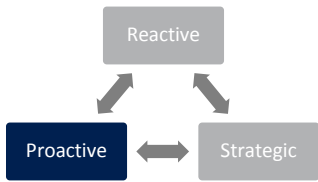
[View Data Source Details](#) [View Parametric Data](#)

Part 1 of 16
1 2 3 4 5 6 7

Part Replacements:

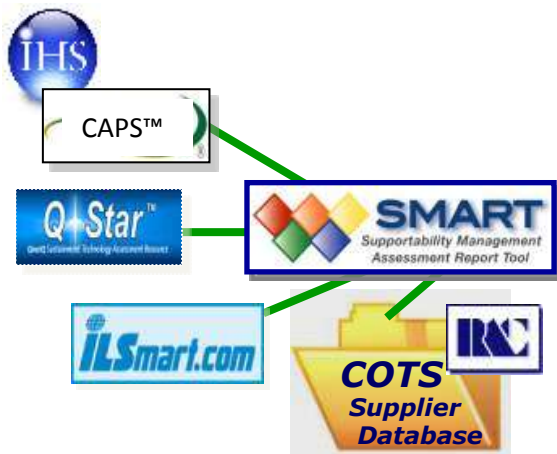
Mfr. Part Number	Active	Inactive	FFF	L.C.C.	Device Type	Package	Quality	Temp. Range	Family	Lead Free
DM54L74J883	0	2	100%	5	LTTL	CDIP	883	-55° to 125°	LOGIC	No
SNJ54L74J	0	1	100%	5	LTTL	CDIP-TH	883	-55° to 125°	LOGIC	No
M38510/02105BCA	1	1	100%	4.89	LTTL	CDIP	Military	-55° to 125°	LOGIC	No
M38510/02105BCX	1	1	100%	4.89	LTTL	CDIP	Military	-55° to 125°	LOGIC	No
DM54L74J883B	0	2	100%	5	LTTL	CDIP-TH	883	-55° to 125°	LOGIC	No
DM54L74J883C	0	2	100%	5	LTTL	CDIP-TH	883	-55° to 125°	LOGIC	No
DM74L74JA*	0	2	100%	5	LTTL	CDIP-TH	Hi-Rel	0° to 70°	LOGIC	No

Figure: Supportability Management Assessment Report Tool (SMART) by RAC



SYSTEM HEALTH MEASUREMENT

Tool Support - SMART Tool



Industry Embedded Data Sources

- Content 'Neutral' using Best of Breed Industry Data
- Data Portal with Seamless Integration and Exchange

Tight Security Controls

Client Hosted or RAC Hosted

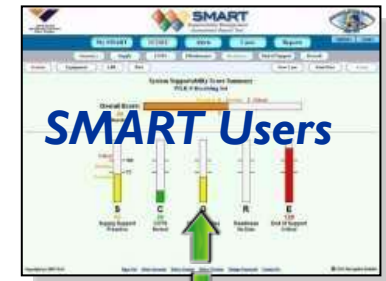


Intelligent Content Engine (ICE)

- Intelligent Content with Business Logic and Ranking
- Powerful Data Engine to manage Internal & External Content from desired sources

Client Data

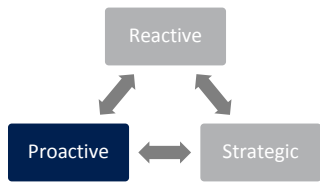
Bill of Material Configurations & Internal Data



SUPPLIERS
Web-based Collaboration



Figure: Supportability Management Assessment Report Tool (SMART) by RAC



SYSTEM HEALTH MEASUREMENT

Tool Support - Analysis Of The Most Important Coverage Area

- **Supply Support / Logistics**
 - Assets - Serviceable, Sponsor Owned, Repairable...
 - Data from DLA, ICP and internal sources
- **COTS Availability**
 - Board End-of-Life data with Replacements
- **Obsolescence Impact**
 - Parts Procurability with Lifecycle Predictions
- **Readiness Drivers**
 - Repair, Failure Rates, MTBF, MTTR, etc.
- **End of Support Dates**
 - Combination of Key Supply, Obsolescence & Readiness Data to Project when Equipment will reach End of Support with Impact Dates

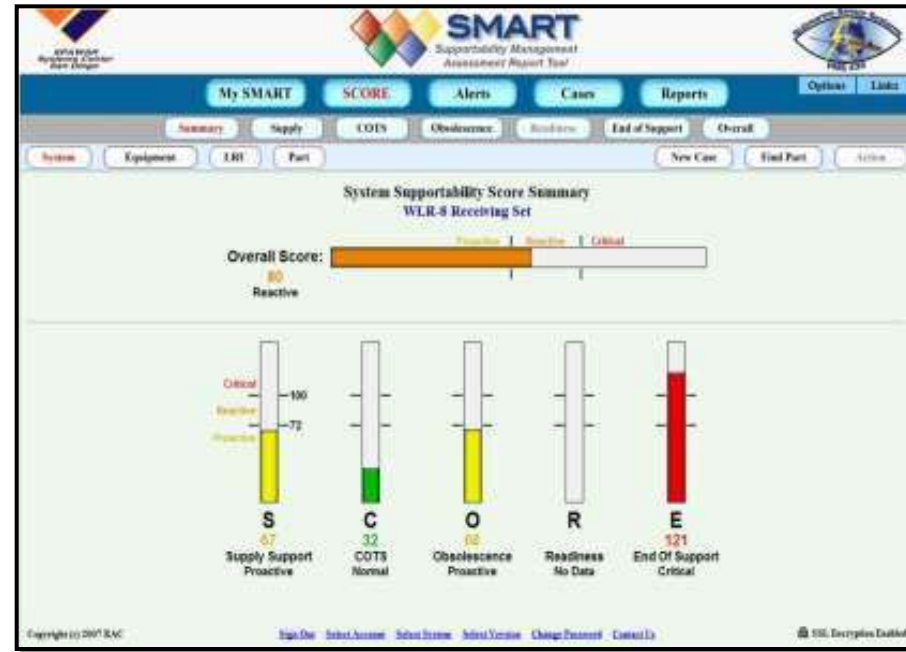
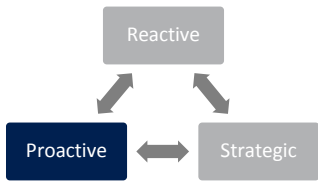


Figure: Supportability Management Assessment Report Tool (SMART) by RAC



SYSTEM HEALTH MEASUREMENT

Tool Support - Obsolescence Overview

Obsolescence Overview						
Selected System						
System Name	S	C	O	R	E	Overall
Apache D Unique Block 3	120		63			64
	SRA	COTS	Active	Passive	Total	
Obsolete:	3	0	31	4	38	
Discontinued:	27	0	64	23	114	
Unprocurable:	18		18	8	44	
LTB Single Source:		0	15	0	15	
Proc. Single Source:			467	484	951	
Procurable:	35	0	134	538	707	
Resolved:	0	0	104	24	128	
Unknown:	5	18	175	523	721	
Total:	88	18	1,008	1,604	2,718	
View Chart:						

Critical - Immediate Action Required

Reactive - Replacement Options Possible

Proactive - Nearing End of Production

Figure: Supportability Management Assessment Report Tool (SMART) by RAC



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absc
Obsolescence Management (OM)

1.

Content



2.

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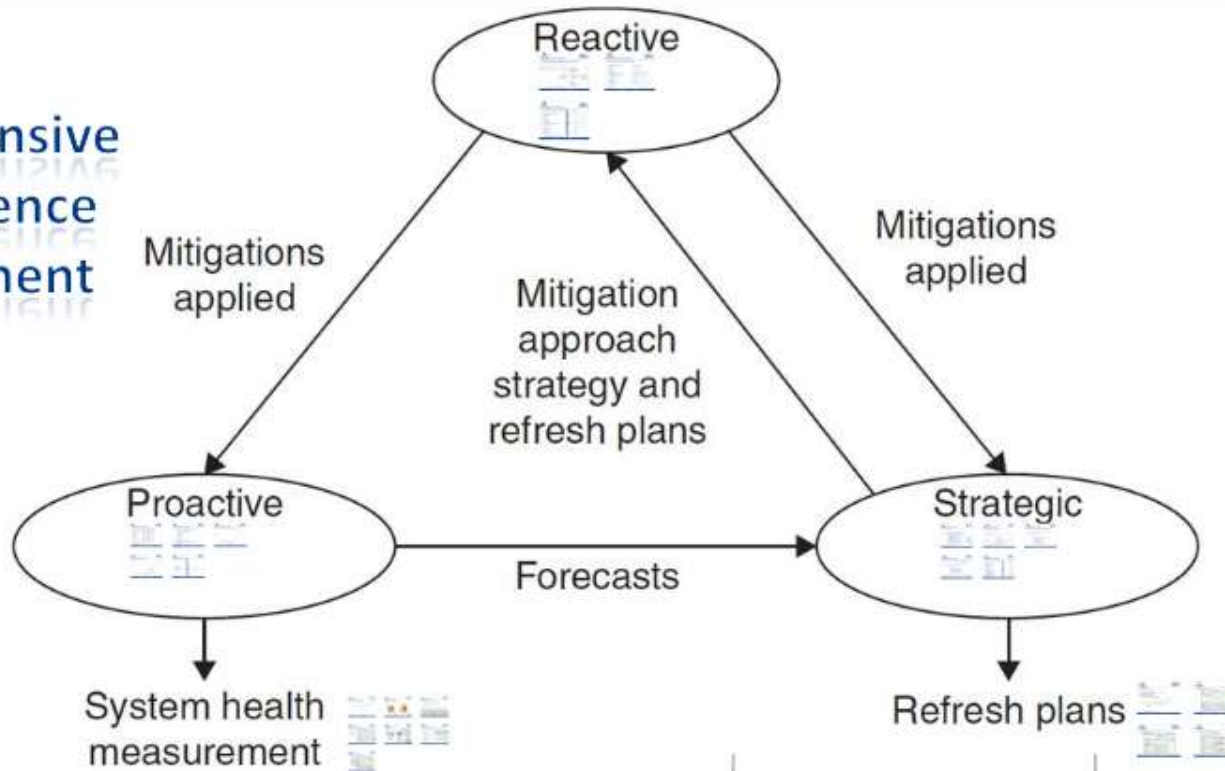
3.

Why OM?



4.

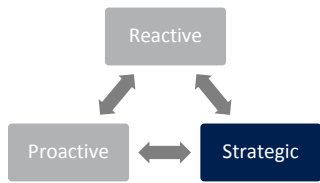
Comprehensive
Obsolescence
Management



5.

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STRATEGIC OBSOLESCENCE MANAGEMENT

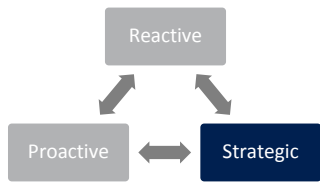
Process Analysis - Audit

- Detailed studies with different approaches to spot obsolescence issues within a company
- Process studies
- Brown Paper

Audit Questionnaire		
No.	Question	Result
01	Do you deal with obsolescence or the negative effects of obsolescence on your organization?	-
02	What are the reasons for supply shortfalls caused by obsolescence within your organization and at suppliers?	-
03	Is a comprehensive obsolescence management system implemented in your organization?	-
04	Is your organization in possession of a general or program-specific obsolescence management plan?	-
05	Is this obsolescence management plan improved continually to assure a constant qualitative performance increase?	-
06	Is your organization a member of an obsolescence management organization or do you participate regularly in industry and government obsolescence conferences and/or working groups?	-
07	What kinds of components are used for production (electronics, mechanics, textiles, and software)?	-
08	Is your organization affected by obsolescence caused by directives, rules, and other legislation imposed by governments (e.g., directives for environmental protection)?	-
09	Are you able to estimate the cost impacts of obsolescence on your organization?	-
10	Who is in charge of obsolescence management in your organization?	-
11	What obsolescence recovery tactics are used in your organization to react to an obsolescence problem?	-
12	-



Figure: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"

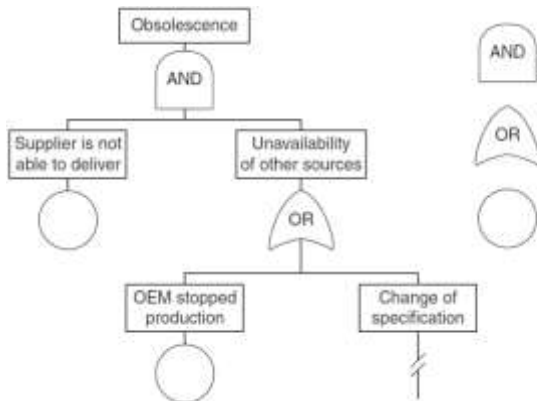


STRATEGIC OBSOLESCENCE MANAGEMENT

Analysis of a Suitable Product Design

- Analysis of the product design and used components
- Classification in **critical components, critical designs, their origins and possible alternates**
- Identification of obsolescence cases in the past

Fault Tree



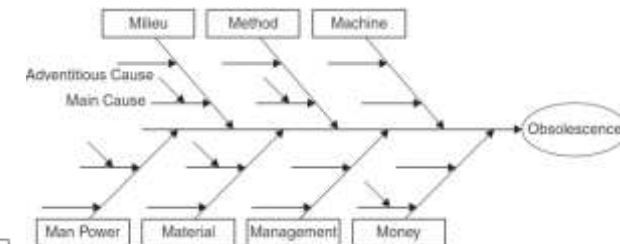
FMEA

Severity Rating Scale # Description	Occurrence Rating Scale # Description	Detection Rating Scale # Description
1 None	1 Rare: Failure is unlikely	1 Almost Certain
2 Very Minor	2 Low: Relatively few failures	2 Very High
3 Minor	3 Low: Relatively few failures	3 High
4 Very Low	4 Moderate: Occasional failures	4 Moderately High
5 Low	5 Moderate: Occasional failures	5 Moderate
6 Moderate	6 Moderate: Occasional failures	6 Low
7 High	7 High: Frequent failures	7 Very Low
8 Very High	8 High: Frequent failures	8 Remote
9 Hazardous with warning	9 Very High: Persistent failures	9 Very Remote
10 Hazardous without warning	10 Very High: Persistent failures	10 Absolute Uncertainty

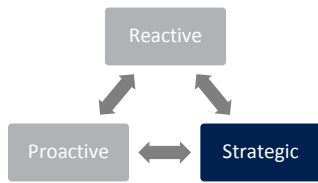
Item Function	Potential Failure Mode	Potential Effect(s) of Failure	Class Size	Potential Cause(s)/Mechanism(s) of Failure	Current Design Controls	RPN	Recommended Action(s)

RPN = Severity × Occurrence × Detection

Ishikawa



Figures: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"



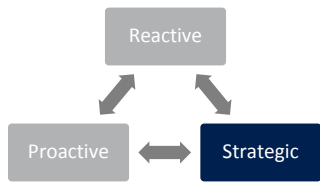
STRATEGIC OBSOLESCENCE MANAGEMENT

Detailed Study - Part Identification / Preferred Parts List (PPL)

- Analysis of product definition in Preliminary Design Review (PDR), Critical Design Review (CDR), etc.
- Classification of distinct, ambiguous, and erroneous part identification / description
- Identification of causes of insufficient part description

Minimal standard to an exact part identification

- Name and/or description
- NATO Stock Number (NSN) (for military use)
- Part number(s) from the OEM(s)/OCM(s)
- Name(s) of the OEM(s)/OCM(s)
- Commercial and Government Entity (CAGE) Code of the OEM(s)/OCM(s) (for military use)
- Number of parts needed per board (or other level of indenture)
- Issue of the drawing or the software (if applicable)



STRATEGIC OBSOLESCENCE MANAGEMENT

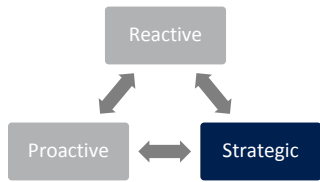
Detailed Study - Supplier and Customer Management / Contracting



- Analysis of contracts
- Classification of contracts on the supplier side and the customer side
- Analysis of existing responsibility clauses about obsolescence

“The Contractor is responsible for managing obsolescence over the entire period of the contract, and notwithstanding any obsolescence issues or problems, the Contractor remains responsible for meeting all performance and other requirements of this contract. [...] The Contractor shall prevent any additional costs [...] The contractor shall provide [...] with obsolescence status briefs, as part of the periodic program reviews provided for under the contract.”

- Present potential of revisions and support potential in drafting of contracts and contract re-negotiation, if necessary



STRATEGIC OBSOLESCENCE MANAGEMENT



Obsolescence Management (OM)

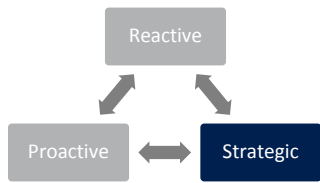
Objective: Selection of Suitable Strategies

- **Process Analysis**
- **Design products to avoid obsolescence**
- **Forecasting the Product Life Cycle**
- **Parts Selection Process**
- **Demand Specification**
- **Customer/Supplier Management**
- **Contractual Language**
- **Management Above the Piece Part Level**
- **Hardware-Software Independence**
- **Design Refresh Planning Optimization**
- **Monitoring and Controlling**

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Figure: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"



REFRESH PLANS

Design Refresh Planning

Optimum location(s) of these refreshes depends on:

- which part(s) become obsolete
- when they become obsolete
- how the obsolescence is mitigated
- resulting system re-qualification requirements

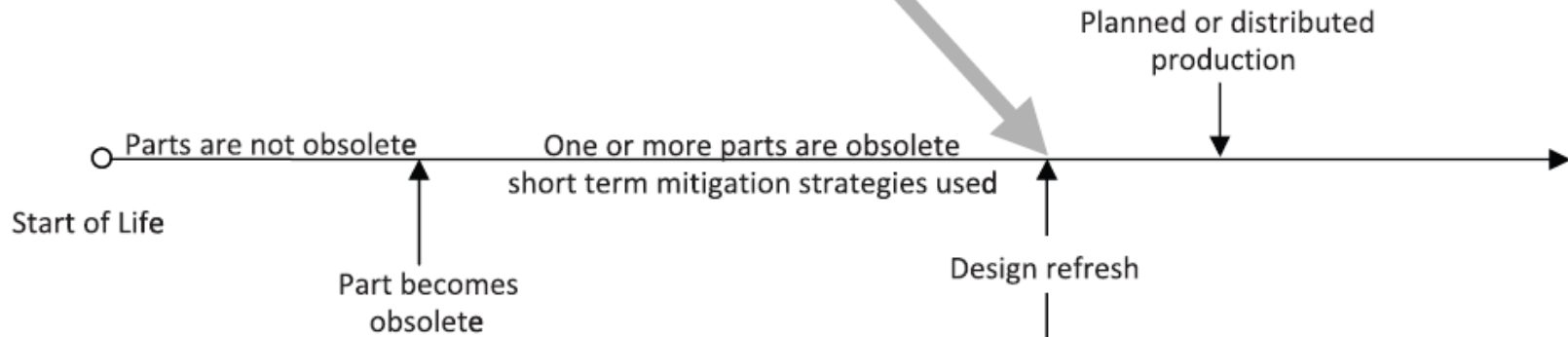
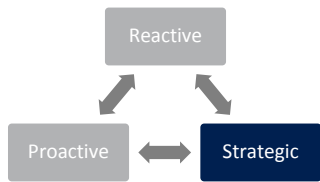


Figure: B. Bartels, U. Ermel, P. Sandborn, M. Pecht "Strategies to the Prediction, Mitigation and Management of Product Obsolescence"



REFRESH PLANS

End of Support Analysis

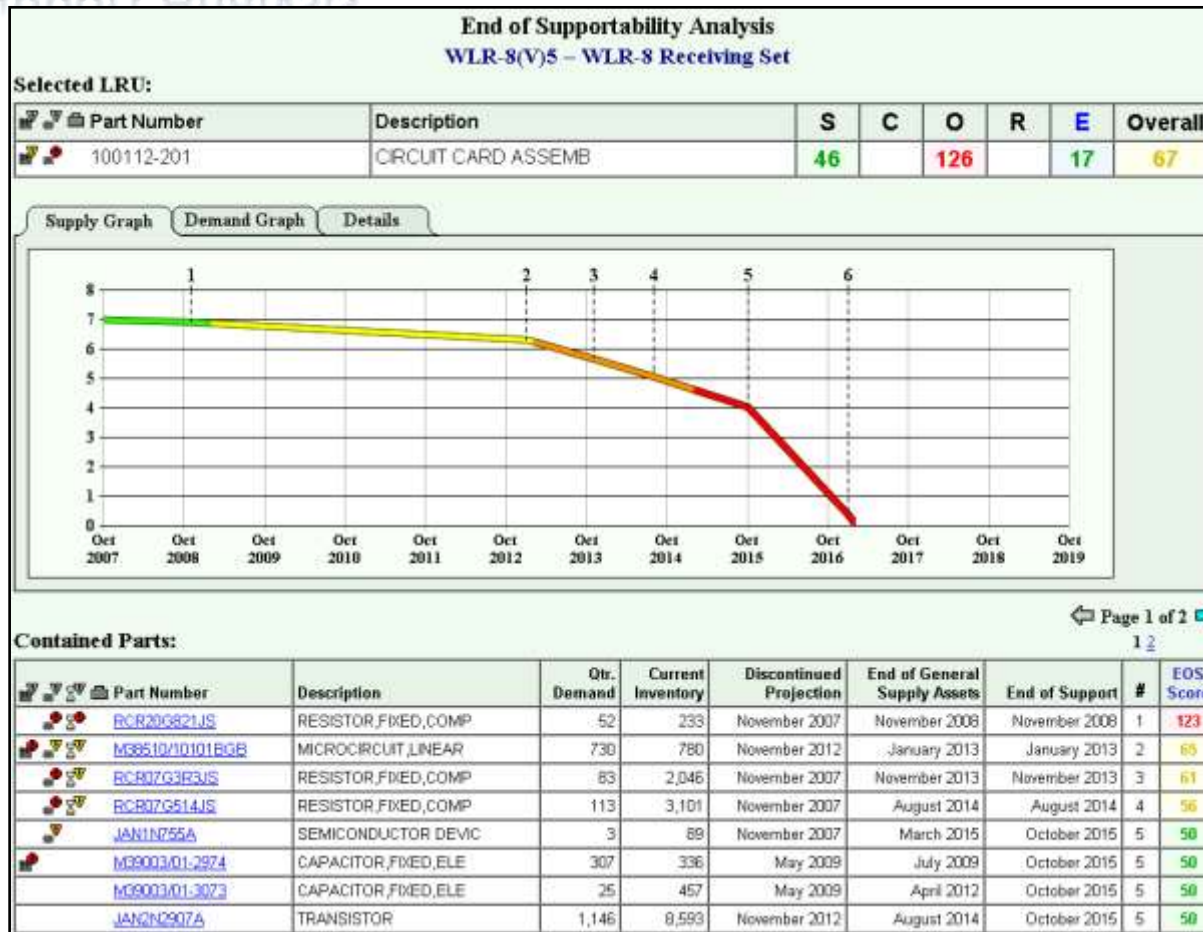
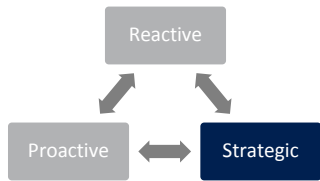


Figure: Supportability Management Assessment Report Tool (SMART) by RAC



REFRESH PLANS



Obsolescence Management (OM)

Applied Logic in SMART

Summary Supply COTS **Obsolescence** Readiness End of Support Overall

Overview Analysis Details **Solutions** New Case Find Part

Recommended Solutions

WLR-8 Receiving Set

← Part 11 of 33 →
[1](#) [9](#) [10](#) [11](#) [12](#) [13](#) [26](#)

Selected Part:

Part Number	Description	S	C	O	R	E	Overall
IDT74FCT16646CTPV	Microcircuit CMOS	10		95		58	54

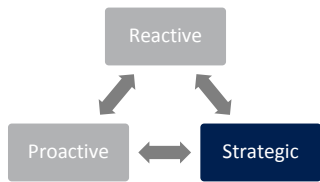
Obsolescence Alert:

Discontinued with Replacements

Recommended Solutions:

Solution Description:	Estimated Cost*	Average Cost	Feasibility	Cost Ranking	Resolution
Use Existing Stock	\$420	\$1,000	100	100	100
Alternate	\$7,732	\$7,000	100	50	83
Aftermarket	\$25,460	\$54,000	85	30	66
Life Time Buy	\$3,220	\$40,000	45	60	50
Bridge Buy	\$3,220	\$5,000	35	60	43
Substitution	\$18,450	\$21,000	40	40	40
Reclamation	\$2,310	\$2,000	25	60	36
Solve at LRU Level	\$94,290	\$127,000	50	10	36

Figure: Supportability Management Assessment Report Tool (SMART) by RAC



REFRESH PLANS



Obsolescence Management (OM)

Cost Avoidance based upon Actual Costs

Metrics – Cost Avoidance
WLR-8 Receiving Set

Fiscal Year:

Cost Avoidance Summary:

Solution Description	Solution Count	Solution Cost	Cost Avoidance - Program Actual	Cost Avoidance - Industry Average	Cost - Without DMS
Reclamation	22	\$70,883.13	\$2,502,007.00	\$766,000.00	\$5,429,117.00
Alternate (Tech. Refresh)	68	\$482,794.90	\$1,384,742.00	\$2,924,000.00	\$16,517,191.00
Life Time Buy	10	\$47,462.50	\$472,306.00	\$515,000.00	\$2,452,536.00
Bridge Buy	1	\$27,587.13	\$87,821.00	\$122,000.00	\$222,413.00
Substitution (Tech. Insertion)	2	\$38,652.06	\$82,850.00	\$139,000.00	\$461,348.00
Use Existing Stock	2	\$1,095.50	\$14,615.00	\$12,000.00	\$498,905.00
Total	105	\$668,475.22	\$4,544,341.00	\$4,478,000.00	\$25,581,510.00

Metrics – Cost Avoidance
WLR-8 Receiving Set

Fiscal Year:

Cost Avoidance Summary:

Solution Description	Solution Count	Solution Cost	Cost Avoidance - Program Actual	Cost Avoidance - Industry Average	Cost - Without DMS
Alternate (Tech. Refresh)	39	\$135,235.54	\$697,360.00	\$1,372,000.00	\$9,614,763.00
Use Existing Stock	54	\$23,342.31	\$206,327.00	\$371,000.00	\$13,476,658.00
Reclamation	3	\$64,649.25	\$198,859.00	\$288,000.00	\$685,350.00
Total	96	\$223,227.10	\$1,102,546.00	\$2,031,000.00	\$23,776,771.00

Figure: Supportability Management Assessment Report Tool (SMART) by RAC



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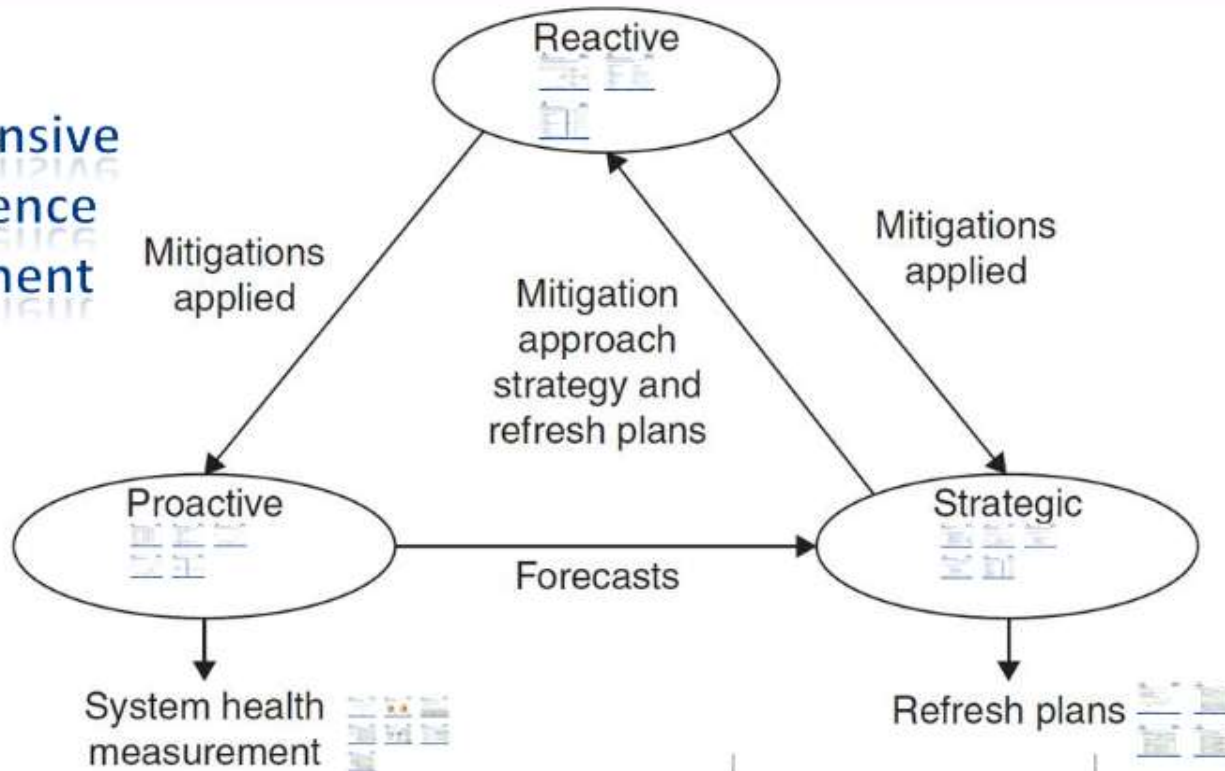
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Why OM?



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5.

Contact Us





THANK YOU! - ANY QUESTIONS?

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