



Tier One

When Should You Update Your Design?

Avoiding the many problems of obsolescence

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EXECUTIVE SUMMARY

Virtually all businesses have capital assets that have to be maintained to remain useful. Those businesses that are based on product sales generally have more of these, some of them being used to make product. An oven, a truck, or a piece of assembly line equipment all work perfectly the day they are installed, and all require maintenance to stay that way.

Breakdowns in certain assets can result in breakdowns of delivery to customers. Although it is not always obvious, product designs are among the assets that enable delivery. When designs are properly maintained, the continuous production of effective and competitive products is ensured. When not maintained, many potential risks begin to appear. Gradually, these risks encroach upon the ability to make delivery of product to customers on a profitable basis.

Maintenance is often less expensive than repairs, and this is usually the case with design assets. Addressing design-related production risks as they appear, for example, is much less risky than waiting for a real-world production problem to halt shipments. Allowing designs to go without maintenance also carries the risk of increasing opportunity costs over time. Direct cost reduction opportunities often exist in older designs, for example. Even worse, opportunities to improve product features left unaddressed by *your business* may ultimately be addressed by *your competitors*.

This paper addresses the specific risks associated with improper design maintenance, and discusses ways to ensure avoiding them.

For the full text of this paper, contact Tier One today by sending an email request to sales@tieronedesign.com, or by calling (678) 270-4030.