

# *CAD/CAM (21-342)*

*Advanced Manufacturing Laboratory  
Department of Industrial Engineering  
Sharif University of Technology*

*Session # 15*



## *Course Description*

### ▪ *Instructor*

- *Omid Fatahi Valilai, Ph.D. Industrial Engineering Department, Sharif University of Technology*
- *Email: [FValilai@sharif.edu](mailto:FValilai@sharif.edu), Tel: 6616-5706*
- *Website: [Sharif.edu/~fvalilai](http://Sharif.edu/~fvalilai)*

### ▪ *Class time*

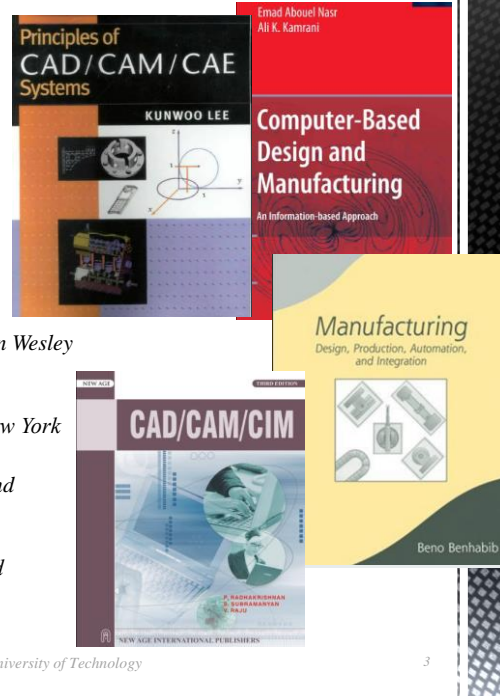
- *Saturday- Monday 10:30-12:00*

### ▪ *Course evaluation*

- *Mid-term (25%)*
- *Final exam (40%)*
- *Quiz (5%)*
- *Exercise (30%)*

## Course Description (Continued ...)

- **Mid-term session:**
  - Monday: 8<sup>th</sup> Ordibehesht 1393, 10:30 ~ 12:30
- **Final Exam:**
  - Saturday: 24<sup>th</sup> Khordad 1393, 15:00 ~ 17:30
- **Reference:**
  - Lee, Kunwoo; "Principles of CAD/CAM/CAE systems", 1999, Addison Wesley
  - Abouel Nasr, Emad; Kamrani, Ali K.; "Computer-Based Design and Manufacturing: An Information-Based Approach", 2007, Springer, New York
  - Benhabib, Beno; "Manufacturing: Design, Production, CAD/CAM, and Integration", 2003, Marcel Dekker Inc, New York
  - Radhakrishnan, P.; Subramanian, S.; Raju, V.; "CAD/CAM/CIM", 3rd edition, 2005, New age international (P) limited publishers, New York



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## Course Description (Continued..)

- **Contents:**
  - Introduction to CAD/CAM/CAE systems (5 sessions)
  - Components of CAD/CAM/CAE systems (2 sessions)
  - Geometric modeling systems (3 sessions)
  - Optimization in CAD (5 sessions)
  - Rapid prototyping and manufacturing (3 sessions)
  - Virtual engineering (2 sessions)
  - Product Life Cycle Cost Model (2 sessions)
  - Computer-Based Design and Features/Methodologies of Feature Representations (5 sessions)
  - Feature-Based Process Planning and Techniques (3 sessions)
  - Collaborative Engineering (2 sessions)

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## Course Description (Continued..)

### ▪ Contents:

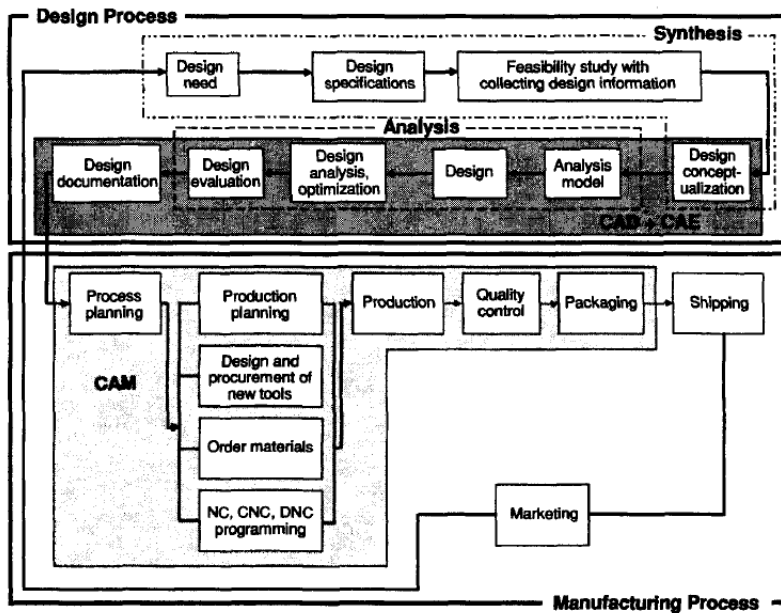
- *Product Life Cycle Cost Model*
- *Cost Breakdown in Manufacturing Systems*
- *Computer-Aided Cost Estimating in Manufacturing*

(2 sessions)

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## Introduction to CAD/CAM/CAE systems



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## *Product Life Cycle Cost Model*

### ▪ *Introduction*

- *Today's manufacturing environment should:*
  - *Increased product variety*
  - *Reduced product life cycle*
  - *Changed cost structures*
- *Hardly estimate the costs and benefits of computer integrated manufacturing (CIM) technology.*

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## *Product Life Cycle Cost Model*

### ▪ *Introduction*

- *Today's manufacturing environment should:*
  - *Increased product variety*
  - *Reduced product life cycle*
    - *Design stage.*
    - *Manufacturing stage.*
  - *End-of-life stage*

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## *Product Life Cycle Cost Model*

### ▪ *Introduction*

- *Today's manufacturing environment should:*
  - *Increased product variety*
  - *Reduced product life cycle*
  - *Changed cost structures*
    - *Manufacturing costs conventionally have been classified into three items:*
      - *Material*
      - *Labor*
      - *Overhead costs*

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## *Product Life Cycle Cost Model*

### ▪ *Introduction*

- *Today's manufacturing environment should:*
  - *Increased product variety*
  - *Reduced product life cycle*
  - *Changed cost structures*
  - *Hardly estimate the costs and benefits of computer integrated manufacturing (CIM) technology.*
    - *The conventional investment appraisal techniques are invalid for a CIM environment.*
    - *CIM equipment is extremely flexible and it is hard to evaluate its capabilities and define its application.*
    - *Economic justifications are proper when a company is involved in replacing old equipment with new equipment.*

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## Product Life Cycle Cost Model

- *Product Life Cycle Cost Analysis*
  - *Total System Cost (C)*

$$C = (C_r + C_i + C_o)$$

where

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

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## Product Life Cycle Cost Model

- *Product Life Cycle Cost Analysis*
  - *Total System Cost (C)*
    - *Advanced Research and Development (Cr)*

$$C_r = (C_{rm} + C_{rr} + C_{re} + C_{rt} + C_{rd})$$

where

$C_{rm}$  = program management cost

$C_{rr}$  = advanced R&D cost

$C_{re}$  = engineering design cost

$C_{rt}$  = equipment development and test cost

$C_{rd}$  = engineering data cost

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$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

### Product Life Cycle Cost Analysis

- Total System Cost (C)
  - Advanced Research and Development (Cr)
    - Equipment Development and Test (Crt)

$$C_r = (C_{rm} + C_{rr} + C_{re} + C_{rt} + C_{rd})$$

$$C_{rt} = [C_{rd1} + C_{rdm} + \sum C_{rdt}^i]$$

where

$C_{rm}$  = program management cost

$C_{rr}$  = advanced R&D cost

$C_{re}$  = engineering design cost

$C_{rt}$  = equipment development and test cost

$C_{rd}$  = engineering data cost

$C_{rd1}$  = cost of prototype fabrication and assembly labor

$C_{rdm}$  = cost of prototype material

$C_{rdt}^i$  = cost of test operations and support associated with specific test  $i$

$N$  = number of identifiable tests

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$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

### Product Life Cycle Cost Analysis

- Total System Cost (C)
  - Investment (Ci)

$$C_i = (C_{im} + C_{ic} + C_{il})$$

where

$C_{im}$  = system/equipment manufacturing cost

$C_{ic}$  = system construction cost

$C_{il}$  = cost of initial support

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

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$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

- **Product Life Cycle Cost Analysis**

- Total System Cost ( $C$ )
  - Investment ( $C_i$ )
    - Manufacturing ( $C_{im}$ )

$$C_i = (C_{im} + C_{ic} + C_{il})$$

where

$C_{im}$  = system/equipment manufacturing cost

$C_{ic}$  = system construction cost

$C_{il}$  = cost of initial support

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

$$C_{im} = (C_{in} + C_{ir})$$

where

$C_{in}$  = nonrecurring manufacturing cost

$C_{ir}$  = recurring manufacturing cost

$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

- **Product Life Cycle Cost Analysis**

- Total System Cost ( $C$ )
  - Investment ( $C_i$ )
    - Manufacturing ( $C_{im}$ )

$$C_{in} = [C_{inm} + C_{int} + C_{ina} + C_{inp} + \sum C_{inq} + \sum C_{ins}]$$

where

$C_{inm}$  = manufacturing engineering cost

$C_{int}$  = tools and factory test equipment cost (excluding capital equipment)

$C_{ina}$  = quality assurance cost

$C_{inp}$  = manufacturing management cost

$C_{inq}$  = cost of qualification test  $i$

$C_{ina}$  = cost of production sampling test  $j$

$N$  = number of individual tests

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

$$C_i = (C_{im} + C_{ic} + C_{il})$$

where

$C_{im}$  = system/equipment manufacturing cost

$C_{ic}$  = system construction cost

$C_{il}$  = cost of initial support

$$C_{im} = (C_{in} + C_{ir})$$

where

$C_{in}$  = nonrecurring manufacturing cost

$C_{ir}$  = recurring manufacturing cost



## Product Life Cycle Cost Model

### Product Life Cycle Cost Analysis

- Total System Cost ( $C$ )
  - Investment ( $C_i$ )
    - Manufacturing ( $C_{im}$ )

$$C_{ir} = [C_{ire} + C_{irl} + C_{irm} + C_{iri} + C_{irt}]$$

where

- $C_{ire}$  = recurring manufacturing engineering support cost
- $C_{irl}$  = production fabrication and assembly labor cost
- $C_{irm}$  = production material and inventory cost
- $C_{iri}$  = inspection and test cost
- $C_{irt}$  = packing and initial transportation cost

$$C = (C_r + C_i + C_o)$$

where

- $C_r$  = R&D cost
- $C_i$  = investment cost
- $C_o$  = operations and maintenance cost

$$C_i = (C_{im} + C_{ic} + C_{il})$$

where

- $C_{im}$  = system/equipment manufacturing cost
- $C_{ic}$  = system construction cost
- $C_{il}$  = cost of initial support

$$C_{im} = (C_{in} + C_{ir})$$

where

- $C_{in}$  = nonrecurring manufacturing cost
- $C_{ir}$  = recurring manufacturing cost

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## Product Life Cycle Cost Model

### Product Life Cycle Cost Analysis

- Total System Cost ( $C$ )
  - Investment ( $C_i$ )
    - Construction Cost ( $C_{ic}$ )

$$C_{ic} = (C_{icp} + C_{ict} + C_{ico} + C_{icm})$$

where

- $C_{icp}$  = manufacturing facilities cost
- $C_{ict}$  = test facilities cost
- $C_{ico}$  = operational facilities acquisition cost
- $C_{icm}$  = maintenance facilities acquisition cost

$$C = (C_r + C_i + C_o)$$

where

- $C_r$  = R&D cost
- $C_i$  = investment cost
- $C_o$  = operations and maintenance cost

$$C_i = (C_{im} + C_{ic} + C_{il})$$

where

- $C_{im}$  = system/equipment manufacturing cost
- $C_{ic}$  = system construction cost
- $C_{il}$  = cost of initial support

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$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

- **Product Life Cycle Cost Analysis**

- Total System Cost ( $C$ )
  - Investment ( $C_i$ )
    - Initial Logistic Support Cost ( $CH$ )

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

$$C_i = (C_{im} + C_{ic} + C_{il})$$

$$C_{il} = (C_{ilm} + C_{ilp} + C_{ils} + C_{ili} + C_{ild} + C_{ilt} + C_{ilx} + C_{ily})$$

where

$C_{im}$  = logistic program management cost

$C_{ilp}$  = cost of provisioning

$C_{ils}$  = initial spare/repair material cost

$C_{ili}$  = initial inventory management cost

$C_{ild}$  = cost of technical data preparation

$C_{ilt}$  = cost of initial training and training equipment

$C_{ilx}$  = acquisition cost of operational test and support equipment

$C_{ily}$  = initial transportation and handling cost

$C_{im}$  = system/equipment manufacturing cost

$C_{ic}$  = system construction cost

$C_{il}$  = cost of initial support

$$C = (C_r + C_i + C_o)$$

## Product Life Cycle Cost Model where

- **Product Life Cycle Cost Analysis**

- Total System Cost ( $C$ )
  - Operator Personnel Cost ( $Co$ )

$C_r$  = R&D cost

$C_i$  = investment cost

$C_o$  = operations and maintenance cost

$$C_o = (C_{oo} + C_{om} + C_{on} + C_{op})$$

where

$C_{oo}$  = cost of system/equipment life cycle operations

$C_{om}$  = cost of system/equipment life cycle maintenance

$C_{on}$  = cost of system/equipment modifications

$C_{op}$  = cost of system/equipment phase-out and disposal