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# SPAR Scuttlebutt

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March 2014

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## SPAR's Web Site Updated

SPAR's web site has had major updates made that improve navigating around the site and providing new information about SPAR's ERP/EVM systems that directly support and enhance the management of modern shipbuilding methods, including integrated hull outfit production (IHOP) and modular construction. The system employs earned value progress reporting of costs and schedules in ways that are considerably more accurate than elsewhere available, yet much easier to use. The system also enables better cataloging of return costs more directly useful for future cost estimating purposes.

## New Access to Demo Software

Due to security concerns of the Internet, we have had to remove the on-line access to the software demo. Instead, interested parties can download the demo to their own PC, and then request an authorization procedure to run it. All this is done via SPAR's web site, [WWW.SPARUSA.COM](http://WWW.SPARUSA.COM). The demo will run under either a 32-bit or 64-bit Microsoft Windows system.

## SPAR's Cost Models

SPAR's cost models for estimating design and construction costs have all been featuring a very unique and informative approach for estimating cost risk. Now these cost models have features for estimating potential schedule delays anticipated from the application of cost risk. These features help highlight specific high risk areas of design and construction so that problems can be better identified for an earlier understanding of potential contract difficulties.

The cost models also have been upgraded to develop complete cost and annual funding requirements for multi-ship acquisition programs. Features include the ability to quickly and easily develop production schedules that simulate low rate production transitioning to high rate production scheduling and the impact of schedule overlaps upon anticipated cost savings from a learning process and upon the shipyard's estimated labor manpower requirements.

## Qatar Navigation

Qatar Navigation, Doha, State of Qatar, purchased SPAR's "Ship Repair, Maintenance And Modernization Cost Model." The cost model includes over 1300 ship repair cost estimating relationships (CERs) covering:

- Surveys & Inspections;
- Docking & Services;
- Structural Repairs;
- Machinery Repairs;
- Piping Repairs;
- HVAC Repairs;
- Hull Outfit Repairs;
- Clean & Paint Repairs;
- Accommodations Repairs;
- Electrical Repairs;
- Electronics Repairs;
- Armament Repairs;
- Technical Support;
- Miscellaneous Support;
- Fees, Contingency, Bonds & Insurance;

## Nichols Brothers Boat Builders

Nichols Brothers Boat Builders, Freeland, WA, has purchased the implementation of SPAR's PERCEPTION WORK-PAC (production work orders and time charge management) and PERT-PAC (planning and scheduling) system modules for their shipyard operations. Included in the purchase provided for SPAR to load the shipbuilder's current projects and provide on-line training using WebEx.

The PERCEPTION system will be providing regular contract and production cost and schedule progress/status performance reports produced by the system's earned value methods. By delivering very early visibility

*"Over 40 Years of Providing Planning & Production Management Systems to Shipyards"*

of production cost and schedule problems, PERCEPTION will provide the shipyard an early opportunity to minimize the impact of the problems on the overall budget and schedule goals. With fewer crises to confront management, they can then focus on developing and implementing engineering and production changes that can improve the shipyard's level of productivity.

An added benefit is that the system can dramatically improve the accuracy of collected production cost and schedule data that will improve the shipyard's cost estimating process.

PERCEPTION has been design and developed specifically for the shipbuilding and repair industry and is not a product developed for other industries forced to satisfy the unique needs of a shipyard.

## **On-Line Software Demos**

SPAR has provided a series of on-line software demos to shipyards in Asia and India using the WebEx system over the Internet. WebEx provides a very clear and responsive transmission of on-line demonstration details, video and audio features.

## **Canadian Surface Combatants**

SPAR has been awarded a contract to produce cost estimates for the surface combatants for the Canadian government. These variants will help determine what ship

designs offer the most capabilities for the least amount of cost. The cost estimates provide "should costs" to detail design and build as many as 15 ships for some of these variants. Also produced are levels of cost risk that can be linked to design complexity, technical issues and other considerations.

## **Canadian Coast Guard Offshore Fisheries Science Vessel (OFSV)**

SPAR has been awarded a contract to develop cost estimates for a new offshore fisheries science vessel to be built by the SEASPAN shipyard, Vancouver, BC for the Canadian Coast Guard. The effort includes producing both a parametric and a bottoms-up detail cost estimate with cost risk assessments.

## **United States Coast Guard 87 ft Patrol Boat Replacement Program**

SPAR has been awarded a contract to develop cost estimates for a future 65-vessel acquisition program for the USCG. The program is intended to replace the existing fleet of Marine Protector Class patrol boats. SPAR, working as a subcontractor to The Columbia Group of Washington, DC, will assist in the development of the new design by providing important cost estimates as the design evolves. This effort

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includes estimating a schedule for the 65 vessel production run that will meet the delivery requirements expected by the USCG. SPAR also will produce estimated annual funding requirements for the program.

## **Cost Estimating Services**

SPAR provides cost estimating services for ships: new construction, ship repair, maintenance, modernization and for life cycle operations. SPAR has developed various cost models that address the requirements of all these activities. SPAR has provided independent cost estimates for design agents, shipyards, shipping companies, and for government agencies (U.S. Navy, USCG and for MARAD).

SPAR's cost estimating includes assessments of cost risk from technical, design and engineering, build strategy and shipyard management and production performance points of view.

SPAR's more recent cost models provide various options for minimizing life cycle costs via selections of alternative ship systems, changes in ship mission/operations requirements, and differences in build strategies. These cost models generate estimates of cost implications for maximizing material readiness and achieving or exceeding service life.

Cost model options also are available for estimating costs and benefits of various "green" sub-systems that can be

included in the design and operation of the ship.

## **SPAR Associates, Inc.**

SPAR has been providing shipyard production planning and management control software since 1972. In addition to its software products, SPAR offers a variety of support services, including custom software design and development; training and software maintenance services; independent cost estimating; supplemental shipyard planning and scheduling services; and management consulting to various interests in the marine industries.

We are always available to address whatever questions that you might have. Your success is ours.

## **SPAR Publications**

SPAR offers free downloads of its software user manuals, user tutorials and product/service presentation from its web site [www.sparusa.com](http://www.sparusa.com).

In addition, SPAR has the following publications available for order to help shipyards plan and manage their operations:

- **“Estimating Coating Costs for Ships: Simple Methods for Estimating Ship Surface Areas”**  
(US\$50.00)
- **“Planning New Construction & Major Ship Conversion”**  
(US \$75.00)
- **“Shipyard Cost Estimating”**

## **SPAR Scuttlebutt**

- (US \$125.00)
- **“Guide for Shipyard Material Control”**  
(US \$75.00)
- **“Full Implementation of a Shipbuilder’s Earned Value Management System (EVMS)”**  
(US \$75.00)
- **“Comparing Methods of Measuring Progress, Earned Values & Estimates at Completion (EAC)”** *FREE*
- **“Expanded Modularization, Ship Design & Construction”**  
(US \$75.00)

All publications are available in pdf file format via electronic mail.

Publications requiring purchase are processed on the web site via PayPal.

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If you have corrections to your address or would like to add a name to our mailing list, please complete the following form and **Send To:** SPAR Associates, Inc.- 927 West Street- Annapolis, MD 21401,USA

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