

## **ABSTRACT**

*The developments of small and medium industries are very sharp for now. One of the developments that are fast enough for the doll industry sector, is because Indonesia is one country with cheap labor and materials or the materials are easily available. Some of it triggers competition among companies in the same industry sector, both national and global scale. PT. Mas Toys as one of the companies engaged in the doll industry certainly needs to be efficient on the production floor, because the company needs to hold down production costs, and production processes for faster and flexible compulsory recall of increasingly intense competition today.*

*The problems being faced by PT. Mas Toys today is the declining number of requests from the buyer that comes increased product variety. So with a higher variety of products, difficulties in meeting orders the company received because it can not meet the desired deadline, as well as employees have difficulties in meeting the various orders with a fairly high degree of variation.*

*To achieve this, one of the things companies can do is to do a classification grouping on the design and material, which is then performed on the product refinement process of product design, so expect the production process to be better in terms of cost, quality and time. In the production process to achieve a better one that can be done is by using the method of Value Engineering. Stages of Value Engineering work methods to achieve the expected results of phase information, Creative stage, analysis stage, and stage of development*

*The results obtained is made of three alternatives that are based on information obtained, and each of these alternatives can combined to be applied together in companies, by eliminating the design or materials that do not give advantage to the dominant company and merge several designs that are grouped into some families design.*

*Keywords: Improvement Products, Variation Increase, Value Engineering*