

**THE COST OF PRODUCTION; THE  
PRINCIPLES OF THE SCIENCE OF COSTS,  
WITH ILLUSTRATIVE EXAMPLES BY  
COST EXPERTS FOR VARIOUS LINES OF  
MANUFACTURING INDUSTRY**

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The Cost of Production; The Principles of the Science of Costs, with Illustrative Examples by  
Cost Experts for Various Lines of Manufacturing Industry by B. C. Bean

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**B. C. BEAN**

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# THE COST OF PRODUCTION

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COSTS, WITH ILLUSTRATIVE EXAM-  
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LINES OF MANUFACTURING INDUSTRY

Collected and Edited by

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## PREFACE

The development of manufacturing and the interests closely related to it has seen a corresponding growth in the science of costs. Nowhere has the application of scientific methods to the productive end of a business yielded larger returns than here. The productive sciences are so closely and intimately related to cost reduction that increased production calls for and demands with increase in volume of a product a corresponding decrease in its cost.

The reasons for this demand are manifold. They are at the same time empirical and scientific. Empiricism arbitrarily demands reduced cost. Scientific methods show how cost reduction can be effected.

Contrary to general opinion, there is considerable literature extant on the science of costs. Several works treat the subject from their individual standpoints; many papers of great merit have been presented before various engineering, auditing, and bookkeeping societies, and the technical press—ever to the fore in disseminating valuable information—has been, perhaps,

the most important medium of all for furthering the work.

All literature on this important subject seems to have been included in either of two classes: either an exposition of a working system or systems, or an unrelated set of statements concerning the science. In this work an attempt has been made to give an exposition of the science from a broad standpoint applicable to any business; to arrange the elements in logical order, giving due weight to proper authorities; to unify and blend the whole so as to furnish true information to the student of the science and at the same time not be too elementary for the experienced cost expert. Finally, a number of cost systems with forms have been added, as operated by various experts in this particular line, with the idea of making a work of real worth to those wishing exact information on this subject.

Careful search has been made of all the available literature on the subject, a large number of manufacturing plants have been investigated and numerous personal interviews have been had with those conversant with the subject of costs in order to secure the information necessary for a work of this character.

It is hoped that the information here set forth will

## PREFACE

be found of service and add its required quota to the upbuilding of the business sciences, at the same time maintaining the high standard set by the preceding volumes of the Business Man's library, of which this book is the third number.

THE AUTHOR.

Chicago, March 1, 1905.



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