

Sustainable Success in a Fast-Changing Marketplace - Comments from a Local Manufacturer

written by admin | November 7, 2018

Below is a real story with multiple timely and important messages from one of our area manufacturing leaders who has chosen to remain anonymous.



One of the important messages... Yes, it's important to be as efficient as possible in how we do things (continual process improvement). But if we want sustainable success, we also have to continually innovate what we bring to the marketplace. As in creating new and differentiated products and services that are meaningful to customers. Because the competitive landscape is a more rapidly evolving place than ever. Check it out.

Today's lunch learning is more personal. A few months ago, I got news that a plant I once managed (20+ years ago), a super plant it was called in its day, a model for operations around the globe was closing and it was moving to Mexico. It reminded me in the days of super competition in electronics where our plant was competing, not just for business for its overall corporate needs, but our individual plant was competing too within the organization and globally. The livelihood of our people had to do also with its competitiveness within the organization. I used to say, we want to have the best bike! The bike everyone wants to have. When customers come to the US and are going to visit a plant, and there are 10 of them, we want ours to be the one chosen. We needed the best, the most enthusiastic people. The best the most

cutting edge and performing assembly lines. Not just that perform, but that were "marketable." We needed to provide for the community in a visible way too. And we did! And we were very successful. We were on all the college tours, excellence tours and even written about in top improvement books having to do with World Class Manufacturing.

Now after 20 years, its going to be gone, and the people there were told that there aren't jobs for them at other plants. The best performing plant in the past, no longer a star. Its not to be looked at as a model of what to do and how to do it, but maybe what not to do. The employees once leading the culture change, now gobbled up by another. What is the lesson? Hard to say and its likely many contributors, but maybe, it got complacent. Maybe in its glory it lost sight. I know, some of you might feel how can you compete south of the boarder, I know we can as we did successfully for some time. Maybe it forgot it was competing.

I learned early about competition starting my career in Boston. Simplifying, we were told once to embrace in-process manufacturing and eliminate departments. I remember being a bit on the side lines and very observant noting that the company gave corporate every excuse why we couldn't do what they wanted. We didn't know another plant, not as experienced, was given the same directive. They were successful, we weren't. One day I came in, every manager and most senior level types we gone. Of course, then all the support types reported that they could do as desired, but the wheels of motion were already in play. It was the start of my career and success, I think because I learned from this. I never forgot that experience. It was a scary hard truth. I literally let hundreds of people go as the plant closed and moved. The hollow look in their eyes would later be a motivator to me to prevent similar. I still have contact with those very first employees too, how lucky a guy!

I think about how many great companies we remember and who would ever think that they could collapse, vanish....They were the best of the best! Weren't they? I think this helps to point to the need to be constantly innovative. To be humble and competitive in all times. To use innovation and break paradigms. History is knowledge, if we choose to pay attention. At least, that is what I think! Remember these folks next time one thinks they are too big to fall. I point to business, but we can also point to people.

- *Sears - ????*
 - *Panam*
 - *Compaq*
 - *MCI - WorldCom*
 - *Enron*
 - *Arthur Anderson*
 - *TWA*
 - *Woolworth's*
 - *Eastern Airlines*
 - *Kodak*
 - *Block Buster*
 - *Radio Shack*
 - *Polaroid"*
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“The True Origin of Value Creation”

written by Lauri Moon | November 7, 2018

This is a good, short article ultimately about sales and marketing. Easily transferrable in terms of segmenting customers and identifying the kinds of touches that drive interactions and opportunities.

The True Origin of Value Creation

by Dan Blacharski

IMC and Congressman Marino Visit Videon Central, Inc.

written by Lauri Moon | November 7, 2018

Thanks to Rob Bargo and Videon Central for hosting IMC and Congressman Tom Marino for Manufacturing Day 2018. Videon, located in State College, PA, develops software and designs hardware for AV products worldwide. Through relationships with companies like Intel, Sony, Samsung and Lufthansa Technik, Videon works with a broad range of industries, from aviation and broadcast to sports and consumer electronics. #MFGDay18



Success Story: Data Papers Expands Product Offerings with IMC's Innovation Engineering Services

written by Lauri Moon | November 7, 2018



Data Papers, Inc. began in 1969 and can provide virtually any product or service imaginable to communicate with your clients, employees, stockholders, or vendors.

They are a manufacturer of various print materials such as business forms, catalogues, manuals, digital plotting files, etc. with headquarters in Muncy, PA.

SITUATION

Data Papers (DPI) realized many of their traditional products and services had become commoditized and as a result DPI had lost pricing leverage and profitability was suffering. Consistent with those realities, the industry was going through cost-cutting and consolidations. The highly experienced DPI Leadership Team recognized that if DPI was going to rise above these industry trends, they needed to develop new products and services that are both meaningful enough to customers to generate interest and unique enough to demand a healthy profit. As a result, they began working with IMC on a systematic “innovation how-to” from strategy to idea generation, to idea development and delivery that would leverage DPI’s strengths by focusing a portion of the organization’s time and energy specifically on innovation.

SOLUTION

IMC utilized Innovation Engineering (IE) tools and techniques that guided DPI through a series of steps with the aim of identifying strategic directions for innovation focus; generating ideas that support these strategic directions, educating and training a core group of DPI employees on IE tools, concepts, roles, responsibilities and how-to’s; and assisting DPI on initial creation of their own “DPI Innovation System”. Under IMC coaching, the team identified two projects to move through a development phase.

As projects moved through the Development Stage, all facets of the business opportunity, including Customer, Problem, Promise, Proof and related Financials, Markets, Technologies, Skills and Knowledge risks and rewards were worked on and evaluated.

One of the projects was a new business that leveraged DPI’s considerable data management capabilities to be able to offer non-profits a suite of data management services that many non-profits currently do in-house. The realization was that DPI could perform these services much more efficiently and effectively and that in turn would allow DPI to provide improved print materials for the non-profit that could

provide donors with more specific and more timely information about how their donations are being applied. That information is quite meaningful to donors and supports donor retention and additional donations. All of that made possible by more effective data management that is beyond the data management capabilities of the non-profit.

During the Innovation Engineering project DPI added a second customer for this service and using the IE tools and methods, DPI has turned this into a formal business offering. Per DPI's objective, this business service offers higher value to customers (meaningful) and fewer companies can provide this service (unique). That higher value has provided significantly better pricing leverage and this service is providing margins well-above DPI's traditional products and services.

RESULTS

The company is now applying IE practices to more purposefully take this service to the marketplace and add more customers. Reported specific impact results:

- Increased Sales - \$150,000
- Employee Creation/Retained - 53
- Cost Savings - \$100,000
- Company Investments - \$200,000

TESTIMONIAL

Jerry Wertz - President & CEO, Data Papers, Inc.

"IMC took our innovation team to places we never imagined we could go. Their deep knowledge of manufacturing and process development helped them to speak our language and guide us to simplify and improve."

Get Connected with Bucknell University Students

written by Lauri Moon | November 7, 2018

Below are a few ways local businesses can connect with Bucknell University students to work on your own internal projects.

Website Design Class

Bucknell students will make websites free of charge for local businesses and organizations this coming semester in Markets, Innovation, and Design 300. This web design project will provide a hands-on learning experience for the students while also benefiting local organizations. Application due August 29 at <https://goo.gl/forms/e8otvvHXSIHDivvg1>.

Computer Science Design Projects

Provide an opportunity for a realistic design experience where students can apply their software engineering knowledge, develop new engineering and design skills, and gain experience working independently with clients. Students will work with you to specify a solution to your real-world problem and deliver a working prototype by the end of the academic year.

Examples of previous projects: <https://www.eg.bucknell.edu/~cs475/sp19/projects/>

Application due August 15 at <https://www.eg.bucknell.edu/~cs475/sp19/request-for-problems/>.

Connect with Bucknell's Freeman College of Management

As class projects are being planned for the Fall 2018 semester, local businesses are sought to work with management students and faculty on projects of mutual interest. Projects may range from extensive interaction with students throughout a 14-week project to as simple as providing data; or may develop into a collaboration with a faculty member with analysis expertise. Topics may involve operations management,

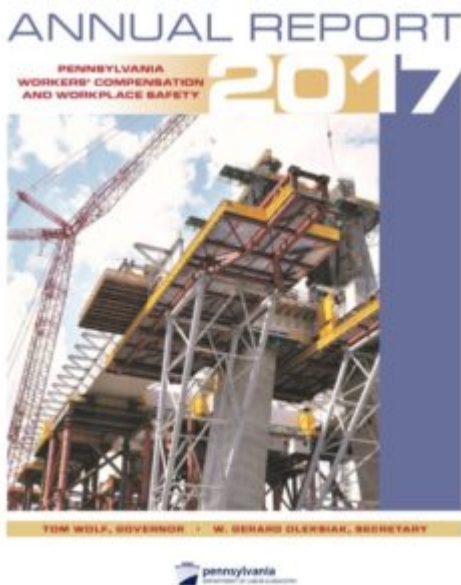
supply chain, or data-driven projects in any area of your business such as pricing, human resources, finance, and more.

Contact Missy Gutkowski, Director of Experiential Programs at mmg019@bucknell.edu.

Workers' Compensation and Workplace Safety 2017 Annual Report

written by Lauri Moon | November 7, 2018

The Pennsylvania Workers' Compensation and Workplace Safety 2017 Annual Report is available now at the link below. "The report demonstrates our program's commitment to workplace safety, superior customer service, innovation, and excellence in carrying out the provisions of the Workers' Compensation Act." PA Department of Labor & Industry



Healthy Partners by UPMC Susquehanna

written by Lauri Moon | November 7, 2018

I recently met with Sam Sawyer, Employer Relations Specialist at UPMC Susquehanna to learn more about their *Healthy Partners* Program.

UPMC Susquehanna is the primary healthcare provider in the communities they serve. So they know it is in their best interest to provide wellness programs to raise awareness of the services they provide to improve the overall health of the community's population by maximizing healthcare utilization.

As we all know, healthcare costs continue to rise and are a burden on many employers and employees. Wellness programs reduce these costs and present a unique opportunity for UPMC and local employers to work together to improve health and save money. The goal of Healthy Partners by UPMC Susquehanna is to be an extension of your company, to give you everything you need in implementing a wellness program, and to assist in improving your company's employee and fiscal health.

The program takes an objective approach to helping your employees manage their health. Employees receive onsite screenings, personalized health reports and follow up educational opportunities. As an employer, you'll receive a de-identified aggregate group health report and potential solutions to help manage the top health risks of your workforce. Together with UPMC, you'll implement education and additional screenings to tackle those top needs that are relevant to your employees. For most employers, the entire program is performed at no charge!

To learn more about Healthy Partners by UPMC Susquehanna or to sign up for our free monthly newsletter, contact Sam Sawyer at sawyersl@upmc.edu or 570-321-2289.

Healthy Partners Program

IMC Partners with PennTAP to Offer No Cost Energy Audits to Manufacturers

written by Lauri Moon | November 7, 2018

Is your company interested in saving money through pollution prevention strategies and energy efficiency assessments?

The Pennsylvania Technical Assistance Program (PENNTAP) is a federal-state-university partnership that provides technical assistance and one-on-one consultation to resolve specific business needs of small to mid-size PA companies. Their energy and environment team can help your company save money through pollution prevention and energy efficiency strategies.

PennTAP technical advisors and Penn State students will spend a day at your facility to examine manufacturing operations to identify opportunities to save energy and reduce waste and operating costs. PennTAP will perform one-on-one pollution prevention and energy efficiency onsite visits, provide recommendations for improvements in energy utilization and waste reduction, prepare and deliver site assessment reports, and provide assistance completing grant applications for project implementation.

IMC and PennTAP can bring a fresh set of eyes to work for you and your company to increase efficiency and reduce overhead costs, which can help retain existing jobs or lead to job creation.

For a free assessment, contact IMC at 570-329-3200x8085 or email info@imcpa.com.

IMC Featured as WLCC's Legacy Member

written by Lauri Moon | November 7, 2018



Study Releases Manufacturers Impacts in 2017

written by Lauri Moon | November 7, 2018

The Innovative Manufacturers Center (IMC), which is part of a public-private partnership that provides U.S. manufacturers with access to resources they need to succeed, today announced findings from its 2017 program impact survey. Each year, clients are surveyed using an independent third-party to document the economic impact of the services provided by Manufacturing Extension Partnership (MEP)

Centers across the country and the partnership's return on investment for U.S. manufacturers.

During one-on-one projects and/or training in 2017, IMC interacted with more than 120 small and medium-size manufacturing clients. Of those manufacturers conducting one-on-one projects and reporting impact, IMC:

- Helped to create or retain more than 324 jobs
- Produced \$18,140,000 in new and retained sales
- Achieved \$4,498,500 in cost savings
- Facilitated \$8,055,700 in new client investments

IMC works directly with Central PA manufacturers to provide expertise and services tailored to meet critical needs ranging from process improvements, workforce training, innovation strategies, and new product development. These services help small and medium-size manufacturers accelerate and strengthen growth and competitiveness in the global marketplace.

"It's essential for manufacturers to be equipped with the tools and training necessary to be competitive in today's rapidly changing marketplace," said Daniel T. Manetta, IMC Executive Director/CEO. "Manufacturing accounts for nearly 12 percent of the total U.S. gross domestic product, it's the 6th largest employer, and it accounts for almost 60 percent of all U.S. exports."

Collectively in 2017, the MEP National Network interacted with more than 26,000 small and medium-size U.S. manufacturing clients and:

- Helped to create or retain more than 100,000 jobs
- Produced \$12.6 billion in new and retained sales
- Achieved \$1.7 billion in cost savings

About Innovative Manufacturers Center (IMC)

Founded in 1988, the Innovative Manufacturers' Center has worked with over 600 Central PA manufacturers to help them innovate, grow and prosper. Supported through the U.S. Department of Commerce, National Institute of Standards and Technology's Hollings Manufacturing Extension Partnership (MEP) program and the

Pennsylvania Department of Community and Economic Development's Manufacturing PA program, IMC serves manufacturers in Lycoming, Montour, Northumberland, Union, Snyder, Clinton, Centre, Mifflin, Juniata, Huntington, Blair, and Bedford Counties. Visit IMC at www.IMCpa.com for more information.

About the MEP National Network

The MEP National Network™ is a unique public-private partnership that delivers comprehensive, proven solutions to U.S. manufacturers, fueling growth and advancing U.S. manufacturing.

Focused on helping small and medium-sized manufacturers generate business results and thrive in today's technology-driven economy, the MEP National Network comprises the National Institute of Standards and Technology's Manufacturing Extension Partnership (NIST MEP), the 51 MEP Centers located in all 50 states and Puerto Rico, and over 1,300 trusted advisors and experts at more than 400 MEP service locations, providing any U.S. manufacturer with access to resources they need to succeed. Each MEP Center is a partnership between the federal government and a variety of public or private entities, including state, university, and nonprofit organizations.

About the Survey

Fors Marsh Group, LLC conducts the NIST MEP client survey. Fors Marsh Group, LLC is an Arlington, VA-based applied research firm. The company has experience both in market research and surveying with a specialization in working with small manufacturers. Fors Marsh Group, LLC conducts the survey quarterly and MEP Center clients are interviewed annually. The survey asks clients to consider the entire set of projects or services provided by a center and to report on how their company's performance and processes have been affected in the last 12 months. The survey asks clients to report on the impact of MEP Center services on bottom-line client outcomes and bottom-line impacts such as sales, jobs created/retained, capital investment and cost savings. The survey has 16 questions and takes an average of 10 minutes to complete.