

Volume 13, Issue 13 ☐ **March 27, 2006**

Important Dates to add to your calendar...

- ☐ **Apr 11th, 9-12 HPM IT Roundtable – For HPM Members.** Host: Hammond Power Solutions, Guelph. Register with Nicole. **ALL HPM IT FOLKS INVITED.**
- ☐ **Apr 11th, 9-11 am HPM Employee Leveraging Tours: Canada Post.** Host: Arlene Yam. 12 seats only available – first come. Register now with Nicole at 519-893-6260 or, info@hpmconsortium.com
- ☐ **Apr 19th, 12-3:30 HPM GMT Meeting.** Host: Hammond Manufacturing Limited (Enclosures), Guelph
- ☐ **April 25th, 8:00 am – 4:00 pm AME CDN Region Leadership Forum.** Host: Magellan Aerospace – Orenda facility. Register online at www.ame.org
- ☐ **Apr 27th 9:00-11:00, HPM Employee Leveraging Tours:** Host: Frank Dolinsek. 12 seats only available – first come. Register with Nicole at 519-893-6260
- ☐ **May 3rd HPM Health & Safety Forum... details to follow –** This forum rescheduled from last fall. The agenda is being confirmed now. To suggest agenda content - email info@hpmconsortium.com
- ☐ **May 10th 8-5, Quick & Easy Kaizen,** with Chuck Yorke, Location: Cambridge Hilton Gardens Inn
- ☐ **May 17th HPM Board Meeting** Host: Bird Packaging
- ☐ **June 12-15th, Second Canadian Regional Conference... Kitchener-Waterloo Region Canada.** Consider accelerating your Lean Journey. Download from www.hpmconsortium.com – Click "Resources"
- ☐ **Jul 5th, 12-3:30 HPM GMT Meeting,** Host: Mancor, Speers Road facility, Oakville
- ☐ **Aug 23rd, 11:30-5:00 HPM Board Meeting** Host: GE Multilin, Markham
- ☐ **Oct 11th, 12:00-3:30 HPM GMT Meeting,** Host: COM DEV Space, Cambridge
- ☐ **Nov 22nd, 11:30-5:00 HPM Board Meeting** Host: Hammond Power Solutions, Guelph

A "Goldmine" in a Book

It is not often you see practitioners get so excited about a book. But this happened this week in Saskatoon & Edmonton where one of the four Lean implementers who endorsed the book "**The Gold Mine**" said - *"I spent more time copying things I could do, than I did reading!"* That says it all. The book is written by **LEI authors** Freddy Ballé and Michael Ballé - and for it – they were awarded the Shingo Research and Professional Publication Prizes for 2006 – Along with **LEI founders Jim Womack & Dan Jones** for "**Lean Solutions**". Attendees to the Kitchener Conference will see and hear Jim first hand as he will be there. *As will HPM and AfEE Members at Rockwell.*

NEW: For HPM Member IT Leaders & Practitioners **"IT Roundtable: Exploring Member Resources"**

NEW ~ APRIL 11TH ~ HAMMOND POWER SOLUTIONS ~ GUELPH ~ AN INFORMAL 'FIRST' DISCUSSION ON IT RESOURCES

Objective & spirit: This half-day, shirt-sleeve Roundtable, – or - *'conversation for possibilities'* - is open to **all HPM IT professionals** interested in coming together to talk about their interests and challenges to see if there are opportunities to be gained by exchanging know-how, ideas, or practices.

This is seen as an informal way of identifying member resources and possible joint interests as it has been a long time since such a meeting was held.

Host: Our host is **Russ Deacon** who is the IS leader at Hammond Power Solutions. 519-822-2441

Informal Format: Come equipped to share a 10 minute overview of where you are, which will be followed by a brief Q/A. Attendees may do this either orally or via PowerPoint – your call.

IT Tour: A tour of recent implementations and coming initiatives will be led by Russ Deacon

Location: Hammond Power Solutions Facility in Guelph – Maps will be sent to all who register.

NOTE : For Security & Logistics reasons (muffins) **Please email or call Nicole** to let her know who is coming. Email: events@hpmconsortium.com. Or by phone at 519-893-6260

Roundtable Agenda:

08:30 AM	Welcome & Opening Remarks - Russ
08:45	'Round-the-table' intro & objectives
09:15	Presentations by each Member
10:00	Break
10:15	Focused Tour: IT Initiatives at Hammond
11:00	Complete Presentations by Members
11:30	Discussion of common interests
	> possible next steps
	> Where to from here
12:00	Adjourn

As it is a half-day program, there will be no lunch but Hammond will provide a light continental breakfast and refreshments during the break.

World Class Performance Suggests Better Performance Needed for CDN Mfrs. to Achieve 'Benchmark' Status

In the year just concluded, the tabulations of which countries are filing the most patents have just been reported. **Canada ranked 13th among nations for patent applications in 2005:**

A question this raises includes this one – "If we are truly in a knowledge-based, technologically driven, globally competitive, market place - should not the number of patents filed be a possible indicator of progress? ...And "Are national priorities focused on the right things?" At any rate here they are – and I am not sure we should be comforted to learn we are behind Brazil and 12 other nations. Of course, this perhaps is not a major concern if we are content to be drawers of water and hewers of wood.

The Ranking:

1. Japan, 300,623
2. United States, 149,936
3. South Korea, 32,521
4. Germany, 47,651
5. China, 40,821
6. Russia, 17,384
7. France, 11,394
8. Britain, 10,378
9. Taiwan, 4,973
10. Italy, 3,724
11. Australia, 3,456
12. Brazil, 3,287
13. **Canada, 2,193**
14. Sweden, 1,693
15. Spain, 1,937
16. Netherlands, 1,402
17. Finland, 1,220
18. Austria, 1,263
19. Switzerland, 873
20. Denmark, 836

Source: Thomson Scientific

Introduction to Keynoter #1

Don't underestimate the excellence of this June's conference nor its power to change perceptions. *It's designed to move us along the journey!*

Over the next few weeks we will be introducing the Keynotes and the program components. Why? Because this conference has been designed by a

The Kitchener Lean Best Practice Program Is Now Downloadable on

www.measureupforsuccess.com

By simply clicking on "Downloads & Media Info" you can download the full program of 36 Best Practices from a wide cross-section of applications including those from one of the most famous focused factories in the world – the Shouldice Hospital. These are practical examples that will cause many lights to go on. Remember the estimate that over 80% of the solutions needed by mfg will come from non-mfg sources in the future.

Each practice is rated to help with the selection. Additional data is being added daily to flesh out the rest of the headings. A place to start would be by downloading the Program which is PDF format for easy emailing to anyone.

cross-section of busy people with little time to just 'sit and listen.' We are all looking for the best place to invest our time – and every component has been assembled from that point of view.

The Conference's opening keynote is Dan Joseph, Managing Director, International Operations for ESS China. Dan will begin the conference by sorting out the **facts and myths surrounding China**. He was spotted on Larry King's outstanding "Great China Debate" held last year in Cincinnati. His insight and knowledge quickly showed him to be the most astute thinker of the 8 leaders on this panel which included the US Government's Advocate for Small Business, the man who set up the North American Supply Chain for Honda and later John Deere. His background will give this Conference a view from 'someone who has been there' that will help put in perspective the road ahead.

Dan Joseph comes to us from China where he has lived for over 8 years. His primary function is to manage all ESS activities relative to China. His extensive background includes finance, operations, and general management experience with a particular focus on China. He has been doing business in the Far East for over a dozen years. Dan is fluent in Mandarin Chinese and is the author of the book **Wen and the Art of Doing Business in China** which the China Business Review Magazine said **"should be mandatory reading for those sent to work in China and those who dispatch them there."**

Dan's experience in China includes working as a project finance manager for Westinghouse in Taiwan, where he prepared the business and financial plan

for the construction of joint venture garbage burning power plants, and recruited the support and involvement of partners, banks, suppliers, and government agencies.

Later Dan worked as Operations Manager, China for the Mining and Construction division of **Kennametal, Inc.** – a company well known for lean initiatives for many years in AME circles. In this capacity Dan had a leadership role in establishing Kennametal's operation in China.

Dan's role was broad from start to finish and included the negotiation of two joint venture agreements, the construction of one manufacturing facility and the acquisition of another, equipment selection and installation for both plants, design and implementation of all operational processes and the system of management, and ongoing management of the entire operation.

Dan's other Far East experience includes being partner and general manager of a financial services firm in Taiwan and founding a consulting firm, **Cultural Dragon Consulting**, that provided general management consulting services to clients entering the Chinese market. Clients came from a broad array of industries including steel, packaging, real estate service, and apparel.

Dan holds degrees in Mechanical Engineering (Carnegie Mellon University) and International Economics and Finance (Georgetown University's School of Foreign Service). His career started on Wall Street where he worked as financial analyst for Prudential Bache's mergers and acquisitions department.

He is a frequent speaker and writer on issues relating to China and has appeared at functions for some of America's leading trade and industrial associations and professional services firms. Dan's company, Cultural Dragon Consulting, began providing services to ESS in 2001 and merged with ESS in 2004.

Australia with 1/3 Less Population Files 57% More Patents than Canada

Might there be some Lean thinking lurking there that is not lurking here?

In a recent Business publication, Aby Derek Parker's article on "Leaning Towards World-Class Standards," (<http://www.ferret.com.au/articles/a5/0c03c0a5.asp>)

argues that lean principles are becoming the standard way of thinking and have entered the mainstream of business thinking in Australia.

The article clearly asserts that to LEAN supporters – "It is the way of the future, the necessary if difficult road to efficiency and international competitiveness for the manufacturing sector. To skeptics, it is at best a fad and at worst a means by which sound companies are made dangerously vulnerable to business risks. But one way or another, the concept of lean manufacturing appears to be here to stay, and now the issue is how best to understand and utilize it."

This is also becoming crystal clear from coast to coast in Canada - quietly. Consortiums were founded over 8 years ago (some 15) based on the foundation of Lean Thinking. The change has been nothing short of absolutely spectacular.

Your editor remembers the first major International Lean Conference assembled by manufacturers for manufacturers in Canada in 1998 – the "International Simplicity Conference" in Toronto, as well as the first outstanding major National Lean Conference in 2001 in Calgary.

One look at the change in the numbers of companies **and the level of sophistication they have arisen to** indicates the "Lean Movement" has delivered bottom line results in spite of the lack of infrastructure support. Most improvements have been self-administered by firms who saw common sense in doing it– with wide variation in support from governments, with Alberta leading the way.

But in Australia, several state governments have actively promoted the idea of Lean to the point of flying Canadian consortium folks in to help. They have sponsored important conferences in partnership with key industry associations. And, on the educational side, there is their new **Certificate in Competitive Manufacturing, which has an emphasis on lean manufacturing concepts.**

The same message is beginning to be heard from our UK friends. At the University of Cardiff, where Dan Jones founded the Lean Enterprise Academy, there is now the **only Lean Masters program in the World. Ten of their corporate grad students will be attending the Kitchener Conference to share their thinking while they visit our plants as we share our thinking. And that is a good thing!**