

Volume 11, Issue 17 □ **April 26, 2004****Important Dates to add to your calendar...**

- **Apr 27&28, AME/HPM Intro to Lean Accounting 1.5 days.** This fall... there will be a "Lean Accounting Roundtable." We're looking for HPM'ers & Weekly Update readers serious about implementing LA. If interested, attendance at this session is a prerequisite for being a "Pilot Site." dhogg@netcom.ca for info.
- **May 12th, Consortium-to-Consortium Phone Exchange** HPM will continue chatting with 'consenting consortiums' from Newfoundland to BC to exchange ideas on best practices, etc... Calls to Nfld, MB, Sask, and BC are planned, with more to come. dhogg@netcom.ca or call 519-893-6260.
- **May 12th, AME Practitioner Series: Lean Implementation & Tour of CGL Mfg. Guelph.** For full details, contact Barb Jacklin at: 905-681-6039 – or by email at bjacklin3@cogeco.ca
NOTE: HPM Members get AME Member Rate
- **May 18-24th Lean Pacific Rim Conference,** - What it takes to succeed in the new global village. Why not visit Australia and take in the sights as well as some Lean solutions? If you are going, let us know and we will put you in touch with Consortium members who can give you the 'inside scoop'.

Just in – Many of you know Gary Kerr from his Case Study here last month, and from his many trips to Canada to learn – and contribute - all the Lean ideas he can. **He's promised to put a steak on the barbie for any Consortium member who makes the trek to Melbourne Australia**

- **May 18-20th, AME Leadership in Manufacturing ... How the Best Plants Do It!** AME Conference with **Industry Week** Magazine features top "America's Best Plants Competition" winners – including Guelph's Collins & Aikman. Check out www.ame.org

NOTE: If you are at that point in your Lean journey, where your folks need to see the best examples there are to complete your vision, look seriously at this event. You will hear first-hand from every one of the **10 winners of the 14th Annual America's Best Plants competition...** as well as the **2nd Canadian plant ever to win.**

- **June 13-18, CME Innovation Insights Int'l Tour Germany: Booking now** – visit leading plants in automotive, machining and electronic technologies who employ from 320 to 8,000 employees. Each year participants can set a value measure for a return of ten times the total cost of travel, accommodation and time away. This is a 'harvest Best Practices' mission with 20 Canadians from across the country. Interchange with them alone is of high value. **Call 800-999-4129** for information on "Best Practices Mission to Germany."

Last Week's Value Stream Mapping @ Orenda

"Good tool to look at processes & understand areas for improvement" was Orenda's Archie Waddell's comment upon completing the "Value Stream Mapping Experience" at Orenda. Bob Kerr led the two-day hands-on workshop and earned a 4.75 out of 5 from the 20 Orenda folk in attendance. The session focused on the non-manufacturing side of the business and spent the first day mapping the respective Value Streams with the Future State on day two. As the scope of the process became clearer, folks began to see the complexity and the depth needed to go forward, which caused some to desire a 4-day experience instead of 2. According to the responses, solid value was conveyed.

Down-Under Lean Conference A Winner --- www.x2xconference.com.au

AME Pacific Rim Conference, 18-24 May 2004, Melbourne Australia: "With 14 leading International speakers, 35 practitioner presentations, 5 full-day workshops - and much more, this is the best value in Lean Learning ever held in Australia," according to Gary Kerr, who presented the highly stimulating ADI Case Study to HPM'ers last month.

As we feel the hot breath of Mexico and China, so, too, does Australia feel the same heat from Indonesia and India – the principles of lean manufacturing are changing the competitive landscape for doing business in the Asia Pacific region.

This conference brings together people and organizations from around the world who must compete globally. Under the theme 'Xcelerate to Xcellence', the Conference will discuss the hot issues of competing and winning into the future – and just how does one go about it – "How do you keep up? Especially since the Asia Pacific region has low direct labor costs, but high 'connectivity costs' with Northern Hemisphere customers. The advantage of low labor costs has allowed spectacular export growth during the '90s. Western mfrs have embraced Lean Thinking to reduce the cost of doing business and erode Asia's advantage of a low-cost currency. Those unable to keep pace will simply not survive. Hence to compete and win against the world's best in the future, we will need to do things differently - not just improve what we do.

This conference features insights and break-through activities by leaders around the world, from fields as diverse as mining and manufacturing to infrastructure development, learning institutions and technology centers.

Who can profit from this ground-breaking Conference? Those using Visual Pull Systems, Value Stream Maps or other Lean practices can network & learn from fellow practitioners. For those just starting who would benefit from improving inventory turns by 10X, reducing floor space by 40%, or just simplifying every function - this Conference will give you all the tools to get you started. If you want to accelerate your competitive practices to match and exceed the rest of the world, you need to be at the AME Pacific Rim Conference.

High Performance Relationship (HPR) Pilot Generates Good Feedback

“Greatest barrier to future competitive survival is our inability to change our culture”

Directed to the shop floor infrastructure, this recently concluded pilot for the 2-Day HBR program saw ratings of 4.2 and 4.3 out of 5 for the “Overall Value of the Workshop”, and for the “Instructor Effectiveness” respectively. Each attendee was asked to express their honest feelings at the end of the course to provide recommendations and feedback as to how the program could provide more value. Here are their unvarnished responses:

“The first day was a refresher of the Kathy Grad course.”

“Excellent material for section on establishing effective teamwork.”

“Time spent was very valuable”

“I feel this is a course that would be most useful to non-management who do not usually have the benefit of such courses and only hear buzz words without understanding them.”

“Excellent job Frank!” “Very useful overall.”

“Very enthusiastic on the topic – good use of examples.”

“I will be able to modify and control my AWR now that I have identified them - professionally & personally.”

“Well spoken, direct. Always tried to resolve concerns before moving on.”

“Frank, a job well done. You seemed quite comfortable with a group of people with [whom] you were not familiar. Good use of breaks to keep people focused.”

“Very good, kept things moving but still had time for diversions.”

“Building trust between all parties to build a strong and effective team.”

Next Steps

HPM's next step will be to present all findings to the GMT meeting this Wednesday, and to the HPM Co-Chairs of Leveraging and Education. There is no doubt about the need for such a program – or a derivative thereof – that results in a culture that can accelerate change and truly accept what is needed to put in place a no-blame environment. The power of our continuous programs depend upon it.

HPM Board Mtg @ Gateway Postal Station – Features Dr. Robert Hall

It's time for manufacturers to look wherever excellence and achievement can be found... Canada Post is a 150-year-old institution which delivers 37 million pieces of mail to 13 million addresses every day. They have just completed their 9th consecutive yearly profit – and Lean has played a major role, as HPM'ers will see during the tour.

CPC Vision: “Canada Post will be a world leader in providing innovative physical and electronic delivery solutions, creating value for our customers, employees and all Canadians.”

CPC Commitment: “From anywhere to anyone.”

HPM's initiative to hold its Board Meetings at different locations kicks off with the May 26th Board Meeting to be held at the monster Gateway Postal Station. Canada Post will feature a look at some of their Lean initiatives which are causing Postal services around the world to come to them for consulting services. CPC deserves much credit. Those who heard CPC's Sr. Executive VP, Tom Charlton, at the MeasureUp conference got a glimpse of the excellence used in deploying such a huge cultural change in a 48,000 person operation.

Feature Speaker @ May 26th HPM Board Meeting

Dr. Robert (Doc) Hall, Editor & Chief of Target Magazine, Author of Zero Inventories, Kaizen Blitz, and more Founder of the **Association for Manufacturing Excellence** & Recipient, first Lifetime Achievement Award Professor Emeritus, University of Indiana School of Business (Retired)

AME Canadian Region & HPM Increase Value for Their Members

Twenty years ago, the Association for Manufacturing Excellence (AME) was born based on the simple need for practitioners to exchange Best Practices with other practitioners, including those things that worked – and those that did not. It started when Dr. Robert (Doc) Hall and folk like Ken Smart who helped put the Industry Week Magazines 'America's Best Plants' competition together, broke away from APICS in 1985 to found AME as a hands-on, practical, down-to-earth, group of mfg. practitioners. Since then, AME has become famous for its classic 'Lean and Simple' “Workshops.” They consist of a 1.5 Day format where folks gather on-site at a selected location to hear corporate leaders provide background on their company. This is followed by a plant tour with lots of time to talk to the value-adders about their processes. Everyone then gathers into their working groups to discuss what they saw. The frank and fun exchange is powerful.

2004 AME & HPM

Many HPM members are AME members. The first HPM Kaizen Blitz at **Hammond**, Kenhar, and **Bird Packaging** in 1995 came about because of AME support and help in learning how to do them -- and the rest is history.

NEW: AME activities are open to HPM Members at the AME Member rate – a saving of some \$180 per event. Non-competing AME members are also able to participate in open HPM events at the HPM Member rate. Good value here.

Lean Forum #4: Leveraging Technology to Cut Enterprise Cost & Waste – This one for HPM Members

“It’s people who make Technology productive... Picking the right technology amplifies their efforts.”

A practical practitioner-to-practitioner exchange: *Lean Thinking means achieving results through people. And those who bring people, processes, and technology together in the ‘leanest’ and most innovative way are winning globally. This Forum brings practitioners together to exchange know-how for mutual benefit as they show how they used technology and innovation to overcome the current obstacles to the automation of Design, Sales/ Customer Response, & Costing issues.*

*A highlight will be a thought-provoking look at **how ERP has failed Engineer-to-Order manufacturers...** and how a new concept may turn these failures around. The presentations provide a look at the issues that frustrate engineer-to-order manufacturers who must protect margins & increase their competitive positions by combining Lean Thinking with the right technology. In short, this forum provides insights into how technology can help run the race of ‘faster, cheaper, better’ by continuing to Think Lean.*

Wednesday, May 13th, 2004, Mancor Industries, Speers Road Facility, Oakville

8:00 Registration & Continental Breakfast

**8:30 Welcome—setting the stage
Round the room—status report**

9:00 Engineering/Sales Automation:

Mancor Industries ~ Art Church, CEO

Case Study 1: “Using ‘Visual 3-D Modeling Technology to Accelerate the Sales Impact & reduce errors”

Productive prototyping: Technologies that produce 3-D models are readily available – their power can be used in discussions to help customers visualize component or assembly. They can also be used to design manufacturing processes more efficiently.

Affordable visioning technology: Here is an innovative use of consumer electronics in a manufacturing environment. Art will focus on the use of cameras to communicate with robots in an unmanned production cell and the issues this involves.

10:15 Perspective: “Leveling the Playing Field for Engineer-to-Order Mfrs.”

Dan Morgan, Director Tryllium Industries Inc.

Tryllium has been marketing and installing design, CAD/CAM, and engineering solutions since the days of the Ontario CAD/CAM Centre 18 years ago. Dan will overview the integration of the crucial functions of Sales, Engineering, and Cost Estimating, in a seam less way to eliminate wasted time and effort in selling an engineered product and preparing for physical fabrication.

11:00 Management: “Getting the Paradigm Right: ERP has failed Engineer-to-Order Manufacturers”

Prof. Paul Doherty, Assistant Professor, School of Business, Wilfrid Laurier University

Engineer-to-Order companies have been unable to leverage ERP for justifiable return on investment in the technology. Dr. Doherty describes why ERP has failed and offers a new alternative technology philosophy that is emerging in a new software platform known as “Enterprise Resource Automation” or ERA. [Contact Dave at dhogg@netcom.ca for Dr. Doherty’s paper]

12:00 Open Discussion on Morning’s Program

12:15 Informal Working Lunch

01:00 Engineer-to-Order Case Study 2: “Applying technology engines to cut design, quotation, & customer response times.” George Foss, President, 3L Filters Ltd., Cambridge

3L Filters has been building engineered pressure vessels sold around the world for over 35 years in the industrial, environmental, and nuclear sectors. They will share their company’s use of technology to respond to competitive pressures to cut sales cycle times as 3L filters set a target for major improvements to customer response. They will describe the implementation of a system that allows Sales to configure, design, and price variational products to meet Engineer-to-Order application requirements. They will highlight the implementation services to make it work.

02:00 Shop Control: A new-product Look-See... moving Kanban to the next level

Case Study 3: “Using Electronic Kanbans to communicate to the world via the Internet”... Extending the impact of your Kanban System

Matthew Marotta, CEO Datacraft Solutions, NC, Scott Smith, Value Stream/Supply Chain Specialist,

Kanban systems are the heart of most replenishment solutions because the visible signals they generate which prompt quick human intervention. By linking the ‘visible Kanban signals’ to the internet, means suppliers and customers see the same signals at the speed of light. The approach cuts procurement cycle times and increases accuracy. This has been a jointly developed product by a US company and HPS.

03:15 Technology Management: Willow Manufacturing ~ Dennis Wild Case Study 4: “Using ‘Technology’ to put the ‘Mobile Front Office’ In front of your customer to shrink sales cycle time”

The concept of ‘Front Office vs. Back Office’ has been discussed within the context of GE and Microsoft. Taking it to the practical but ‘future state’ concept, if the back office is able to automate, eliminate paper, and be close to the customer – the Front Office can be much closer to the customer to shrink the sales cycle and speed the response to customers through innovation & automation

04:00 Open Discussion

Visit to the “Willow Mobile Office”

04:30 Adjourn