



Spring 2009

**DELIVERS**

**Your Resource Driving Manufacturing Innovation**



**STAYING SHARP IN A DOWN ECONOMY**

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## John's

## Corner



John W. Lloyd, President &amp; CEO

## Growing Your Business: Understanding Market Characteristics

As the economy continues to stumble, family businesses remain a dominant force in the U.S. economy. The key to success is not so much the size of a company as it is in the company strategy, operating philosophy and willingness to adapt to changing market conditions. Successful companies cannot progress by operating within the status quo. It is necessary to continually introduce new approaches, develop new products and find new markets with new customers.

This certainly is easier said than done. No one ever said that running a successful business is easy. Often times it all comes down to the willingness to change. Products, services and markets do not last forever. The great business guru Dr. W. Edwards Deming puts it in a way which I think speaks volumes: "We do not have to change because being in business is not compulsory."

Whether you're selling to the individual consumer or to another business, your customer wants change and innovation. In order to grow your business, you must meet this expectation for improved products and better

service. High quality is expected, and anything less than top-notch quality will quickly doom your business.

It all comes down to setting your business apart from your competition in the marketplace by establishing your strategic competitive advantage. Find some concept, some feature that makes your product or service better than everyone else's.

Gaining insight into your company and your customers is critical for success. Company leadership needs to examine your mission, vision, goals and key operating objectives. Explore current market conditions, business and industry trends, competitive pressures and the issues and challenges unique to your organization. To help get the process underway, think about this series of questions:

- What percent of your current revenue is tied to commodity-based or declining market segments?
- What means do you utilize to understand the "voice of the customer" from your marketplace in your business?
- Do you have a deliberate plan of action to develop your competitive advantage?
- How confident are you in the future of your business?
- If you were turning your business over to the next generation, would you feel confident the business would provide a prosperous future for them?

There are opportunities out there for every business. By closely examining your business and your markets, the opportunities will begin to emerge. At MANTEC we've broken them down into four practice areas in which a company can launch its growth strategy. We refer to them as our Business Growth Services consisting of: strategic development, market development, new product development, and sales development.

Many business owners are so busy working in their business that they don't have time to work on their business. Discuss your business dynamics with outside advisors or good third party consultants. In today's complicated world you can't possibly know everything you need to know to operate your business effectively. Get some help and pull in resources.

Embrace change! You can't avoid it, and if you try you'll get stepped on. Your products, your markets and your customers evolve, and you must too. What worked yesterday doesn't work any longer today, and what's working today won't work tomorrow. Your competition is changing and you need to stay sharp in order to win new sales and grow your business.

# AROUND THE STATE

## Thank You For Participating

MANTEC recently conducted a perception survey that had 3 objectives:

1. Determine current awareness levels
2. Gain insight into communication/marketing tactics to improve awareness
3. Determine if website is an effective marketing tool

Phone interviews were conducted with 35 clients and 21 prospects. Overall, clients understand the role of MANTEC, although not all of the services we can provide. Clients shared that we have a quality staff and services and marketing the services is an area for improvement. Both clients and prospective clients have not visited the MANTEC website and they prefer HTML emails. Prospects are not aware of MANTEC and do not work with consultants.

We are listening to the feedback and changes continue to be made. If you would like to offer additional feedback please contact Leigh Ann Wilson at 717-843-5054 x223.



The Lancaster County Career and Technology Center recognized Rob McIlvaine, Vice President of Special Projects for MANTEC for Distinguished Community Support. Rob has been closely aligned with LCCTC for 15+ years and Rob's passion for helping young people identify career opportunities in manufacturing has long been recognized.

### Correction to MANTEC Delivers Fall 2008:

#### A New Way of Thinking about HR

Flinchbaugh Engineering implemented this innovative approach to HR



Representative Glen Grell visited Oven Industries to learn more about MANTEC and the impact on our client. See full article on page 4 about the successes at Oven Industries.

U.S. Representative Todd Platts (left) visited Flinchbaugh Engineering Inc. (FEI) to learn more about their successful ESOP and client diversification. John W. Lloyd (center) and Mike Lehman, President of FEI (right) speak with employees during the tour.



Representative Scott Boyd returned to SteelFab, Brenneman Printing and Lancaster Threaded Products with John W. Lloyd and Lancaster County District Manager, Gary Egolf to tape a 30 minute legislative report. View the video at: [www.repboyd.com](http://www.repboyd.com)

Click on My Video updates and 10/23/08 video.

## Employee Free Choice Act

Are you aware of important legislation known as Employee Free Choice Act, nicknamed, "Card Check" introduced to U.S. Congress in 2007? The proposed bill has several implications of which you as an employer need to understand. If passed the Act will:



- Establish the authorization card check process as the primary manner of union organization
- Impose unwanted employment conditions on employees and employers
- Establish penalties, fines, and liquidated damages for employers

To request the MANTEC info paper on this topic please contact Kent Keller at [kent@mantec.org](mailto:kent@mantec.org)

# Above and Beyond in Customer Focus

“It’s as exciting as watching paint dry.” This phrase often portrays a boring task that Tucker Industrial Liquid Coatings (ILC) never understood. For 15 years, Tucker ILC finds great satisfaction in watching paint dry and finds great success in providing a quality service to their customers.

Bernie Tucker, founder of Tucker ILC, seized an opportunity when the Clean Air Act was enacted in 1991. Companies no longer could meet the strict environmental compliance standards. On top of that, they could not afford to watch paint dry. Tucker capitalized on his 22 years of expertise in the paint/equipment business to open Tucker ILC.

Tucker ILC is not like any other coatings company. Tucker ILC is an authorized stocking distributor for Hentzen Coatings Inc. which manufactures industrial coatings, powder coatings and is the industry leader in military specification coatings. This 10 year partnership allows Tucker to support customers with product knowledge, hands on training, and stocking capabilities. Other companies may provide a low cost solution without offering the painting knowledge and expertise available at Tucker ILC. Tucker works closely with every customer to achieve significant cost savings while maintaining a quality paint job. Their customer focus is the reason they won the BAE Systems, Land & Armaments- Ground Systems 2007 Supplier of the Year award. They accepted this award at a ceremony held in the fall of 2008.

BAE Systems is a major contract for Tucker ILC stemming back to when BAE Systems experienced paint, quality and inventory



*Bernie Tucker's product knowledge in industrial coatings is unmatched when it comes to his partnership with Hentzen Coatings, Inc.*

issues. Tucker is an integral part of BAE's finishing operation as he calculates the required coatings and controls the paint cost for each part. As an example of his crucial role, he discovered a way to improve the supply chain, saving BAE Systems even more money. 2007 was a challenging year for BAE Systems with expedited production of the new RG-33 MRAP wheeled vehicles. Tucker ILC was there every step of the way delivering products with very quick turns.

The recognition for Tucker ILC does not end there. M & T Bank nominated them as a Central Penn Business Journal Business of the Year and they were selected as a finalist in the 51-100 employees category. Additionally, both Bernie and Brian Tucker were selected as “Industry Experts” to assist in consulting work with Army organizations and activities worldwide.

Tucker states, “to date we traveled to five Army Depots across the United States and provided recommendations on how to plan strategically for long term improvements, identified **best practices** and presented industry based **benchmarking** advice on areas to fix immediately to boost productivity. This new role allows us to serve our nation and more importantly our soldiers. We are honored to support them through our knowledge and expertise.”

Their success does not come without its challenges. In March 2006 there were 25 employees at Tucker ILC. Due to the huge growth in their business, employees more than doubled to 60. Space is also an issue as they started as a 2,500 square foot operation and now reside in a 60,000 facility with the need to relocate again. For the second year in a row Tucker ILC was recognized as a Top 50 fastest growing company in Central Pennsylvania.

Tucker welcomes these challenges as his business continues to expand. Tucker states that he is very fortunate to continue this growth without having a salesperson on the road. He attributes his success to close partnerships with clients, high quality standards and dedicated employees. Tucker ILC enjoys watching paint dry—it's good for business!



## Why Transform?

Professional business advisory experience and services actively facilitate the development of a business transformation plan that addresses:

- The goals and aspirations of the CEO and business leaders.
- Technology, finance, human resources, supplier relations, market analysis and positioning, and product innovation.
- A compelling vision and clear mission that will guide decision-making and optimize the full potential of the company.

*This is a new product offering to transform your organization.*

*To learn more contact your District Manager directly or call MANTEC at 717-843-5054*

# HOW PEOPLE MAKE THINGS

Inspired by the Mister Rogers' Factory Tours

Manufacturing is a vital part of the economy—and of Americans' everyday lives. However, many forget about the people who make the things they use daily at work, at play, and everywhere in between. That's where *How People Make Things*, a travelling exhibit created by the Children's Museum of

Pittsburgh, comes in. The exhibit strives to demonstrate how very important and interesting the process through which people make things is. Its visitors experience manufacturing for themselves in four steps: cutting, molding, deforming, and assembling. In short, the exhibit helps children—and everyone else—to enjoy and understand just *How People Make Things*. *The How People Make Things* exhibit runs at the Whitaker Center in Harrisburg, PA until May 10, 2009.

On January 15<sup>th</sup>, MANTEC held a ribbon cutting ceremony sponsored by the Department of Community and Economic Development (DCED). In attendance were community leaders, manufacturers and government leaders including DCED Deputy Secretary, Rebecca Bagley and Rep. Eugene DePasquale. Most importantly were two 6<sup>th</sup> grade classes from the York City School District that attended through sponsorship from the Manufacturers Association of South Central PA. After the formalities were over the children charged into the exhibit to show the adults in the group how things are made. *The exhibit is geared for children ages 5 – 12, although the older generation had just as much fun.*

The students left carrying paper boxes and horses, deformed pennies and coils, and the knowledge of how products they use everyday are made. Richard W. Dennis, President of Die-Tech, a precision metal stamping company, was observed teaching children how to etch their initials into a block of wax using the drill press.

## FMLA and ADA laws changed effective January 16, 2009

MANTEC in partnership with Barley Snyder presented the updates to the FMLA and ADA laws. Over 200 people attended the events in Hanover, York and Lancaster. To receive information on this topic please contact Kent Keller at [kent@mantec.org](mailto:kent@mantec.org)



*Jennifer Craighead (left), Partner at Barley Snyder, explains the new FMLA and ADA law changes to Lena Hayes (right).*

Shirely Rudacille, teacher at Hannah Penn commented that “To connect terms such as: cutting, molding, and deforming to actual hands on activities was the greatest teaching strategy to relate manufacturing to the students. Practical experiences go a long way in educating our youth about our world. When education and industry supporters combine, students benefit. These students are very impressionable and early life experiences into the field of a working economy demonstrate the actuality of a job. This trip demonstrated that making things can be fun.”

This year many school field trips were eliminated due to lack of funding. MANTEC is working with the schools in our region to establish interest in attending this STEM qualified exhibit. Simultaneously we are requesting sponsorship from local organizations. Your investment of \$500 will allow approximately 55 students to attend the exhibit. *If you are interested in a sponsorship please contact Leigh Ann Wilson at 717-843-5054 x223 or email at [wilsonla@mantec.org](mailto:wilsonla@mantec.org).* For more information on the exhibit go to: [www.whitakercenter.org](http://www.whitakercenter.org) or call 717-214-ARTS.



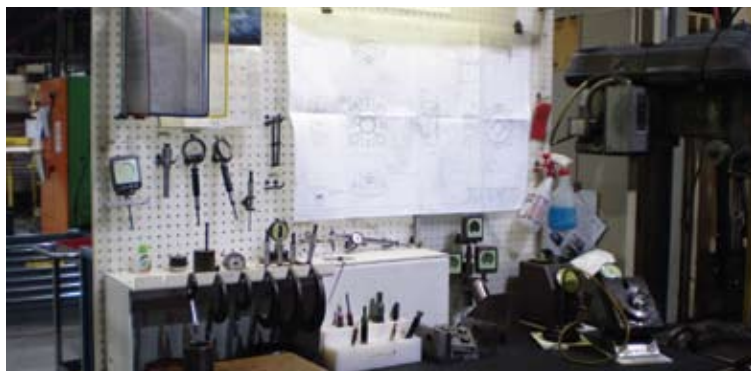
“Through the Cultural Assessment offered by MANTEC, Wilton Armetale was able to engage our employees and learn their opinions of our company in a confidential manner. With the detailed report we identified specific areas to drive change and improvements in our organization.”  
~Ken Lefever, President  
The Cultural Assessment is a new product offering. For more information contact Kent Keller at [kent@mantec.org](mailto:kent@mantec.org)

## The LEAN Forest

“To make knowledge productive, we will have to learn to see both forest and tree,” states Peter F. Drucker. A complete LEAN transformation is an entire forest and each LEAN project is a tree towards creating the forest.

R.H. Sheppard saw the need to plant a forest and begin their LEAN transformation. Planting the individual trees is labor intensive and requires persistence. There were many trees from which to choose; however, a 5S initiative which instills the LEAN discipline stood tallest. The project was a huge success with 600 employees going through the training, including top management. Set-up procedures are now easy to find and cooperation between day and night shift greatly improved. Metrics are in place with employees evaluated on productivity, quality, cooperation and attendance.

Prior to the start of the LEAN transformation, morning meetings focused on delivery. The priority now is on safety, quality, delivery, cost, and employee morale. Communication boards reflect the LEAN initiatives and focus on the internal customer using peer assessments. With one tree firmly rooted the next tree was planted as employees became LEAN Certified. R.H. Sheppard is now well organized with balanced lines, a supportive culture and processes are efficient to ensure quality products. There are many more trees to plant including inventory turnover, kaizen and training plans.



*Organized workstation results from 5S implementation.*

R.H. Sheppard is not alone in this transformation. Through the guidance of MANTEC they joined the LEAN Working Group to engage with others planting their own forests. The LEAN Working Groups were formed for members to assist each other in using LEAN principles and techniques to continuously improve company profitability and competitiveness. Each meeting includes a plant tour of the host company, discussion among the group and a case study led by MANTEC. “The host company directly benefits from the diverse experiences, viewpoints, and suggestions of the attendees, while the attendees benefit from seeing different manners in which concepts were applied,” commented Oliver Hoar, of R.H. Sheppard.

As each tree is planted, the LEAN transformation blossoms into a robust forest of efficiency. The journey may be long and winding; however, with the right guidance, it is possible to transform.

## ISO 9001 Improves Oven Industries

Oven Industries, Inc., founded in 1964, pioneered the development of temperature control products designed by experts in this field. In order to meet new customer requirements, Oven Industries identified the need to establish a Quality Management System in accordance with ISO 9001 standards. Formal processes were not in place which caused a significant loss in time to rebuild programs. Lead time for customers was affected by the lack of organization in the processes and there were missed opportunities for their business.

In order to pursue certification, Oven Industries through the guidance of Marcus Consulting audited their current processes to identify deficiencies. Oven Industries then implemented the necessary documentations to bring their quality standards into compliance with ISO 9001. With the quality management system in place they pursued their ISO 9001 and AS9100 certification for aircraft requirements.

Since receiving their ISO 9001 certification in August 2008, Oven Industries is more competitive, efficient and more profitable. They pursue new customers including FDA applications. Process efficiencies tripled the throughput of the organization. With the great increase in volumes Oven Industries added 4 new employees- 2 in engineering and 2 in production. Even with the great increase in products being produced the defect rate has not increased. This is a great testament to their quality management system. Other notable results include a reduction of lead times by 40% with greater customer satisfaction and faster response time. Finally, sales increased 20% over the last year.

Richard Nornhold, General Manager, comments that “Oven Industries has been in business for a very long time, but we have never instilled an attitude of documenting quality procedures and thinking about continuous improvement. Like most manufacturers we run on a very tight schedule, and finding time to focus on our internal processes and procedures was challenging. MANTEC stepped in and was able to match us with a consultant that facilitated the process and worked with us all the way from project initiation to final ISO approval. In the end we were very happy with the results that we have seen from sales to finished products delivered to our customers.”

**Congratulations to Billet Industries  
who also recently received their ISO  
9001 certification.**

## Energy Efficiency Grant Program Opens

The Department of Environmental Protection acting Secretary John Hanger announced a program for Pennsylvania's small businesses to improve their energy efficiency and manage higher energy prices.

The new Small Business Energy Efficiency Grant Program provides a 25 percent match, up to \$25,000, for equipment or processes that significantly improve energy efficiency. The program is the first available through the Alternative Energy Investment Fund, part of Governor Edward G. Rendell's Energy Independence Strategy.

Grants will apply to energy efficiency improvements on systems such as lighting, heating, cooling, refrigeration and process machinery, building insulation and weatherization improvement projects.

An eligible applicant must be an independent, for-profit business with 100 employees or fewer, located in Pennsylvania. The project must save at least 20 percent annually in energy-related expenses, with a minimum savings of \$1,000 per year. Examples of eligible small businesses include manufacturers, retailers, service providers, mining businesses and agricultural operations.

The grant application and guidelines are available online at [www.depweb.state.pa.us](http://www.depweb.state.pa.us), or by contacting the Department of Environmental Protection, Office of Energy and Technology Deployment, 15th Floor, Rachel Carson State Office Building, 400 Market Street, P. O. Box 8772, Harrisburg, PA 17105-8772, or by e-mail at [ra-sbgrants@state.pa.us](mailto:ra-sbgrants@state.pa.us). Applications will be accepted through May 1, 2009. Grants will be awarded on a first-come, first-served basis. A total of \$3 million is available for this grant round.

In addition to the Small Business Energy Efficiency Program, the state will unveil a number of new energy conservation programs and alternative energy investment programs in the next couple of months that will benefit the state's power consumers and protect the environment.



Acting Secretary John Hanger announces the energy grant at Die-Tech. Die-Tech has implemented several energy saving programs. Looking on is Richard W. Dennis, President of Die-Tech (left) and Representative Eugene DePasquale (right).

## Combustible Dust Safety & Standards

Dust accumulations can have catastrophic consequences!



Georgia's Imperial Sugar Refinery explosion in February 2008 resulted in 13 deaths, over 40 injuries, massive destruction of the building and lost business opportunities. Not to mention the \$8.7 million fine from OSHA!

MANTEC in partnership with OSHA presented information on prevention and mitigation of combustible dust hazards in industry. For more information on this topic please visit: <http://www.osha.gov/dsg/combustibledust/index.html>  
Use the Hot Topic box at the bottom of the page

You may have heard about LEAN.  
Have you heard about Clean?  
Clean reduces non-value added materials

Clean Strives for:

Nature-friendly Substitutes  
Optimized Material Efficiency

Water Use Reduction  
Air/Water Emission Avoidance  
Solid/Hazardous Waste Reduction  
Toxic Material Elimination  
Efficient Use of Energy  
Sick/Injured Employee Avoidance

One company  
• reduced waste by 200,000 gallons  
• reduced water by 40,000 gallons  
• Saw a cost savings of \$250,000!

To implement Clean at your company contact your District Manager directly or MANTEC at 717-843-5054

**The MANTEC Delivers publication is growing!**

**If you are interested in reaching manufacturers through this publication, advertising opportunities are available.**

**For more information contact Leigh Ann Wilson at [wilsonla@mantec.org](mailto:wilsonla@mantec.org)**



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The Industrial Resource Center Network is supported by the Commonwealth of Pennsylvania through the Department of Community and Economic Development, Office of Policy and Technology.

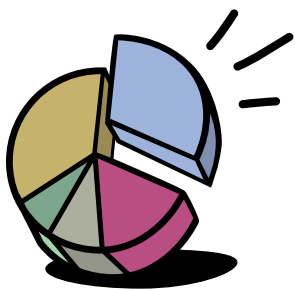
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# Sales EXPANSION Forum

*4-Part Series*

March 18, April 1, April 15, April 29



**How to  
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Gold Sponsor: MANTEC

April 30, 2009 8:00 am - 3:00 pm

Lancaster Convention Center

This unique conference focuses on marketing, website, and business development strategies for the global marketplace. Sponsor and exhibitor opportunities are available.

Info: <http://www.wtccentralpa.org/events.htm>

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### Made in the USA- Choices for Growth!

Generate ideas for growth in marketing, new customers and new markets. Program led by Doug Hall- "Truth Teller Judge" on TV Show American Inventor, hailed as "America's Top New Product Idea Man" by Inc. Magazine and founder of the Eureka! Ranch.

