



*My 46-year Summer Job in
Corrugated Packaging*

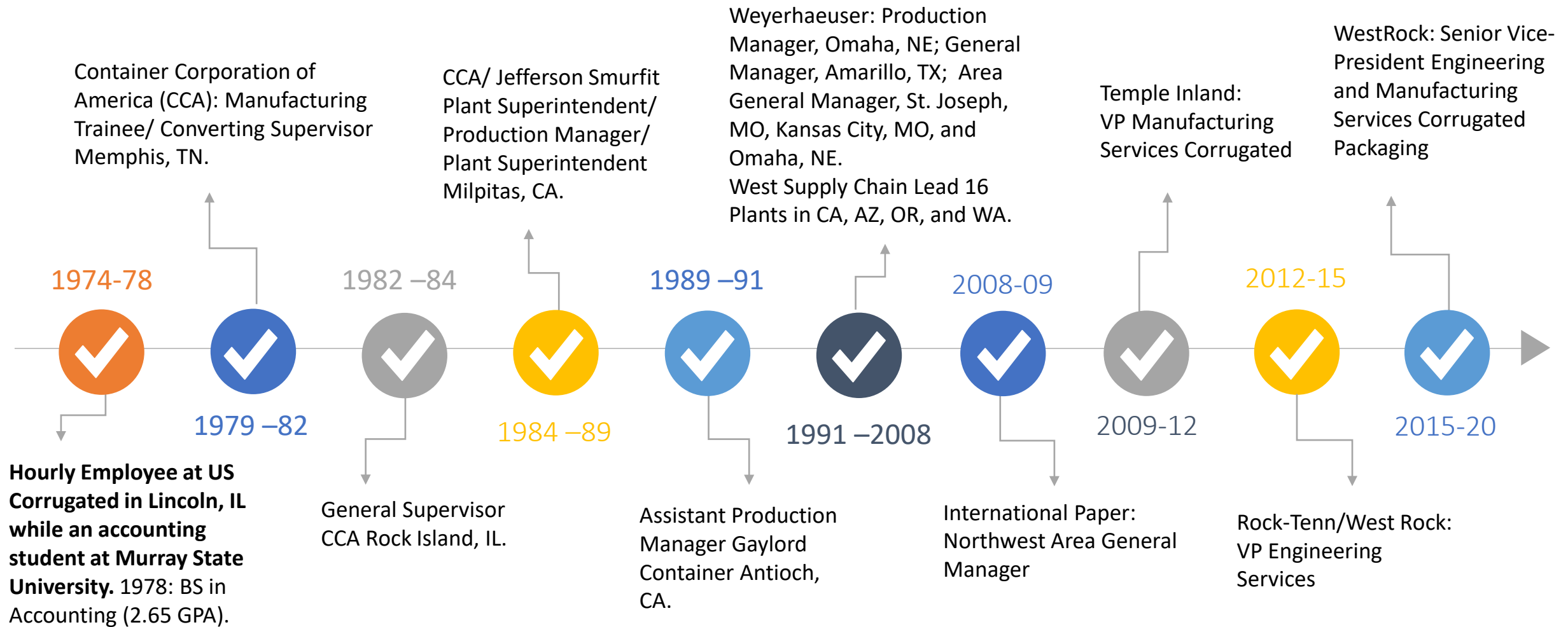


- Steve York





My 46-year Summer Job in Corrugated Packaging

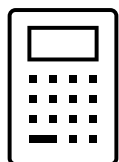




Influences in My Career:



Father taught Metal Shop, Drafting, Foundry, Welding, and Electricity. I Graded his Tests and Learned the Basics in These Areas Before I Turned 18.



Accounting Degree Assisted in Understanding Cost Systems and P&L Prior to Becoming General Manager.



Married Corrugated Sales Representative.





My 46-year Summer Job in Corrugated Packaging



Leadership

Despite Technical Background Struggled to Be Successful Beginning at Plant Superintendent Role From August 1984 until August 1994.



Struggle

Demoted From Production Manager to Plant Superintendent – Milpitas, CA.
Placed on Probation as Production Manager – Weyerhaeuser – Omaha, NE

01. Management Style was Best Described as “Flailing”
02. Told, Rather than Asked, People What to Do.
03. Quick to Lose Temper when Things Didn’t Go Right.
04. Perpetually Fire-Fighting.



What Made Me Decide to Change in 1994?



Admitted Failure

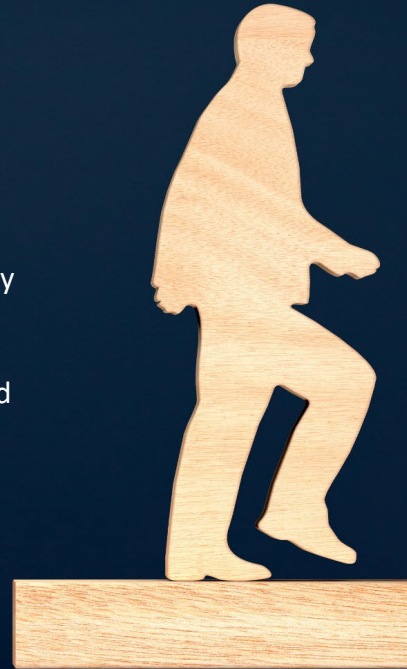
Recognition I was Failing at Something at Which I Wanted to Be Successful.



"The Goal"

Read the Book "The Goal" by Eliyahu M. Goldratt.

Implemented what I Learned in The Goal in Daily Manufacturing Strategy



Win Friends

Influence People

Took Dale Carnegie Courses "How to Win Friends and Influence People and Public Speaking".

Implemented what I Learned in Interactions with People in Plant from Dale Carnegie

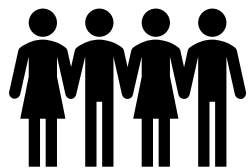
LEADERSHIP





Box Plant Leaders Must Satisfy...

Employees



Customers



Neither Existed to First Satisfy Me.





Employees and Customers Opposing Needs

Employees >>>

Weekends Off

Good Pay

Predictable Schedule

Long Runs

Well Maintained Equipment

<<< Customers

Deliveries on Weekends

Lower Prices

Shorter Lead-Times

Shorter Runs/More Items

Rigid Delivery Requirements



How Does a Box Plant Leader Balance the Needs of These Two Constituencies and Accomplish Safety, Quality, Lower Costs, Make a Profit and withstand Competitor Threats ?





EMPLOYEES CUSTOMERS

By an Extremely Narrow Margin,
Employees are More Important than Customers.

Stable Hourly Workforces are Valuable to
Organizations and Customers.

Unstable Hourly Workforces cannot be
Dependable Suppliers to Customers.



Keep Employees Safe. Leaders Cannot Do it For Employees.



SAFETY



EMPLOYEES
CUSTOMERS



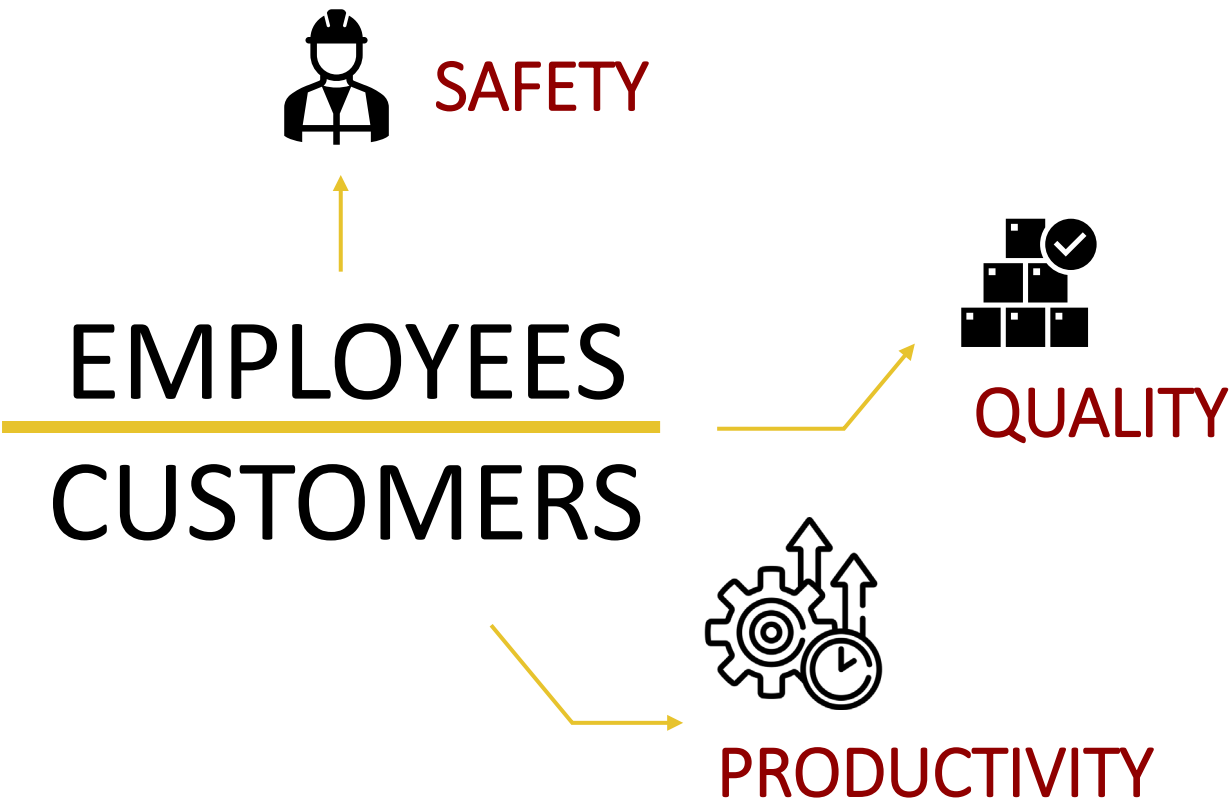


Manufacture Quality Products--- Reliably





Safely Manufacture Quality Products Reliably at the Fastest Speed Possible.
Anything Else is a Cost and Competitive Disadvantage.



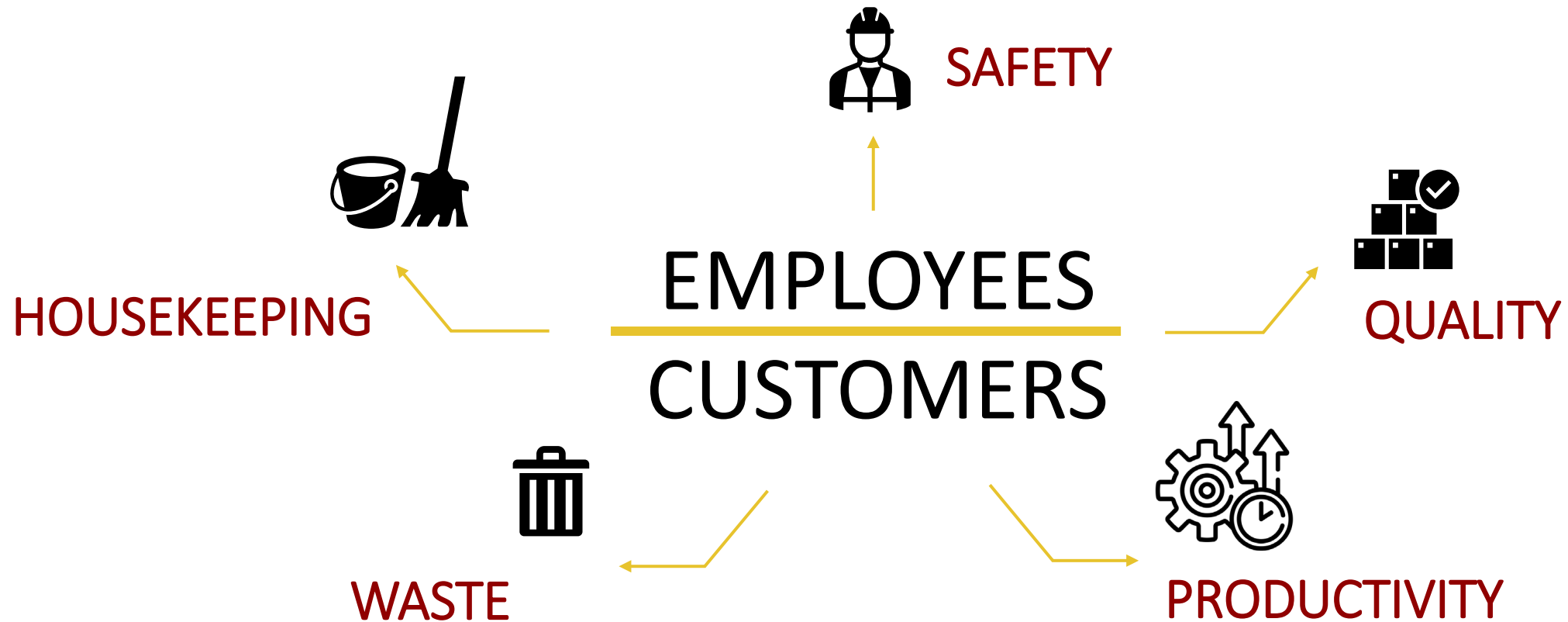


Since Paper is Normally 65% of a Box Plants Cost, there's No Choice: Safely Produce Quality Boxes at the Fastest Productivity with Lowest Waste Possible.





Poor Housekeeping = Safety Problems, Unpredictable Crews, & Delayed Delivery
Prioritize Successfully = Employees, Customers, and Leader will Prosper

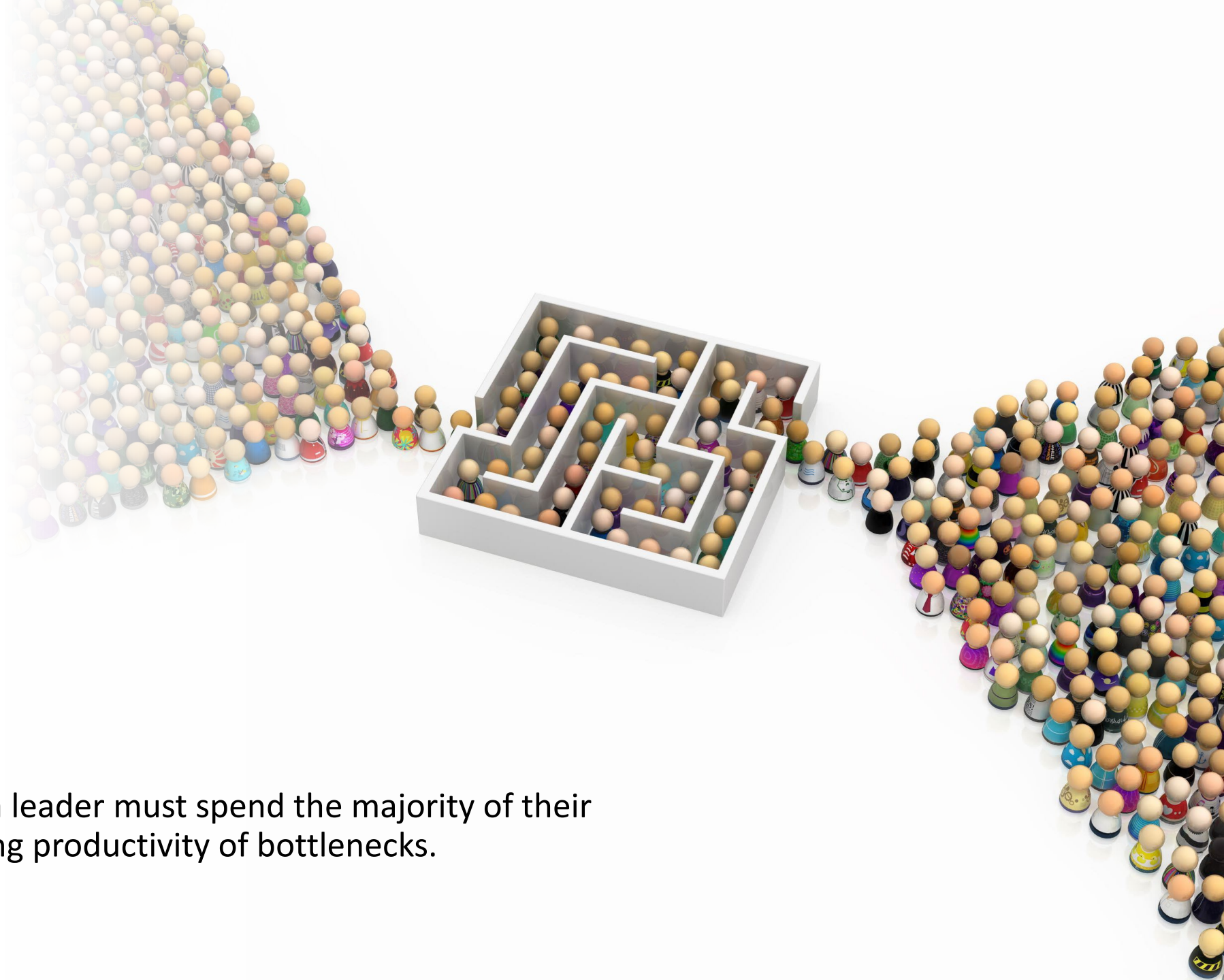


Bottlenecks vs. Hot Orders

Bottlenecks inhibit
a box plant from
increasing Straight-
Time msf/hour

Hot Orders are
Short-Term
situations to take
care of a
customer's
immediate need.

Hot orders are a fact of life, a leader must spend the majority of their time recognizing and elevating productivity of bottlenecks.





Bottlenecks in a Box Plant:

Market – Doesn't Have the Business –
Can't Operate 40 hours/week Monday through Friday.

Good Corrugator MSF/Hour – Has the market but cannot produce sufficient sheets to meet demand –
Corrugator MSF/Hour is the Bottleneck.

Good Converting MSF/Hour – Market and sufficient production of Good MSF/Hour from the corrugator –
Converting MSF/Hour is the Bottleneck.

Mainline, Bander, and Shipping – If a plant has the market, sufficient Good Corrugator MSF/Hour, sufficient Good Converting MSF/Hour, but cannot get the product through the bander and shipping –
Mainline, Bander, and Shipping is the Bottleneck.





What Do Bottlenecks Look Like?

Market:

- 1) Not sufficient volume to operate three shifts Monday - Friday.
- 2) Sufficient Flexo volume, but insufficient Die-Cut volume to operate all Shifts Mon. – Fri. or vice-versa.

What Does the Leader Do?

- 1) Confront pricing realities compared to market
- 2) Transfer business from a sister plant that may be oversold.
- 3) Purchase new capabilities to broaden scope of service

This is a serious problem for the Leader. Long-term -- if not resolved will result in plant closure.

What Do Bottlenecks Look Like?

Good Corrugator MSF/Hour:

- 1) Empty WIP Conveyors
- 2) Converting Equipment Not Running or Running Slower
- 3) High % of Sheets Produced Inhibit Corrugator Stacker or Knife Curve
- 4) Product not on Banding Line

What Does the Leader Do?

- 1) Challenge Corrugator Operating Speeds and/or Eliminate the non-Capital Causes for Lower Speed Operation
- 2) Eliminate Restrictions of Stacker and/or Knife Curve
- 3) Wider and Faster Corrugator. Upgrade or Purchase New
- 4) Purchase Sheets from Sister Plants
- 5) Be Cautious of Accepting New Business that Restricts Corrugator Productivity and Ability to Supply Converting Equipment



What Do Bottlenecks Look Like?

Good Converting MSF/Hour:

- 1) WIP Full of Sheets and/or Sheets are not FWBDSs (Flat, Well-Bonded Dry Sheets)
- 2) Corrugator Idle or Operating at Less than Design Speed
- 3) Not Enough Product on Mainline

What Does the Leader Do?

- 1) Challenge Converting Speeds and/or Eliminate the non-Capital Reasons for Lower than Speed Operation
- 2) Purchase Capital to Enhance Blank Sizes and/or Operating Speed
- 3) Sell Sheets to Sister Plants or the Market
- 4) Be Cautious of Accepting New Business that Restricts Converting Productivity



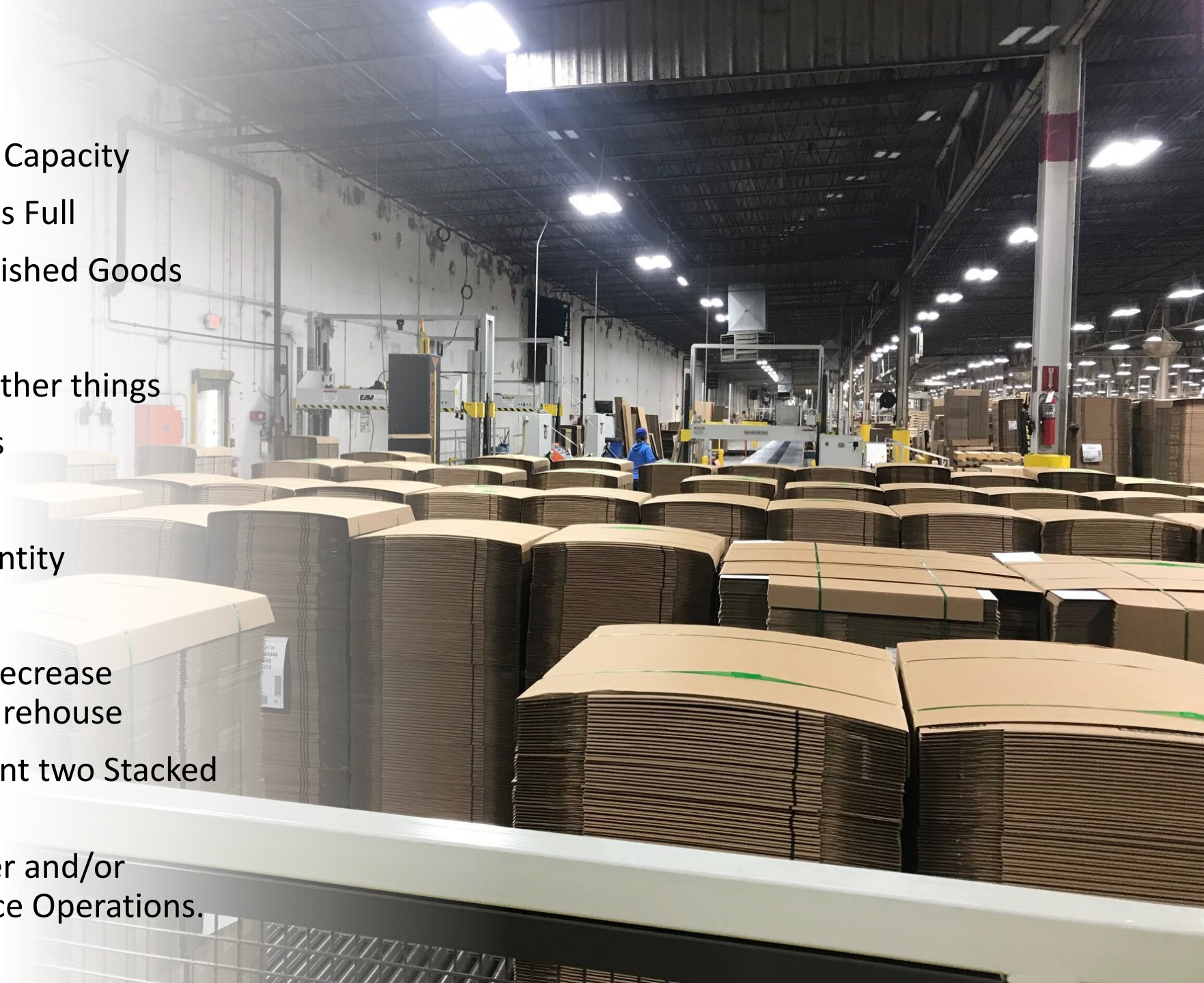
What Do Bottlenecks Look Like?

Mainline, Bander, and Shipping:

- 1) WIP and the Mainline are at Capacity
- 2) Finished Goods Warehouse is Full
- 3) Time Lost Finding Proper Finished Goods
- 4) Unable to Load Trailers
- 5) Loading Trucks delayed for other things
- 6) “Headspace” in truck trailers

What Does the Leader Do?

- 1) Increase Bundle and Unit Quantity
- 2) Outside Warehouse
- 3) Increase number of Trailers. Decrease number of Trailers used as Warehouse
- 4) Purchase Load Lifters to Present two Stacked Units to Forklift Operators
- 5) Purchase 2nd mainline Strapper and/or Automatic Hooders for Produce Operations.



False Bottlenecks:

Box Plant Leaders Must Avoid
Temptation to Over-React to False
Bottlenecks

Examples of False Bottlenecks:

Sales, Customer Service, HR,
Scheduling, Maintenance,
Management, Tooling, Cost, Stock
Quality, Training, Hot Orders.

***These and other areas may need
to be improved to Elevate
Straight-Time MSF/Hour on a
Bottleneck. However, these are
never bottlenecks.***





What Happens if the Leader Works on the Wrong Bottleneck?

- 1) Straight-Time Productivity at the Bottleneck Does Not Improve
- 2) Plant Performance in Key Areas Do not Improve
- 3) The Leader is Eventually Replaced





How Does the Leader Know the Right Decisions are Being Made to Elevate Straight-Time MSF/Hour on the Plant Bottleneck?

Straight-Time MSF/Hour Through the Strapper is Increasing....

How Does the Leader Know the When the Bottleneck Has Moved?

Straight-Time MSF/Hour Through the Strapper has Increased Over Time but has Plateaued. Also, the Leader Should Notice Changes in Where Business Accumulates in the Manufacturing Area.

This Means it is Time for the Leader to Work on a New Bottleneck.....





Employees:

- Improved Safety
- Less Daily and Weekly Overtime
- Less Hourly Employee Turnover

Customers:

- On-Time, Complete Deliveries
- Short-Lead-Time Response

Company:

- Improved Profitability
- Lower Per Unit Costs
- Future Price Increase Success

Self:

- Kept my job
- Expanded Career Opportunities



To Improve Bottlenecks – NEXT STEPS

1. More bottleneck productivity is lost to speed than downtime
2. Cannot maximize productivity of bottleneck by running small blanks to save money on tooling.
3. Result of 1) and 2): Biggest possible blanks as fast as possible, as easy as possible, for the hourly employees.



Early Adoption of New Technology Results:

Corrugator Auto Speed Control Systems
Using Paper Temperature

Multi-up Productivity on High-Yield FFGs.
(Dual Feed, Twin Box Slitters, and Bundle
Breakers)

Turbulator Bars on Corrugators

100" Bundle Breakers

Scrubbers

Load Lifters – Shipping

Auto Palletizers Capable of 32
Bundles/Minute on 2 x 2 Stack Patterns

250 fpm Rotary Die Cutter





COMMITMENT

Needed From Equipment Suppliers:

- Hogs, not Hens.
- Hourly-employee- friendly innovation that Elevates Productivity
- Rectangles and Squares, not Trapezoids
 - Scrap Free Rotary Die-Cutting
 - Fast Resolution to Inevitable Problems.

Opportunities for Suppliers

- Artificial Intelligence for Operational & Maintenance Issues Managed by Hourly Employees. (Folding Rail Angle Settings on FFGs, Splice Preparation on Corrugators)
- Auto Correction of Operational and Maintenance Issues- i.e. Auto Grease Hot Bearings
- Customer Case Erection Predictability
- Suppliers Must Become a Resource to Improve Operational Issues Due to Hourly Employee Turnover





Career Mistakes I've Made That You Don't Have to Make:

- 1) Never Change Jobs Due to Running from a Bad Boss/Situation. The Problem (Probably You) Will Follow You.
- 2) Never Change Jobs on a Promise for a Future Position.
- 3) Get Job Offers in Writing.
- 4) Assume an Acquiring Company Knows of Your Good Reputation. They're Not Worried About You. They're Worried About Wall Street.
- 5) Assume My Company Knows of My Career Aspirations Even if I Failed to Vocalize My Career Aspirations to my Leader.
- 6) Staying in a Job Too Long Because You're Making Your Leader's Job Too Easy.
- 7) Assuming Results Overcome Politics in Decision-Making Between Two Individuals.





Good Career Habits:

- 1) Watch Your Leader When Confronted with a Problem. What Would You Do if Confronted With the Problem? You'll Learn Something and Prepare for the Next Position.
- 2) Be Honest with Yourself About Your Weaknesses and Do Something About It On Your Time.
- 3) When Considering a Job Change with a New Leader, Research if People are Promoted from that Team
- 4) When Attempting to Influence Subordinates and Superiors Talk in Terms of Their Interests Using Facts and Data.
- 5) Get Really Good at Making Something or Selling Something. These are the Only Groups of People Essential to Any Business.



Leadership:

- 1) Ask Questions- Even if You Know the Answer. Listen to Understand Before Attempting to Be Understood.
- 2) The Leader and the Team have More of an Obligation to Learn and Apply than Someone Else Has to Teach.
- 3) Say Good Morning & Use the Person's Name. You'll Learn Something Early in the Day that You Should Know.
- 4) Performance Problems are Always Ability or Motivation Based. Training Usually Solves Ability Problems, and a Carrot or Stick Solves Motivation Based Performance Problems. Training Does Not Solve Motivation Performance Problems.
- 5) It is Impossible to Manage Someone Else's Attitude and Morale.
- 6) Leaders Create Understanding of What is to be Done by Whom, by When, and Why.
- 7) There is no Try. There is DO or DO NOT. You Might Succeed or Fail, But There is no Try.
- 8) People Selection & Development is Your Responsibility more than Human Resources. The Best Way to get Good People is -- Take an Active Interest in Helping Them Achieve their Career goals
- 9) It's OK to Have High Expectations-- if You as the Leader Provide the Necessary Tools to Succeed.
- 10) A Good Decision Made at the Right Time --is Superior to a Perfect Decision Made a Minute Too Late.



Thank You

Questions?

