

Manufacturing Matters

Fall Issue 2013

In This Issue

Letter From Les

Featured Member

2013 W.E.L.D. Day

Board Bio

Think Outside the Border

Did You Know?

CMMA Encourages Legislative Visits

Welcome New Members!

Glencoe-Silver Lake Public Schools

Reventus, LLC.

Upcoming Events

Thursday, November 21

CMMA Breakfast meeting in Sauk Rapids. Tour: WFSI (formerly known as W.F. Scarince, Inc.). Speaker: John Hausladen, MN Trucking Association to share info on trucking regulations.

Thursday, November 21

Meadowbrook Insurance annual Safety Day

Thursday, December 5

CMMA Holiday Celebration at Brothers Bar & Grill. Bring your significant other for no additional cost! See <u>flyer</u> to register.

Letter From Les

"Autumn is a second spring when every leaf is a flower."

— Albert Camus

CMMA has had a productive autumn season in membership activities and community partnerships. We gathered in early August for our annual summer social at the award winning Millner Heritage Vineyard and Winery in Kimball. We learned much about vine cultivation, grape varieties

and the wine making process. We had a great tour, a fine meal and gemütlichkeit singing the Schnitzelbank song!

On August 29, CMMA and Central McGowan partnered to host the 2013 W.E.L.D Day in St. Cloud. This welding, education, learning and discovery event offered students, parents and teachers a unique opportunity to explore the latest in technology, automation and innovation in the welding and metal joining industry. CMMA played a direct role in supporting the positive outcome by providing financial support to fund bus transportation for five area schools. We thank our members who volunteered to represent us at our booth spreading the word about our dynamic trade association.

Senator AI Franken visited with CMMA in early August. He listened to our concerns, supported our efforts and praised our innovation. He was truly impressed with CMMA and pledged to be attentive to the needs of manufacturing in central Minnesota. Thanks to Central McGowan for hosting this important gathering and touring the Senator.

CMMA's September meeting was well attended as we learned more about the evolution of Quality Control to Process Quality at the GNP Company (formerly Goldn' Plump). Our speaker, Doug Connell is the Director of Quality and Continual Improvement and a true subject matter expert. Doug's message was informative with many take away ideas to implement at your shop. We also thank St. Cloud Window for an educational tour and networking opportunity.

We recently partnered with our friends at the St. Cloud Community and Technical College to learn more about current market trends and supply chain opportunities in a range of clean energy sectors including solar, wind, natural gas, energy storage, geothermal and advanced transportation. We heard from clean energy specialists and networked with other manufacturers exploring growth and diversification opportunities. Thanks to SCTCC for providing this seminar.

As your president, I want to remind you that through strategic planning, smart activities and wise investment, CMMA will continue to provide the conduit of leadership to create specific change in three targeted areas:

- 1. Government/Legislative: Regulatory, tax and education issues.
- 2. Educating Members: Best practices, such as Lean manufacturing and continued plant tours.
- 3. The Education System: developing basic skills in the workforce, hiring, and retaining high-quality employees.

Continued on page 3

Featured Member: Woodcraft Industries

Bringing with him a determination to provide the absolute best in wood craftsmanship, German furniture builder, Theodore Ritsche, immigrated to America in 1923. It was in 1945 he opened Woodcraft Industries, Inc., a small cabinet and fixture shop in St. Cloud, MN. The next half-century would see Woodcraft Industries grow to become one of the nation's leading manufacturers of volume hardwood and laminated components.

Woodcraft Industries is the largest supplier in North America of hardwood and engineered materials. They produce face frames, drawer parts, assembled doors, mouldings, and accessories used in the manufacture of residential cabinet components, office and institutional furniture, architectural millwork and building products, and store fixtures; all supplied to large OEM manufacturers on a direct basis via their manufacturing plants and seven distribution centers.

Primarily using hard maple, soft maple, red oak, hickory, and cherry woods for cabinet doors, drawer fronts, and other components, they also specialize in veneer raised panels, profile wrapped components, and Rigid Thermo Foil which is a PVC film that can be manufactured to duplicate virtually any surface in any pattern, color and embossment.

With 12 manufacturing plants throughout the United States and the recent purchase of a plant in Mexico in 2012, Woodcraft Industries is able to specialize in producing products designed for each customer. By working closely with their customers during the design phase of product introduction to value engineer each new product, they ensure success for both their customers and themselves.

With approximately 1400 employees Woodcraft Industries embraces lean manufacturing along with the DUPONT STOP program for safety. They have also adopted DMAIC practices (define, measure, analyze, improve and control) into their continuous improvement program for those projects that are highly technical in nature or design.

As new technology continues to evolve Woodcraft Industries is always looking at value-added opportunities for product diversification and continued growth.



Corporate headquarters in St. Cloud









Meadowbrook Safety Day

Thursday, Nov. 21 - Free for Trifac Members

Meadowbrook Insurance will host their annual Safety Day at the River's Edge Convention Center in St. Cloud on Thursday, November 21, 2013, 8:30 a.m. - 3:00 p.m. Members of the Trifac Workers Compensation Self Insurance Fund are invited to participate in this complimentary event that brings together a variety of subject-matter experts to teach on risk management and injury prevention knowledge and techniques.

Keynote speaker this year is Professor Robert Feyen from the University of Minnesota - Duluth. Professor Feyen heads the Master of Environmental Health & Safety Program at the University. Other speakers include representatives from Minnesota OSHA, the Minnesota Safety Council, an attorney specializing in workers compensation, the St. Cloud Fire Marshall's Office, and more. Staff from Meadowbrook's Claims Department will be on hand to meet with attendees.

If you are an owner, a manager or supervisor, a member of a safety committee, or any other part of an organization and you are involved with safety, this workshop is for you! Make plans now to attend. Lunch and refreshments will be provided.

Letter from Les ... Continued

Continued from page 1

You are welcome and encouraged to join in this important service. CMMA has board openings for manufacturers and committee positions for members in: programming, marketing, membership, legislative and workforce development. The work is critical, the time well spent and the rewards are great.

Thanks for your investment in CMMA. Working together, making a difference.

Les Engel CMMA President







2013 W.E.L.D. DAY

Thursday, August 29, 2013

What do you get when you assemble busses full of students and their teachers, industry professionals, race cars, robots, rolling classrooms, flames, sparks, and molten metal?

This is the parts list for a high performance and hands on event called the 2013 W.E.L.D. Day. This dynamic interactive welding, education, learning, and discovery event delivered students, parents, and teachers a unique opportunity to explore the latest in technology, automation, and innovation in the welding and metal joining industry. Eyes were opened wide to a world of possibility in a career that is in demand.

550 technical college and high school students, 40 teachers and several robotics clubs attended this successful event with promotional and financial assistance for transportation from CMMA.

Students met with over 20 manufacturer representatives with live demos and product displays. They toured Miller's Welding and Cutting Exposition Classroom Trailer and Lincoln's Mobile Demonstration Unit. Participants rolled up their sleeves and tried their skills on Lincoln's VRTEX weld simulator. ESAB also displayed their latest equipment; four working robots, including Lincoln's educational cell and a robot serving beverages (which took only 20 minutes to program!).

This industry leading event is the fruit of a partnership between Central Minnesota Manufacturers Association (CMMA) and Central McGowan, Inc. (CMI). Jeff Skumautz, CMI's president, created an extension of their large scale trade show which he hosts for his customers and vendors. His vision is to expose students to the exciting and rewarding careers in welding and his goal is to inspire them to take action. The W.E.L. D. Event harnessed the gathering of industry specialists, current trends and future technology to drive workforce development and industry advancement.

CMMA salutes Central McGowan for outstanding leadership, innovation and collaboration.



Board Bio



Name: My name is Stan Voas.

Where do you work, what do you do?

I currently work at New Flyer of America as the Lean Manufacturing Facilitator. Basically I work with everyone at New Flyer at all levels to improve business and manufacturing processes.

practices amongst manufacturers, working to better prepare employees for manufacturing, and legislative outreach, we will be well aligned to accomplish this improvement.

What would CMMA members be surprised to learn about vou?

Probably the most interesting week of my life was the week I spent on a 44 foot sail boat in the Caribbean a few years back.

What was your first job?

My first job out of college was as the lone engineer for American Fiberglass Company in Canton, SD. American Fiberglass Company was a startup company making pultruded fiberglass. This meant that I got to design and build production equipment and modify facilities as well as work on product development and even some sales. It was a perfect hands-on laboratory for a new engineering graduate.

Hometown: My home town is Sioux Falls, SD.

Family: I have three sons 24, 18 and 18. The older son works in banking and the younger twins are freshmen at the University of Minnesota studying Math and Physics.

Pets: I have a 12 year old Beagle.

Do you have a favorite book or author? I recently read "In My Own Words" by the Dalai Lama which I found to be very insightful.

Favorite movie? I recently saw Gravity with Sandra Bullock and George Clooney. I found it fascinating on two levels. First of all it was in 3D which made it feel like we were actually there in outer space with them. Also I believe that it was pretty realistic about what life in space must be like.

Favorite food? Include recipe

My sons worked at a potato farm this summer and were paid in 50 lbs of potatoes per week. Remember I have twins so that is 100 pound of potatoes per week. I have been working to perfect a potato soup. The recipe is a hand full of this and a pinch of that etc.

Do you have any hobbies, play any sports or favorite games?

While I enjoy doing anything outside and being active, my main hobby the last couple of years has been golf.

Comment on your involvement in CMMA:

I appreciate the work of CMMA and am glad to be involved because I believe if the manufacturing industry for a region improves, the entire economy for that region will improve. I believe that with CMMA's three-legged mission of sharing best





A cost effective way to reach a broad manufacturing audience.

Promote your product or service to AMFA, CMMA and TSMA for one annual fee.

To learn more, contact Sandy Kashmark at 800-654-5773 or

midwest@runestone.net

Exports Equal \$ales, \$tability, \$uccess - More Manufacturers Need to Think Outside the Border

By Kathleen Motzenbecker, Executive Director, Minnesota Trade Office



Let's say you're a manufacturer in Owatonna and one day you get an inquiry from a potential customer in Los Angeles or Chicago or Atlanta. Do you respond? Of course you do. When business comes knocking, you answer the door. That's a no-brainer.

But what if the inquiry comes from Toronto ... or Hamburg ... or Sao Paulo? What then?

If you're like a lot of Minnesota manufacturers, you might not do anything at all. Research shows that more than half of the inquiries companies receive from potential customers in foreign markets go unanswered.

That's as true here in Minnesota and nationwide. About 81 percent of the Minnesota's manufacturers ship to customers in another state. But only 41 percent ship to another country. Why so few?

Many small and midsized manufacturers think it will be too hard or too risky, so their mindset says 'We just don't do global business". But my belief is if approached deliberately, it's really no more difficult than what you already do to manage your domestic operations. Why say no to something that might increase your bottom line?

There are tremendous opportunities in the international marketplace, and of all Minnesota's core industries, manufacturers are in the best position to take advantage of them. Last year, Minnesota companies exported \$32 billion in goods, services and commodities to markets worldwide. Manufactured goods accounted for nearly \$19 billion (58 percent) of that total.

Understanding the Benefits

Let's face it, every company wants to increase profits. When your bottom line and your company are growing, so is that smile on your face. Exporting can help make your company more stable and predictable by insulating it from the usual business cycle fluctuations in domestic demand – and they can be a life preserver in the event of a severe, widespread and prolonged economic downturn.

It would be rare for the entire world to face economic downturns all at the same time. Even during the Great Recession, many companies told us that if it hadn't been for foreign sales (especially in Japan and other parts of Asia), they'd have had to lay-off workers or close their doors. Exports were suddenly 40 percent of their business – because domestic sales fell off a cliff.

And executives at small and midsized companies that export often report that competing for business in the international marketplace has made them stronger and more competitive in their home markets. That's the case at Delkor Systems, Inc., a leading manufacturer of food-packaging equipment based in Arden Hills, where export sales are an important driver of the company's growth.

A decade ago, exports (mostly to customers in Canada) accounted for less than 10 percent of Delkor's new equipment sales, says company president and CEO Dale Andersen. Today, foreign sales have grown to 25 percent, and Delkor's export markets have broadened to include Mexico, Central and South America, Australia and New Zealand. And last year, the company was honored by Gov. Mark Dayton with an award for exporting success.

By the time Andersen made the decision to invest time, money and effort in Latin America, he had visited his target markets many times over several years to assess their true potential. At industry expos, trade shows, and on trade missions he got to know customers and their needs; he learned about market constraints; he sized up his competition; and eventually, he clearly identified Delkor's competitive niche.

It's a game plan that Andersen thinks other Minnesota manufacturers interested in exporting would do well to employ.

"It is strategically important for a business to understand the competitive landscape outside the United States. You just can't do that from a distance. Go to the shows. Visit the customers. You have to get out there," says Andersen.

Other advice that Andersen offers manufacturers considering exporting: "If you do see opportunity, it's important to explore it. Don't rush. Don't just jump in," he says, noting that impulsivity can lead to costly mistakes. "Be strategic and just take it in steps."

I couldn't agree more. And all processes have a beginning. The first step is for more Minnesota manufacturers to consider the possibility – to see the full potential – of exporting their products to foreign markets. The next step is to call us at the Minnesota Trade Office. We'll help you take it from there.

To learn more about how the Minnesota Trade Office can help you explore opportunities in exporting call 651-259-7499 or toll free at 800-657-3858. To speak with an international trade representative about specific market or industry questions, call the MTO's Trade Assistance Helpline at 651-259-7498 or email Mto.TradeAssistance@state.mn.us.

CMMA Encourages Manufactures to Host Legislators

The CMMA board of directors recently approved "Tours for Legislators," a new program that is intended to increase interaction between manufacturers and local legislators by making it easier to schedule/host plant tours. The program encourages CMMA manufacturing members to notify the CMMA office if they have interest in hosting a tour for one or more Minnesota Senators or Representatives. CMMA staff will then serve as the liaison between the manufacturer and the legislative aide(s) to schedule the tour at a time that works for both parties. This service is provided at no cost to CMMA member companies.

Plant tours are regarded as one of the most effective means of providing legislators with a personal understanding of how the laws and regulations they support impact the manufacturing industry. During the tour, the legislator(s) will be exposed to the advanced technology at work in so many manufacturing facilities today. At the same time, the tour guide can share insights, examples, and information about the challenges of specific legislation.

To learn more about the Tours for Legislators program, or to ask for assistance in scheduling a tour, contact the CMMA office at 800-654-5773 or midwest@runestone.net.

Don't forget to "Like" us on Facebook!



We hope you had a wonderful week!

Did You Know?

Electronic Ballot for Board Election

Nominations are being accepted through November 15th for members interested in serving a two-year term on the CMMA Board of Directors. Watch your email for an electronic ballot to be distributed the week of November 18.

Statewide Tour of Manufacturing

The third annual Statewide Tour of Manufacturing was bigger and better than ever this year, with 65 companies hosting plant tours on October 24, 25, and 26. Students, parents, grandparents, educators and more – anyone who ventured out enjoyed a first-hand look at advanced manufacturing. Hats off to these CMMA members for participating in the 2013 Statewide Tour: Pellco Machine and RiteWay Manufacturing.

Cost-share Program for Headsets

CMMA would like to launch a "cost –share program" to fund the purchase of headsets that could be used to improve the auditory experience for members that attend plant tours in conjunction with the general meetings. Companies participating in the cost could use the headsets "on loan" for non-CMMA related tours and events. If your company would like to learn more this program, contact Sandy Kashmark at the CMMA office.

TSMA Produces Video for Youth

CMMA's sister organization, Tri-State Mfg. Association, recently released a video that promotes manufacturing as a stable, high paying, high tech career option in Minnesota and North Dakota. Click on this link to view the 5.5 minutes video: http://youtu.be/ISSshHHJCxM Link the video to your website and share it with your local high school!

Bring a FREE guest!

CMMA members are encouraged to bring a prospective member to a CMMA breakfast meeting; your guest can attend (one time) free of charge.

Educators are FREE!

Invite a representative(s) from your local high school to an upcoming CMMA meeting. Teachers, administrators, and students are encouraged to attend FREE of charge (includes a free breakfast). And – membership in CMMA is FREE to area high schools!

Post Manufacturing jobs on the CMMA website

Post your manufacturing-related job openings on the CMMA website for FREE! Contact the CMMA office for details.

Manufacturing Matters is edited and published at the Midwest Manufacturers' Association office located at 117 Central Avenue North, PO Box 150, Elbow Lake, MN 56531. MMA/CMMA phone 218-685-5356. Toll-free 800-654-5773. Email: stephd@runestone.net. Office hours are 8:30 AM to 5:00 PM Monday through Friday. However, messages can be left on the answering machine at any time.