Jan. Plant tour of Kraft & PDM
LEADERSHIP IN TOUGH TIMES

* Special *

Valuable CPIM Training Information Inside.

Central Wisconsin Chapter January 2006

About the Speaker

Peter J. Berglund, CPIM, is a strategic planning and business consultant, writer and speaker. He has over 20 years of industry and consulting experience helping companies develop business strategies and improve their sales and information systems. Peter provides strategic planning services, and he coaches executives in business development and manufacturing technology. In his career, he has worked in all levels of both for-profit and not-for-profit organizations as well as public and private organizations. The bulk of his career has focused on working with the owners of manufacturing companies.

Peter is a seasoned international public speaker and frequently speaks on these topics for national organizations around the country and the world. In 2004 Peter gave a Keynote presentation to the Society for Supply Chain Management of South Africa. He has shared his insights with over 9500 people in 140 organizations and is a guest lecturer at the University of Minnesota, the University of St. Thomas, Bethel College, and Metro State University. In July of 2000 Mr. Berglund completed his term as president for the Twin Cities Chapter of APICS, and is currently serving on the Board of Advisors for ATS Steels, Inc., and the Manufacturing Alliance, Inc.

In 1997, he received the best-columnist award from the Magazine Publishers Association for his regular column in ***Minnesota Technology*** magazine. He has been APICS certified since 1987, and received two Mini-MBA's from the University of St. Thomas; one in Leading Growing Companies (1998) and another eCommerce (2000). He is a graduate of North Hennepin Leadership Academy (1995) and the Citizens Law Enforcement Academy (1999) and holds a BS from North Dakota State.

About the Topic

COURAGE ISN'T SOMETHING YOU CAN BE AFRAID TO HAVE: LEADERSHIP IN TOUGH TIMES

If you're in a leadership position, don't miss this presentation!

Who would you rather have leading your group: a person who works hard or a person who gets *other* people to work hard? The doors of leadership swing on the hinges of confidence and energy. Do you give people energy and confidence or do you sap it away?

This presentation provides practical steps to improving the clarity of your vision, motivating others and how to articulate core values into action. While no one has a monopoly on the leadership topic, Peter's presentation comes from over 20 years of working with business owners and executives and focuses on practical application of the concepts and less on theory. Come and hear some occasionally humorous stories as Peter walks you through the leadership maze.

You will leave with:

- **Tips on increasing your energy**
- **Tips on increasing the energy of those around you**
- **Two simple methods to energize your group and improve how they work together**
- **Key elements of leadership**

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Directions to Kraft Foods

Interstate 39 From the North:

Take exit 192-29 West Exit. At bottom of ramp turn left. Go to the 4th traffic light and turn right on 3rd Ave. Go Approximately 1 mile and turn left on Thomas St. Go to the 1st stop traffic light and turn right on Business 51 South (Grand Ave.) Go to the next traffic light and turn left on County N (Townline Rd). Go 4 blocks, across railroad tracks, Kraft is on the right.

Interstate 39 From the South:

Take exit 185. At bottom of the ramp turn right. Go to the 5th stop traffic light and turn left on Business 51 North (Grand Ave.) Go to the 7th traffic light and turn right on County N (Townline Rd). Go 4 blocks, across tracks, Kraft is on the right.

Meeting Agenda

Date: *Tuesday, Jan. 10, 2006*

Tour: *4:00 p.m. at Kraft Foods*

Dinner: *At 6:00 p.m.*

Where: *Midway*
2901 Martin Avenue
Wausau, WI

Agenda: *4:00 - Kraft Foods Tour*
5:15 – 6:00 Hospitality Hour
6:00 – 6:45 Dinner
6:45 – 7:00 Chapter Business
7:00 – 8:00 Guest Speaker

RSVP: *Noon on Thursday, Jan. 2, 2005*

(To RSVP please see the insert. APICS is responsible for payment after the registration is made. Payment will be required in full if cancellations are not made by 5:00 PM the Friday prior to the meeting.)

APICS Learning Communities

APICS Learning Communities are online forums where members can come together regularly to share and develop ideas, practices, and solutions in the field of operations management. APICS Learning Communities provide a communications tool to enhance knowledge sharing among APICS members to strengthen individuals in their work and the association as a whole.

Members:

To access your new member benefit, simply log in. Members may access APICS Learning Communities any time from Resources Section of the APICS Web site or at www.apics.org/communities.

Explore APICS Learning Communities using these online tools:

Discussions: Join in a current topic or start a new discussion.
Resources: Search for resources or submit materials for posting.
Links: Find and share links to relevant materials.
Events: List community events and discussions.
Poll: Gather community opinions about a subject.
Chat: Communicate in real time with your peers.

Take charge of your professional development!

Have you wanted to obtain your APICS (The Association for Operations Management) certification but did not find it convenient to do so? *Join the Central WI Chapter of APICS and Fox Valley Technical College for a CPIM (Certified in Production and Inventory Management) workshop to be offered **in Wausau** over a **single weekend**!* Check out the details below:

What? Execution & Control of Operations
Explore the processes used to develop sales and operations plans and identify and assess internal and external demand and forecasting requirements. The course focuses on the importance of producing achievable master schedules that are consistent with business policies, objectives, and resource constraints. Topics include Demand Management, Sales and Operations Planning, Master Scheduling, and Measuring Business Performance.

Why? It benefits your organization through increased production and inventory management knowledge. CPIM certification also enhances your own personal development!

When?
Jan. 27th 5pm-9pm, Jan. 28th 8am-5pm, and Jan. 29th 8am to noon

Who should attend?
Inventory managers, planners, buyers & schedulers
Customer Service Representatives & Cost Accountants
Information Technology Team Leaders and Specialists
Production & Distribution Supervisors or Managers

Who is instructing the class?
Anne M. Haberkorn, CFPIM, CIRM, Jonah
Anne has been teaching APICS certification classes for more than five years through Fox Valley Technical College. Her style of facilitating makes learning fun. For more information visit http://www.fvtc.edu/cpim.

Where?
Kolbe & Kolbe Company, 1323 South 11th Avenue, Wausau, WI 54401.

How much?
$325 for APICS members/ $350 for nonmembers.

Registration:
Send an email to Vicky Schaefer at vschaefer@kolbe-kolbe.com
Register before Jan. 13th to ensure materials arrive on time.

Questions?
Contact the instructor at: haberkor@fvtc.edu

See you in class!

Tracking Progress

Plant finds powerful production and computing capability

After purchasing a Ford Motor Company plant in Struandale, South Africa, Delta Motor Company (DMC) stripped the facility to its bare bones and built a completely new assembly plant. However, it didn't take long for DMC leadership to see that the existing computer systems—SAP's R/2 and Shop Floor Control module—were insufficient for handling the company's multiple locations.

DMC decision managers needed a way to link the SAP system with the shop-floor control systems. Working with specialists from system integrator ISIS, DMS implemented Wonderware's InTrack to track plant-floor production and develop low-cost, powerful computing capabilities with off-the-shelf personal computers, network hardware, and application software based on the Microsoft Windows NT operating system. An upgrade to SAP's R/3 was also accomplished.

How it works

After integrating the new InTrack system, DMC's plants could communicate with the company mainframe, and dealers from around the country could place orders via the vehicle distribution system (VDS). The SAP system downloads production order data to the InTrack vehicle tracking system (VTS), enabling planners to analyze these orders on the production planning interface. They can scroll through all the orders—manually, if required—including those that have not been scheduled. Plus, planners can place orders on hold (for a material shortage) and release them at any time.

Michael Pearton, Struandale plant manager, explains that a vehicle is manufactured at the plant every three minutes. The production of discrete units is continuous, and production documentation is broken down into half-hour batches of 10 vehicles each. Every 30 minutes, the planner releases a batch of 10 production orders, which are initiated from the InTrack system to the shop floor for the start of production. After production orders for the batch of 10 have been initiated, the InTrack system automatically prints build and broadcast documents and accompanying bar code labels. The broadcast documents are distributed to the various areas in the body shop so orders begin in the correct sequence.

The InTrack VTS tracks the production of each vehicle in detail, as well as the critical components and resources used. This information is then returned to the SAP R/3 system and the VDS. All production reporting and analysis are conducted directly on the InTrack system.

Each vehicle is assigned a unique identification with a bar code label attached to the body. This bar code is read at nine monitor points throughout the plant, from the body shop all the way to final inspection. As it passes each point, the bar code is scanned either manually or by a fixed overhead scanner, and the data is transmitted back to the InTrack system. The system compares the data, checks it, and validates it against the schedule. Any problems are immediately highlighted so that the appropriate corrective action taken.

The monitor points also do double-duty as SAP consumption points. When a vehicle passes each point, the InTrack system automatically advises the mainframe VDS that this event has occurred, transmitting the serial number, checkpoint number, special part data (engine, gearbox, and key numbers), color, trim sequence, system date, and time. This information is also required for the National Traffic Information System.

The system automatically triggers orders to various Just-in-Time suppliers, advising them to deliver particular components or subassemblies to specific points along the production line. It also interfaces with three shop-floor machines for specific tasks. The VTS feeds the vehicle identification number (VIN) to a machine in the body shop, which then engraves the VIN on the chassis. It also transmits a message to the body-plate machine, which prints the unique body plate fitted to each vehicle. At the end of the line, it conveys data on the engine, gearbox, VIN, and ignition key number to the engine computer operating system, which programs each vehicle's on-board computer with complete vehicle information.

Working together

"We can now maintain different and more efficient schedules for the body shop, the paint shop, and the trim-and-assembly line," says Pearton. "[InTrack] also allowed us to streamline our broadcasting procedures to lean suppliers that deliver components and subassemblies, such as seats or wheel assemblies, in the proper sequence to match the vehicles coming down the line. In the new system, all suppliers deliver their components directly to the production line and our team members install them. This all works together to ensure that we are able to make every variation of our vehicles all the time."

Gavin Allen, DMC manufacturing execution systems specialist, is particularly pleased with the tremendous ease of the system's installation. "The VTS was configured and running in a matter of months, not years, and at much lower cost than we had anticipated. In addition, because it runs on the Microsoft Windows NT operating system and uses Microsoft Development Tools, it provides a standard for easy maintainability and implementation of future systems."

InTrack is a key enabler of this smooth-running production system. Pearton and Allen report it has significantly reduced the risk of production losses because DMC can maintain production for two to four days, even if the mainframe-based SAP systems goes down. In addition, the system is scalable, growing in size and functionality as DMC does.

Results have been so positive that DMC is in the process of duplicating and expanding the entire system at its other facilities. "We've developed a lot of world-class manufacturing techniques that we have implemented at our plant … with about 40 InTrack monitoring points in the VTS system, of which six are SAP link points," Allen says. "In the process of bringing up the VTS system there, we've been using newer hardware solutions and adding continuous production refinements that we can then bring back across to our other plants, completing the circle."

RSVP

E-Mail or Fax to:
Vicky Schaefer
Kolbe & Kolbe
E-Mail: vschaefer@kolbe-kolbe.com
Fax: (715) 847-0737

Central WI APICS Chapter
Professional Development Dinner Meeting

Meeting: January 10, 2005

Reservations Must be Received by January 2nd, 2005

* Kraft Foods, Inc reserves the right to refuse entry on this tour to anyone for any reason.
** The Tour will be limited to 20 people.

Company _____

Please indicate member (M), non-member (NM), or student (S)

Name	January Dinner	January Tour	M NM S

OR

Call the automated attendant at (715) 842-5666 extension 1566.

Be sure to leave the following information:

- Name of person(s) attending
- Company name
- Whether each is member / non-member / student

December 2005

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