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conducted as part of TAPPI's CorrExpo Conference in Chicago, held earlier this month.

"Leaders must be willing to make the tough decisions for the long term," he says. "Is cost cutting king or are we also committed to supporting improvement activities through training and machine repairs?"

He added that management has to commit to strategic alliances (for the long-term) that involve employees, customers and suppliers.

When it comes to equipment, it's important to focus on reliability issues and drive out unplanned outages. Don't overlook the importance of the starch system, roll handling, the boiler, the steam system, and waste and material handling.

Robust processes must include:

- A lubrication program that maintains the equipment status;
- Proper housekeeping;
- Regular checks for paper temperature, gaps, bonds, caliper;
- Incoming paper condition inspections;
- Warp measurement; and
- Center lining by board grade and speed.

"Select your people carefully and then train all personnel," he states. "Provide the resources to train, the materials, the place, and the time. Use a training matrix to manage and measure execution. There can't be mixed messages between the goals and the expected improvement results."

It's Tough Out There—"You have to do a better job of telling your crews how competitive it is out there," stresses Dick Target, owner, "On Target" Consultants, who also participated in the seminar. "They need to understand and respect the competitive nature of the business. In addition,

"You have to do a better job of telling your crews how competitive it is out there."

—D. Target, "On Target" Consultants

seasoned operators are a great source of information, so meet with your crews."

Target believes the current slow business level is a perfect time to clean plants, organize tools, and arrange the floor for better production support.

"Some plants have been dirty for so long no one sees the dirt any more," he states. "Position your company to sell your

production facility through customer visits."

He also believes it is important to:

- Identify past mistakes and be proactive in fixing them;
- Review accounting methods and be sure they are accurate and current in a growing economy; and
- Use current methodologies in tracking lead times, production capabilities, and production efficiencies.

On Your Mark—Jeff Hahn of Rapid Cycle Improvement Consultants LLC, compared the box making business to NASCAR, pointing out that the best seem to get better, some "teams" are beset by problems, and the same top teams win week after week.

"Like the start of a race, when you stomp on the accelerator will your equipment and team respond as expected?" he asks. "Your equipment must be competitive. That doesn't mean the latest and the greatest. Plenty of older machines print well and run at competitive speeds. New equipment that's poorly maintained may not be competitive."

He noted that poorly maintained equipment costs money every day through:

- Longer setups;
- Misfeeds;
- Jam-ups;
- Poor print quality; and
- Electrical kick outs.

"You can't win the race in the garage but you can be ready to win the race when it starts with efficient and effective maintenance," he says. **OBM**

TAKING ADVANTAGE OF ECONOMY

Stone Readies for Kapstone Expansion

Roger Stone, who led expansion of family-owned packaging company Stone Container Corp., is now focusing on taking maximum advantage of the economic downturn by expanding his newest venture, Kapstone Paper & Packaging Corp., reports the *Chicago Sun-Times*.

Stone says pricing in the industry is stabilizing, operating rates are rebounding and his costs are falling. The Chicago-based Stone is expanding Kapstone Paper in Northbrook, Ill., and intends to grow Kapstone into a \$2 billion company in the next two or more years, reports the *Sun Times*.

Although China is expected to become the world's largest supplier of all paper grades in the next two years, Stone believes the U.S. industry is fast regaining balance in supply and demand and that the sector will have begun bottoming out this summer and will see momentum building in 2010, the *Sun Times* reports.

A few years after Stone, now 74, retired from Smurfit Stone Container Corp., which had resulted from a mid-1990s merger of Stone Container Corp. with Jefferson Smurfit, he moved on to a special purpose acquisition company, Stone Arcade. Stone raised \$120 million, the firm was soon renamed Kapstone, and it is among the top U.S.

