# BCK

BOARD CONVERTING NEWS™

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#### SupplyOne, Inc. Buys Quincy Resource Group

SupplyOne, Inc. has purchased Jackson, Wisconsin based Quincy Resource Group. With a full suite of service offerings including design, manufacturing, printing, storage, distribution and fulfillment, Quincy will complement the growing SupplyOne national footprint; providing customers with innovative, cost effective packaging solutions aimed at improving their customer's profitability, the acquiree said.

Quincy Resource Group was founded in April of 1973 in Cedarburg, Wisconsin. Mike Beaman purchased Quincy Container in 1994 with a vision to build the "best" sheet plant in the Midwest. In 1998 the company's fulfillment division (Cont'd on Page 8)

## First Call For Calendar Entries

Those associations, organizations or other groups that wish to have their 2010 events highlighted in our annual *Board Converting News* Industry Calendar are asked to send their information to Tom Vilardi by November 20.

email: tvilardi@nvpublications.com or fax to (732) 502-9606

The calendar will be distributed to *BCN* subscribers in December.

### <u>Inside:</u>

Smurfit-Stone Sbuts Down Ontonagon Mill

See Page 8

Canadian Economist Sees Slow Rebound In Recovery See Page 45 **Industry Consultant's Counsel:** 

# When Economy Improves, Plants Need To Be Ready

by Jackie Schultz

By following some basic guidelines about machinery maintenance and production crew training, box plants can position them-



The session on "Positioning Your Company for The Recovery," moderated by Jeff Pallini, right, included panelists, from left, Jeff Hahn, Dick Target, and Tom Pearce

selves for the expected uptick in business when the economy turns around.

Three speakers at TAPPI's Corrugated Packaging Division 2009 conference held in Chicago earlier this month offered some practical advice. Tom Pearce, President of Pearce Corrugated Consulting, Dick Target, owner of "On Target" Consultants, and Jeff Hahn of Rapid Cycle Improvement Consultants, LLC, addressed opportunities in both corrugating and converting.

Pearce kicked off the session by defining what it means to survive in this economy. It's more than just outperforming the competition. Survival is about having "The Fittest Corrugator." This type of plant has a committed management team with robust processing and a continuous improvement plan as well as highly trained people who

(Cont'd on Page 12)

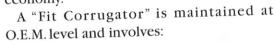
#### Economy Improves (Cont'd from Page 1)

can execute those processes for expected product performance, ontime delivery and ultimately exceeding customer's expectation.

The commitment starts at the top. "People will follow leaders with high expectations and a vision on how to achieve them," Pearce said. Ef-

fective leaders are able to make difficult decisions, weighing the results of cost-cutting versus supporting improvement activities, such as training and machine repairs.

A good management team recognizes the value of long-term strategic alliances with employees, customers and suppliers, he said, adding that suppliers are "invaluable" in helping plants survive in a down economy.





**Tom Pearce** 

- Focusing on the condition of all process rolls;
- Following a lubrication program that maintains the equipment status and optimizes the life;
  - Focusing on reliability issues and driving out unplanned outages;
  - Knowing the design capability and set expectations to them; and
- Supporting equipment. "Do not overlook the importance of these areas on success — starch system, roll handling, boiler, steam system, compressed air, waste handling and material handling," he said.

#### **Robust Processes**

A "Fit Corrugator" also requires robust processes, Pearce explained. This includes a lubrication program that maintains the equipment status; proper housekeeping; a preventative maintenance program; adhesive making in control and optimized to the machine; and regular checks for temperature, paper temperature, gaps, bond, caliper, T.I.R.,

"Plants that don't survive seem to have problems in these areas," Pearce said.

Robust processes on the corrugator also includes: incoming paper condition inspections; application - bonding and glue line width; warp measurement; center lining by board grade and speed; a continuous improvement process that identifies and addresses opportunities; and measuring on-time delivery and track misses/opportunities.

Employees also play an important role in the "Fit Corrugator," Pearce said. "Select employees carefully and then train them." It's important to provide the resource, the materials, the place and the time to train.

Pearce recommended a training matrix to manage and measure execution. He said this is lacking in most box plants.

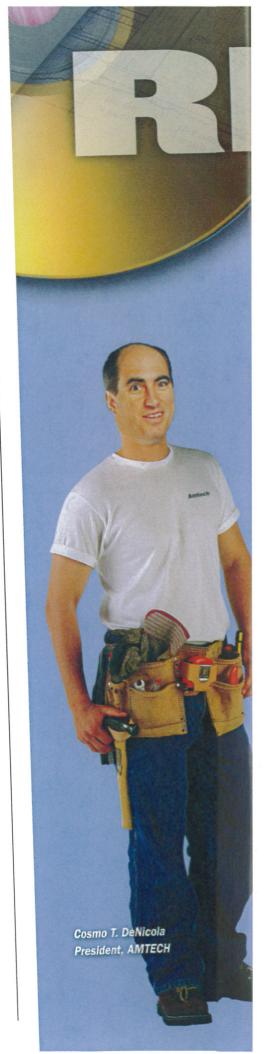
Plants also have outside training resources, such as training programs, consultants, trade associations like TAPPI, local educational institutions, and suppliers.

As a final piece of advice, Pearce urged his audience not to send mixed messages between the goals and expected improvement results to employees. "Make sure they have the right measures, the key variables that will drive success and survival."

#### Converting Machinery

Dick Target presented an agenda for production and general managers about how to organize their finishing departments, specifically

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#### **Economy Improves** (Cont'd from Page 12)

flexos and rotary diecutters. He recommended that plants review the current performance and compare the numbers to company standards. "In slow times, crews run slower so they do not run out of work. The numbers need to be reviewed," he said.

Setup times also need to be reviewed. "Challenge your supervisors for accuracy," Target said.

"Review and demonstrate the 'one box setup' machine calibration," he continued. "If you don't have it, learn it and get it done ASAP. This calibration should be a plant standard and requirement."

He also recommended that plants review caliper and machine registration performance. A converting machine's caliper loss should be no more than 0.003-inch in the non-printed area of the sheet and a maximum of 0.006-inch in the printed area of the sheet.

Target said communication can be an issue in a box plant because customer service employees and designers rarely visit the production floor. "Many times orders are scheduled to the wrong machine center," he said.

To clear up any potential confusion, production managers should review with customer service the information they have regarding what order goes on which machine center.



Dick Target

"Make sure the minimums and maximums are correct for each machine center and don't forget panel sizes," he said.

"Schedule a plant visit for customer service people to be sure they understand the complete machine technology, locations and capabilities. Customer service needs to be closer to the manufacturing area.

When the economy improves, they need to minimize error." **Vendor and Employee Support** 

As an industry, U.S. box plants spend about \$400,000 a

year on printing plates, \$250,000 on inks and \$300,000 on cutting dies, yet nothing is inspected, Target said.

He recommended that plants review tooling supplier performance and write a technical contract identifying standard setbacks on printing plates, zero register numbers on cutting dies, plate thickness, bolt hole layouts and general tooling design.

"Encourage vendor participation in plant floor activities," he said. "Verify tooling performance with the specific supplier."

Echoing Pearce's emphasis on the importance of employee's skill level, Target said employees, especially seasoned ones, play a pivotal role on the production floor.

"Discuss the economic conditions with your crews. This industry needs improvement in this area," he said. "Crews need to understand and respect the competitive nature of this business. I tell crews that their competitors are machine operators in other plants."

Target offered the following recommendations:

- Identify wear items by section. "In a slow economy, the life of wear items is drastically different than in a busy economy."
- Identify key suppliers and check their lead times.
- Verify your parts inventory. "Inadequate or wrongly identified inventory can be very costly as you ramp up to support your customer's demands."

Regarding maintenance, Target advised plant managers to ask the following questions. "How mature are your electronic capabilities? Does maintenance effectively interface with the operating crews and management? Are your plants properly staffed for a busy economy? Are you covered for upcoming retirements?"

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#### Economy Improves (Cont'd from Page 16)

Get Organized

With many plants having more downtime than normal, this is the perfect opportunity to implement the 5 "S" program. "Clean your plants, organize your tools and arrange the floor for better production support. Position your company to sell your production facility through customer visits," he said. "Some plants have been dirty for so long, no one sees the dirt anymore."

Finally, Target said salespeople should be involved in a plant's production capabilities. For example, they need to know what machines run which orders better, the printing capabilities, and the down side of double passing orders.

**Fine-Tuned Organizations** 

Jeff Hahn drew parallels between a winning NASCAR team and a successful production crew. "Some teams are beset by problems while the same top teams win week after week. When you stomp on the accelerator, will your equipment and team respond as expected?"

According to Hahn, success is about the five 'Ps,' Proper Preparation Prevents Poor Performance. Preparation involves manpower, measurements, methods, materials, management and machines.

Hahn emphasized the importance of having machinery that is well maintained and competitive. "You can't win the race in the garage. This doesn't necessarily mean having the latest and greatest machinery," he said, "but it

'Effective, efficient maintenance is key to being in the race,' Jeff Hahn said.



does mean that the machines should work the way they were meant to.

"Plenty of older machines print well and run at competitive speeds," he continued. "New equipment poorly maintained may not be competitive."

As an aside, Hahn criticized those box plant owners and managers who did not send anyone to the TAPPI meeting because they wanted to save money. "You need to invest in your mechanic's skills," he said.

"Effective, efficient maintenance is key to being in the race," he said. Properly maintained machines mean:

- Proper clearances on bearings;
- · Proper back lash in gears;
- · Properly working compensators;
- Properly working feed tables;
- Properly gripping feed rollers and pull rollers;
- · Belts that have proper grip; and
- · Washup systems that work.

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