

WELCOME

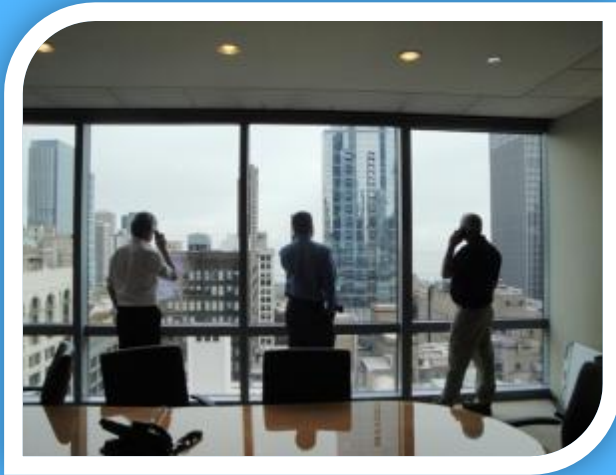


Topic: 20 Step Visual Assessment - Keeping our processes sustainable.



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OUR VISUAL JOURNEY



Our World-Class Journey Begins

Improving the 4M's
Man
Machinery
Material
Method

Changing from a push system to a pull system.

SAFETY FIRST
Clean up is not an odd job.
Clean up is part of your job.

Eliminate 8 Types of Waste
Motion
Transportation
Over-Production
Inventory
Waiting
Processing
Defects
Quality/Behavior

**Meet the needs of customers.
Develop our suppliers.
Develop a strong root system.**

**Input from all stakeholders is a must.
Empower everyone.**

Build a visual workplace. Watch your step.

30 Commandments of Manufacturing Excellence.

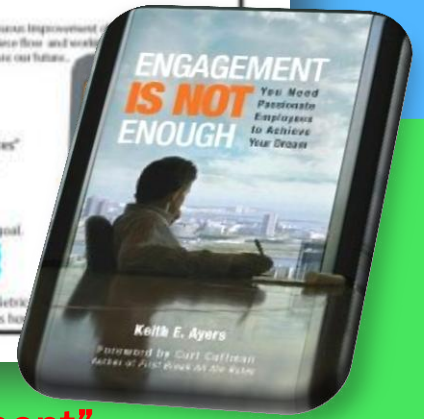
Continuous Improvement.
Our place, flow, and work.
Cells are our future.

Audits will keep our systems sustainable.

"Kill the Rattle Snake before it bites"
Go on a hunt to find them.

Value Stream Mapping will help us find the most direct route.

Work together to achieve the strategic goal. Eliminate all waste.



UTC Operations
Transferring Transformation: Legacy of Change - a timeline

1985
Service Total Quality Management

1988
Total Quality Management

1993
Advanced of Kaizen

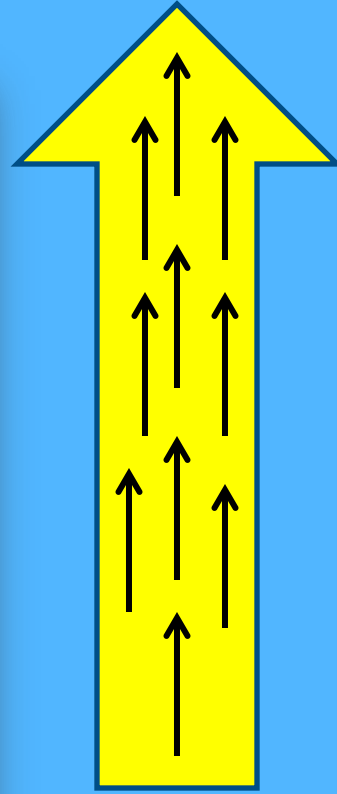
1998
Total Quality Management


2003
Total Quality Management

Operations Transformation

"Its all about Engagement"

OUR "VISUAL" VISION






Corporate Annual Plan

11/30/2011

| CORE VALUES/VALUES | SWOT Strengths | GOALS (2012) | TARGETS (3-5 YRS) |
|---|---|--|--|
| <p>Value Can Do</p> <p>Customer Care</p> <p>Belief</p> <p>Together</p> <p>Support & Appreciate</p> <p>Growth</p> <p>Vision</p> <p>Core Competencies</p> | <p>(S-1) Material solutions for roofing applications</p> <p>(S-2) Knowledge in rubber and plastic roofing sheet</p> <p>(S-3) Broad reputation for existing customers</p> <p>(S-4) Buy-Make flexibility</p> <p>(S-5) Financial Stability - No debt obligations</p> <p>(S-6) People - Responsive, engaged associates</p> <p>Weaknesses</p> <p>(W-1) Quality</p> <p>(W-2) Customer service</p> <p>(W-3) Pricing policy</p> <p>(W-4) Too few key customers - development of new customer</p> <p>(W-5) Supplier Strategy</p> <p>(W-6) Accountability to 8 owners as defined duties/responsibilities</p> <p>Opportunities</p> <p>(O-1) New customer growth in new markets</p> <p>(O-2) Expanding beyond regional view</p> <p>(O-3) Cross sell innovative ideas</p> <p>(O-4) New "green" opportunities - LED, Telecom, Energy Efficiency</p> <p>(O-5) Global Partners - to bring together global customers</p> <p>(O-6) Development of proprietary materials</p> <p>Threats</p> <p>(T-1) Global supplier stability and single sourcing</p> <p>(T-2) Supplier price stability</p> <p>(T-3) Changing customer</p> | <p>Key Initiatives</p> <p>Annual Priority</p> <p>(A-1) Healthy Growth</p> <p>(A-2) Investment in New Business</p> <p>Key Initiatives</p> <p>(K-1) Supply Chain Alignment</p> <p>(K-2) Quality Assurance</p> <p>(K-3) Revenue Development</p> <p>(K-4) Customer Care</p> | <p>Key Threats/Capabilities</p> <p>(T-1) New Market Growth</p> <p>(T-2) Product Development</p> <p>(T-3) Customer Care Process</p> <p>(T-4) Sourcing Strategy</p> <p>(T-5) Advanced Manufacturing</p> <p>(T-6) Organizational Development</p> |



Strategic Planning

Our Mission

Sur Seal delivers complete roofing solutions to service customer needs.

Our Vision

Sur Seal strives to be a world class partner offering roofing solutions that add value.

We will be recognized for:

- Healthy Growth
- Best Place To Work
- World Class Facility
- Great Relationships
- Products & Capabilities

Our Markets

Our goal is to build strong relationships with key customers and the best of the best in our markets within the following areas:

- Lighting
- Medical
- Commercial

Our Values

Can Do - Get it Done and Achieve Results
Customer Care - Customer/Client - meet their expectations
Grow Together - Team Solutions
Growth - Making growth and Sur Seal better
Innovative - Creative solutions that impact our business
Respect & Appreciation - Respect All and Recognize Successes

Safety will always be #1!

Our Commitment

We as a family and a company are willing to invest in the future of this company to make the quality of life of our customer best.

Financial - Make and utilize resources - accounted

Our Growth Plan

Strategic planning is defining your business and controlling the future growth. We plan on growing in three ways:

- Replace fear with a passion
- Mean should flow freely. Learning cannot stop.

Our Core Competency

World class solutions for roofing applications

Sur Seal Strategic Planning Team 11/25/2011

Flow

VISUAL FLOW

Flow

Keep it
Simple



Blue

Material & Tooling

+

Yellow

Equipment, Training, and
Processes

=

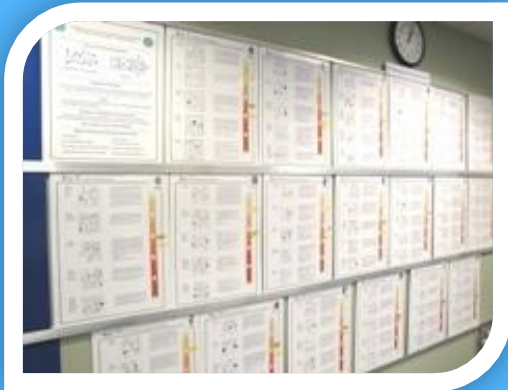
Green

High Customer Quality

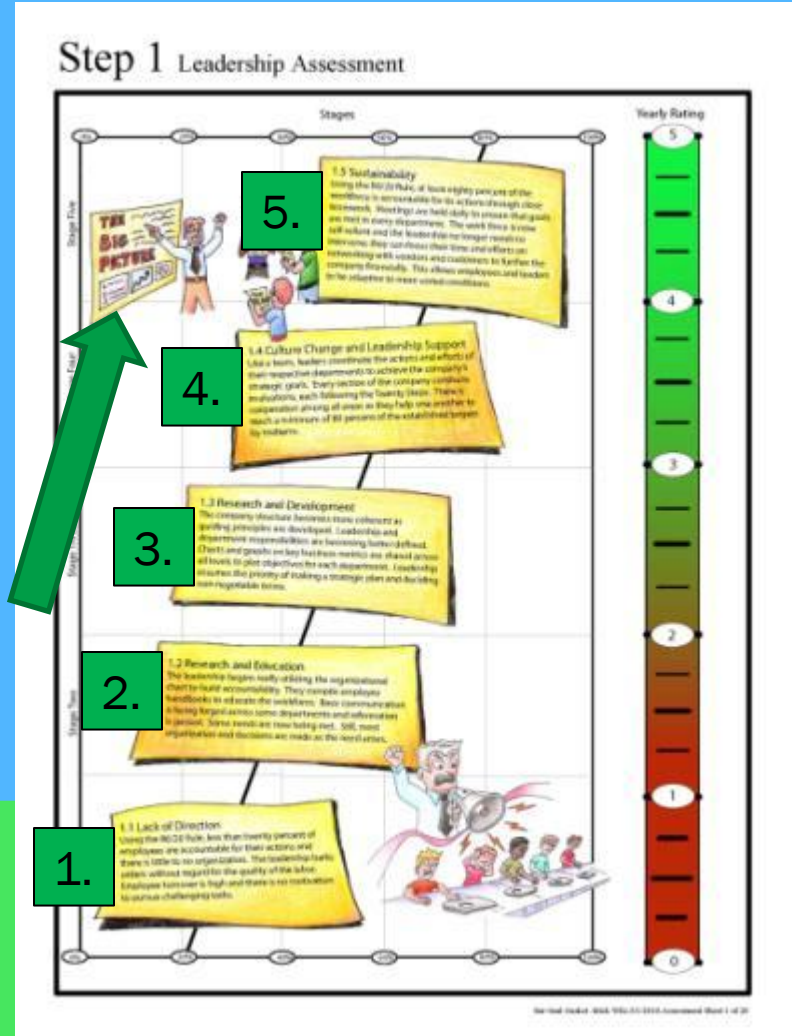
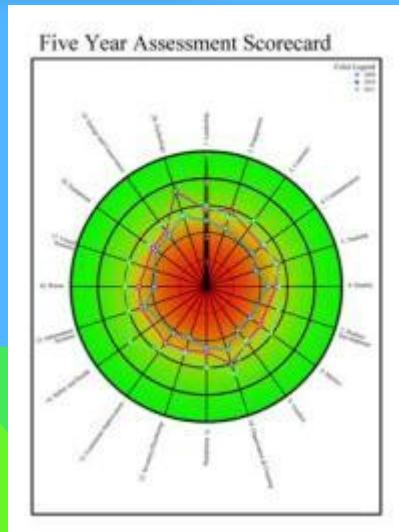
VISUAL ASSESSMENT

80/20

20 Step Assessment



| Assessment Work Sheet | |
|---|---|
| Topic: Baseline Assessment | Assessor's Name: _____ Date: _____ |
| Please Check 1: Level 1 Leadership / Responsible for directors of the company Level 2 Leadership / Responsible for a core area of the company Level 3 Leadership / Responsible for an area within a core area of the company Level 4 Strategic Role & Responsible with Customers, Supplier and/or Associates Level 5 Integral Role & Responsible with a core area of company. | Years of Service: 0-2 3-5 5-10 10 and over |
| Step 1: Leadership | Step 11: Scheduling |
| Step 2: Engagement | Step 12: Inventory Purchasing |
| Step 3: The Customer | Step 13: Continuous Improvement |
| Step 4: Learning & Communication | Step 14: Safety Health |
| Step 5: Training & SHI Development | Step 15: Information System |
| Step 6: Quality | Step 16: Waste Elimination |
| Step 7: Product Development | Step 17: Visual Systems |
| Step 8: Metrics | Step 18: Equipment |
| Step 9: Vendor Development | Step 19: Energy & Safety |
| Step 10: Organization & Change | Step 20: Technology |



In-line with the Strategic Plan.
Keeping our processes sustainable.

5 Levels **Flow**



STEP 1: LEADERSHIP



Teach what right looks like.



Manage Processes

Lead People



"What can I do today to help my staff feel like heroes?"



My Personal Honor Code,

To change the world you live in, you must start with yourself.

As a Leader:

I will follow the golden rule.

I will be a whole person and lead on a foundation built on trust.

I will not lie, cheat, steal, or tolerate those who do.

I will promote and support the vision, mission and values of the company.

I will put family and safety first.

I will be genuine and show my passion.

I will use my wisdom and the wisdom of others to solve problems not money.

I will be aware of my positional and personal powers, and never abuse either.

I will show care and have respect for others, and recognize the value they bring to the table.

I will create an environment where it is ok to be different.

I will work shoulder to shoulder even when I do not see eye to eye.

I will engage the people I lead to exchange ideas.

I will create an environment for the people I lead where it is safe to make a mistake.

I will help them believe that we are bigger and better together than apart.

I will be a good listener, keep my promises, and be accountable.

I will promote laughter, spread joy, and create a sense of family.

I will do the right thing because it's right, and teach what right looks like.

I will strive to understand what the client really needs.

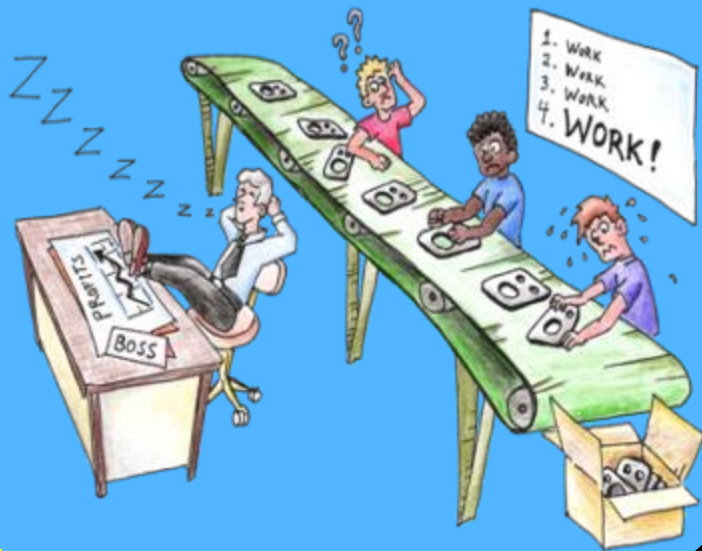
I will leave a legacy by sharing my tribal knowledge.

When teaching,

I will explain the process first, show them how, watch while they try it, and then say thanks for a job well done.

Practice, practice, practice, and greatness will come. am Mick Wilz A visual thinker with love for all of Gods creations. March 10, 2010





STEP 2: ENGAGEMENT

Follow the
Golden Rule



Book Club
Keith Ayers

Step 2 Engagement Thoughts

TRUST
Trust is the foundation of successful relationships. It is the willingness to be vulnerable to another person and to be vulnerable to them. Trust is the willingness to be vulnerable to another person and to be vulnerable to them.

Needs
There are four basic needs for a person to be engaged in their work: 1. Autonomy 2. Mastery 3. Purpose 4. Community

ONE-WAY
A one-way relationship is one where one person is always giving and the other is always taking.

Feelings
Feelings are the emotions that we experience in response to our environment. They are the result of our thoughts and actions.

Passion
Passion is a strong feeling or emotion that motivates us to do something. It is the result of our thoughts and actions.

Strengths
Strengths are the qualities and abilities that we possess. They are the result of our thoughts and actions.

Responsible
Responsible is the state of being accountable for one's actions. It is the result of our thoughts and actions.

Thankfulness
Thankfulness is the state of being grateful for what one has. It is the result of our thoughts and actions.

Give-Get
Give-Get is the state of being in a relationship where one person is always giving and the other is always taking. It is the result of our thoughts and actions.

Mentoring / Coaching
Mentoring / Coaching is the state of being in a relationship where one person is always giving and the other is always taking. It is the result of our thoughts and actions.

Understanding
Understanding is the state of being in a relationship where one person is always giving and the other is always taking. It is the result of our thoughts and actions.

Be an Insider
Be an Insider is the state of being in a relationship where one person is always giving and the other is always taking. It is the result of our thoughts and actions.

Ask the questions what barriers do we need to remove for this place to become a great place to work. The goal is to create an environment where people can do their best.



“Light a fire within your employees, NOT under them!”



STEP 4: LISTENING & COMMUNICATION

“You have two ears and one mouth for a reason.”
-Epictetus

“The art of communication is the language of leadership.”
-James Humes



Step 04 Communication

Rewarding
“Great communication is an art, not a science, and just as hard to teach as it is to learn.”
-Steve Jobs

LISTENING
An important communication tool that allows you to understand the needs and concerns of others.
-Steve Jobs

Body Language
Body language is an important part of communication. It can be used to convey a message or to show that you are listening. It can also be used to show that you are not listening or that you are not interested in what the other person is saying.
-Steve Jobs

We're in a new age of communication. Learn how to use it!
“It's not the technology that's important. It's the way we use it that's important. The way we use it is what matters.”
-Steve Jobs

Visual Communication
An image with a message.
“A picture is worth a thousand words.”
-Proverb

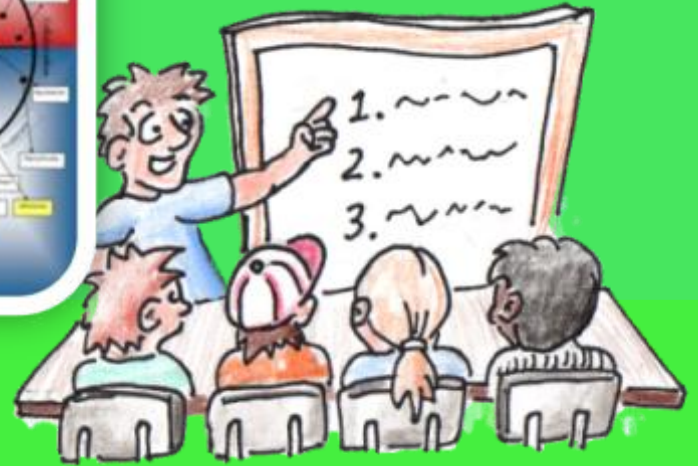
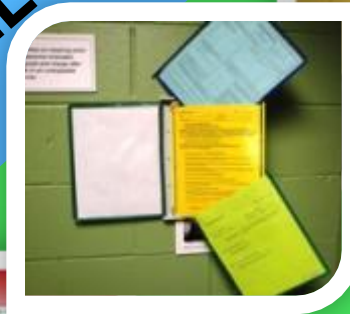
Remember to include all stakeholders.
“The success of the organization should always be measured by the feedback from the customer.”
-Steve Jobs

Good communication is built on trust.



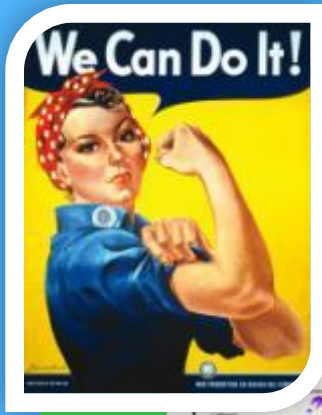
STEP 5: TRAINING & SKILL DEVELOPMENT

1. I do you watch.
2. We do.
3. You do I watch.
4. You do.





STEP 6: QUALITY



Thoughts

Quality Part of our Mission Statement!

80%

Pay The Right Price

Knowledge Sharing

Visual Workplace

Intelligence

Quality Improvement

Quality



QUALITY START TO FINISH

What do your customer and vendors know that will help you with your quality?

What do your customers and vendors need to know about your operations?

Flow





STEP 7: PRODUCT DEVELOPMENT

Step 07 New Product

STRATEGIC & FORWARD THINKING ARE A MUST.

NEW PRODUCT

Models of collaboration from the beginning

Outsourcing
New Product Development
KEEP IT SIMPLE
Process Before Function

Quality
A commitment to quality is an acknowledgment of respect for the customer. Quality is a process, not a product. Quality is a way of thinking, not a slogan.

R&D
Research and Development
The World's Experiences
There are no good ideas, only better ideas than you have.

Courage
Life Cycle of Product
Development of the new product is a process of trial and error.

VALUE
"Value is what you get, what it's worth to you."
"Value is what you give, what it's worth to the recipient."

Ethics
"Integrity is doing the right thing, even if nobody is watching."

Check List
- Have a clear vision
- Know your market
- Know your customer
- Know your competition
- Know your strengths and weaknesses
- Know your resources
- Know your risks
- Know your goals
- Know your timeline
- Know your budget
- Know your team
- Know your support

Why, Why, Why, Why, Why?
Ask Why five times and you will find the real reason.

Vendors
What are the Real Requirements?
- Communication
- Collaboration
- Flexibility
- Responsiveness

Never assume that the lack of complaints is equal to a satisfied customer base.

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"Integrity is doing the right thing even if nobody is watching."
-Jim Stovall





STEP 8: METRICS

“What gets measured gets done.”

-John E. Jones

“Look through the windshield instead of the rear view mirror.”

-Byrd Baggett



Vendors?! We can't trust them with our information. It's US versus THEM.



STEP 9: VENDOR DEVELOPMENT



Thanks again! We couldn't have done it without the value that you bring to the team.



"Let's ask our suppliers to come and help us solve our problems. Two heads are better than one."

-Dr. Deming





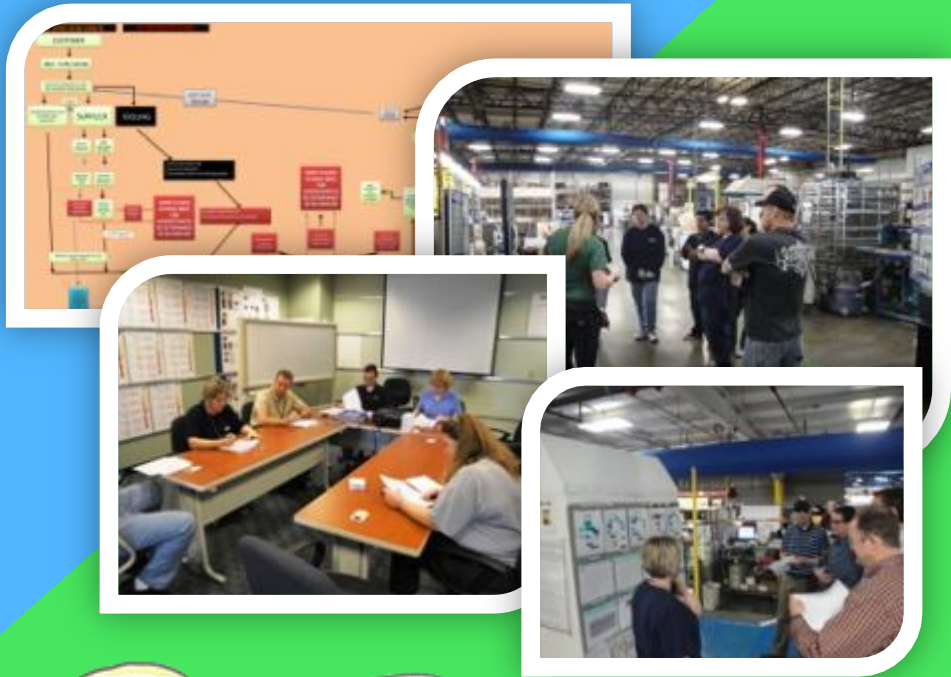
STEP 10: ORGANIZATION & CLEANING

This needs to become a habit.

Color Code

| | |
|--------|--------|
| Yellow | Yellow |
| Green | Green |
| Blue | Blue |
| Red | Red |
| Orange | Orange |
| Purple | Purple |
| White | White |
| Black | Black |





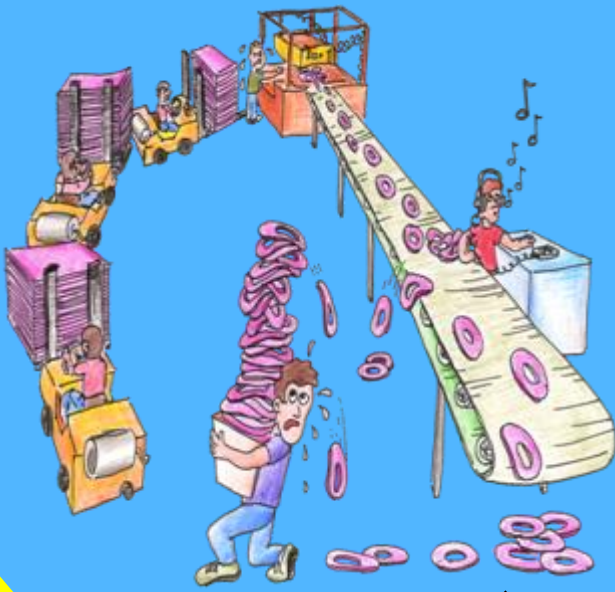
STEP 11: SCHEDULING

Commination
Daily Huddles

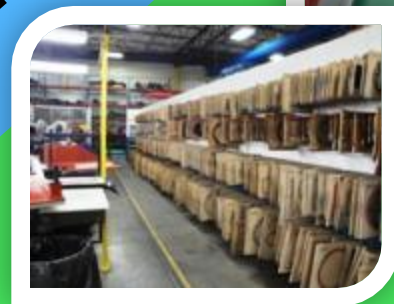


Flow





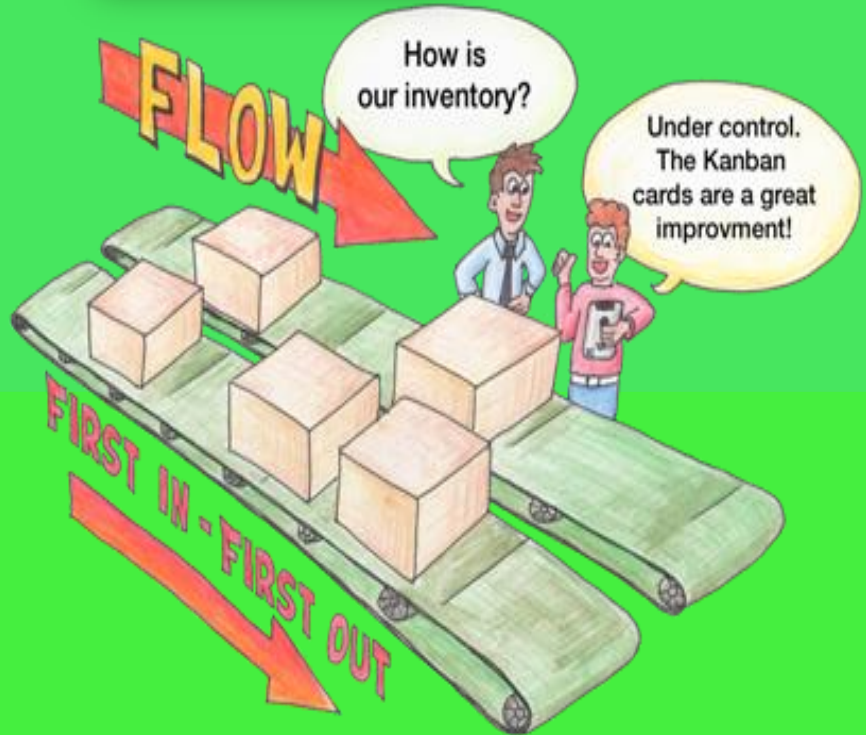
STEP 12: INVENTORY & PURCHASING



Do you have money in the bank or inventory on the shelves?

Point of use.

Flow



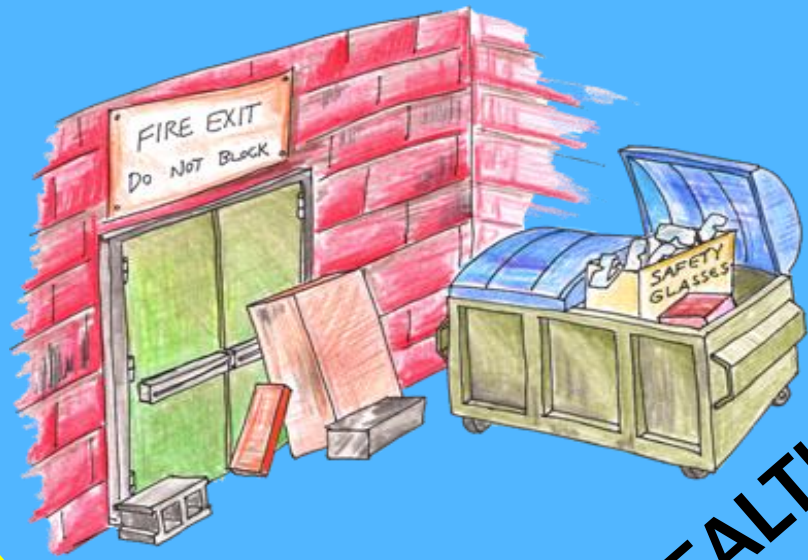


STEP 13: CONTINUOUS IMPROVEMENT



For process improvements to be sustainable you first need an engaged workforce built on trust.

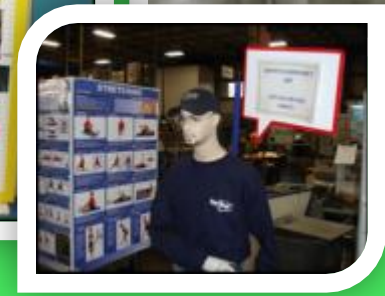
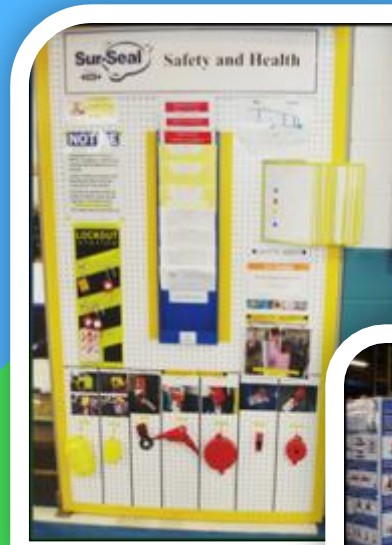




STEP 14: SAFETY & HEALTH

"Remember the door
of safety swings on
the hinges of common
sense."

-Author unknown



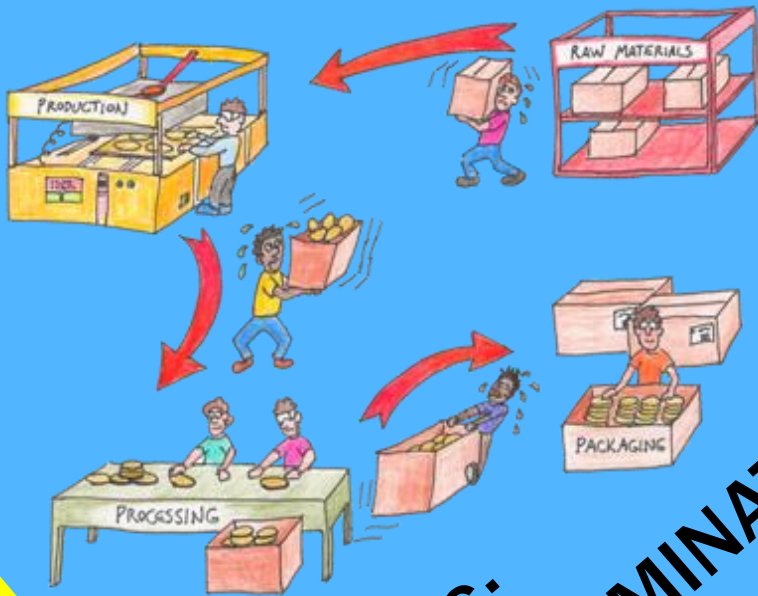


STEP 15: INFORMATION SYSTEMS







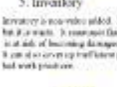



“Man is still the most extraordinary computer of all” -JFK



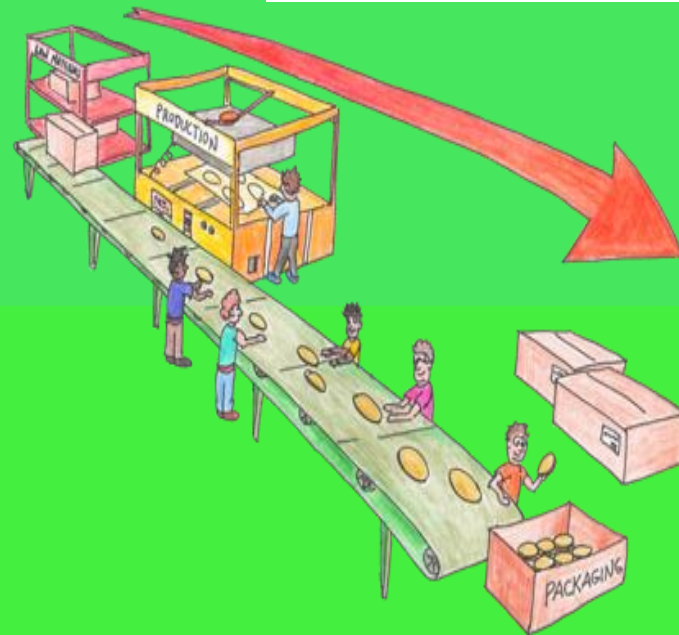


STEP 16: WASTE ELIMINATION

Step 16 Waste

| | |
|---|---|
| <p>1. Transportation & Walking Movement of people, materials and people between operations. Their movement - also a waste. The best solution is to have the office or desk.</p>  | <p>2. Waiting The time a worker spends as waiting for a machine, waiting for the material and waiting for instruction. Inactivity from a worker can be thought of as a waste. Lack of instruction and a lack of information is also a waste.</p>  |
| <p>3. Over-Production Producing more than the customer wants. Increases waste in materials, time, personnel, the materials and equipment.</p>  | <p>4. Defects A defect is a suboptimal failure to meet specification. This also includes the cost of the cost of inspecting defects, responding to customer complaints and recalls.</p>  |
| <p>5. Inventory Inventory is too much stuff. It can't be used, but it is made. It increases the cost of the cost of inventory, it is a waste. It is a sign of an over-capacity process and bad work practices.</p>  | <p>6. Motion The movement of a person that does not add value to a process. Anything that does not add value is a waste. Anything that does not add value is a waste, including reaching and bending.</p>  |
| <p>7. Processing Any process that does more than necessary to produce a product. Cans taking steps and unnecessary steps added to the process is a waste. The need for structure is quite essential.</p>  | <p>8. Creativity Not using the skills, knowledge, abilities, and talent of the people within the company to find solutions and make continuous improvements.</p>  |

Step 16 Waste © 2000 by Shigeo Shingo



Make waste ugly.

“The most dangerous kind of waste is the waste we do not recognize.”
-Shigeo Shingo

Flow

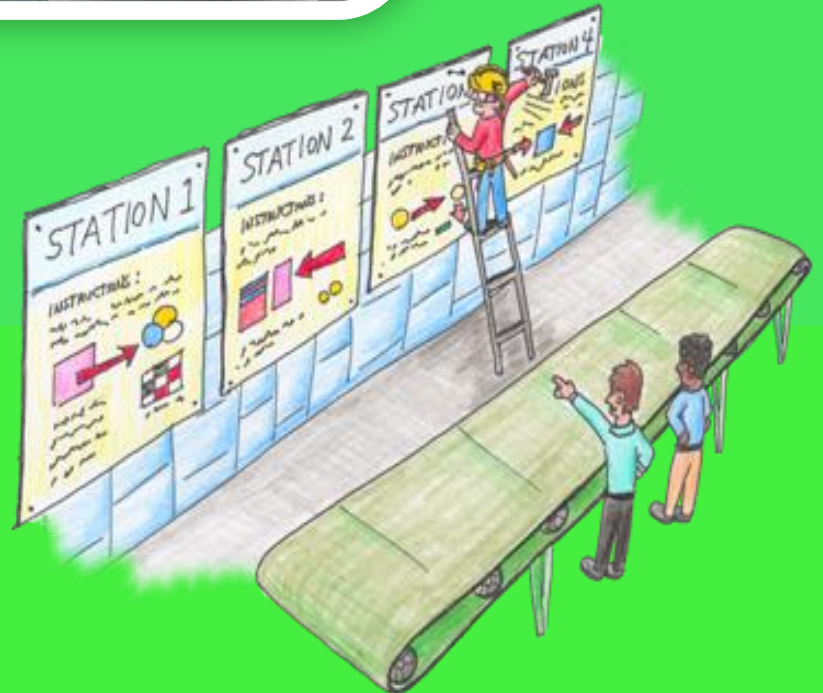




STEP 17: VISUAL SYSTEMS

"let us not forget, a picture is worth a thousand words."
-Fred R. Barnard.

Flow





STEP 18: EQUIPMENT

“Equipment is like a team member, if you take care of it, it will take care of you.”



Step 18 Equipment

Safety Comes First
 #7
 Safety is the most important factor in any equipment program. It is the responsibility of the equipment manager to ensure that all equipment is safe to use. This includes regular safety inspections, proper training, and the use of safety devices.

Outside Contractors
 Equipment should not be used by outside contractors unless they are properly trained and authorized. The equipment manager should maintain a list of qualified contractors and ensure that they are properly trained and authorized.

Equipment Operators
 Only trained and authorized operators should be allowed to operate equipment. The equipment manager should ensure that all operators are properly trained and authorized.

Equipment Maintenance
 Regular maintenance is essential for the safe and efficient operation of equipment. The equipment manager should establish a maintenance schedule and ensure that all equipment is properly maintained.

Equipment Repairs
 Equipment should be repaired by qualified technicians. The equipment manager should establish a repair schedule and ensure that all equipment is properly repaired.

TPM
 Total Productive Maintenance (TPM) is a systematic approach to equipment maintenance that focuses on preventing equipment failure before it occurs. It involves regular inspections, cleaning, and lubrication of equipment.

Lockout Tagout
 Lockout Tagout (LOTO) is a safety procedure that ensures that equipment is properly shut down and locked out before any maintenance or repair work is performed. It is essential for the safety of equipment operators and maintenance personnel.

ROI
 Return on Investment (ROI) is a key performance indicator for equipment. It measures the profitability of equipment by comparing the net present value of the equipment to its initial cost. The equipment manager should track ROI for all equipment and use it to make informed decisions about equipment purchases and disposals.

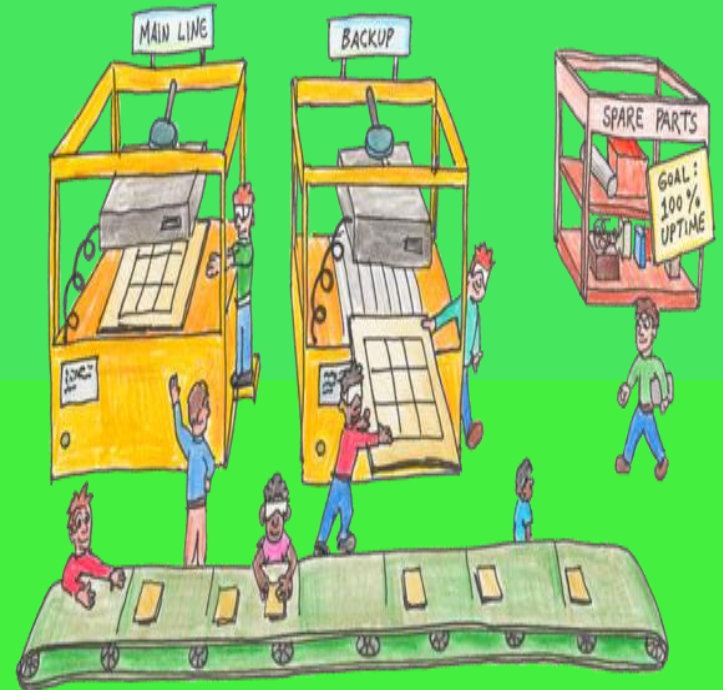
Equipment Operators
 Equipment operators should be trained in proper equipment operation and safety. They should also be encouraged to report any equipment issues or safety concerns to the equipment manager.

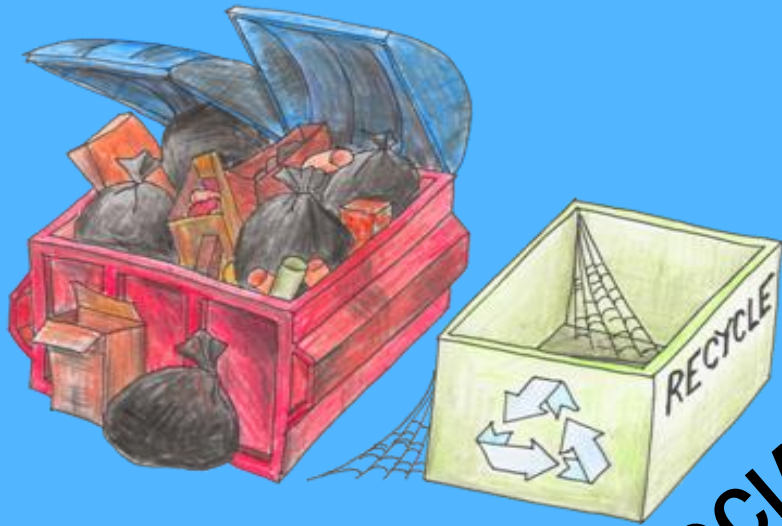
Attitude
 A positive attitude is essential for the safe and efficient operation of equipment. Equipment operators and maintenance personnel should be encouraged to take pride in their work and to report any equipment issues or safety concerns.

Equipment Training
 Equipment operators and maintenance personnel should receive regular training on proper equipment operation and safety. This training should include both classroom instruction and hands-on practice.

Equipment Safety
 Equipment safety is a top priority for the equipment manager. It involves regular safety inspections, proper training, and the use of safety devices. The equipment manager should also ensure that all equipment is properly labeled and that safety warnings are clearly visible.

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STEP 19: ENERGY & SOCIAL RESPONSIBILITY

“Conservation is a state of harmony between men and land.”

-Aldo Leopold





STEP 20: TECHNOLOGY

“Technology makes it possible for people to gain control over everything except technology.”
–John Tudor

