



January 07, 2008
Volume 7, Issue 02

LEAN THOUGHTS

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Supply Chain Management

Pretty well in everyone's Value Stream there now resides a variable called "China". This variable can be in the form of a supplier, competitor or even as a customer. Many folks are working hard to attempt to get competitive against their China perceived competitors. Better organizations are learning how to develop a high-bred solution that will use their foreign competitors as partners. Many years ago Peter Drucker wrote some sage advice that is still relevant today related to Low Cost Country sourcing ;

"As to becoming Lean enough to keep jobs here, let's say a foreign worker is making 10 cents per hour. A U.S. worker is making \$12/hr + employer FICA taxes + workers comp + other benefits + the cost of all federal & local EPA,

OSHA, etc regulations. How many times more productive can the U.S. worker practically be in order to compete with a foreign worker making 10 cents an hour? He would have to do the work of 120 foreign workers just to compete on gross salary alone, not including benefits & regulations. I doubt this is achievable.

Don't forget that labor isn't 100% of manufacturing costs:

- 1.. Milling machines or wafer steppers are no cheaper where workers make 10 cents/hour than where they make \$20/hour.*
- 2.. Energy or materials are not cheaper either.*
- 3.. The lack of a support infrastructure around the plant drives up maintenance costs.*
- 4.. Delivering across 7,000 miles of ocean extends you lead time by weeks, during which your major customer may cancel the order for the units in the pipeline and thereby bankrupt you. (This has happened.)*
- 5.. Providing engineering and management support across cultures and timelines is also a frequently underestimated drain on your resources.*
- 6.. Protecting your intellectual property in a different country may be impossible.*

By the time you factor in all of these issues, the cost advantage due to cheap labor may be down to 10%, which is well within reach of lean manufacturing."

Also during the Christmas Break I ended up in an e-mail dialogue with my good friend and mentor Ken McGuire. I have collaborated with Ken in the past and he shared a white paper he wrote titled "The China Challenge, The disruptive event, Changing the way you need to compete". Due to space restrictions I cannot reprint the article but if you contact Ken I am sure he would be happy to share with you. Contact Ken by dialing (508) 398-2010 or email him at MEACCapeCd@aol.com

LEAN CONSORTIUM MEMBERS:

- ACE Bakery
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**Where “Lean Thoughts”
Become Reality**



GOOGLE

Like me you probably use Google a lot to search for information. The following article appeared in our local newspaper with some great tips on how to use Google more effectively ... enjoy

Q: I use Google as my main search engine and was wondering if you could give me some tips on what tools Google has to offer and how I can find what I'm looking for quicker and more accurately?

A: Google is a great company and it has revolutionized the way we utilize the Internet and all it has to offer. I use Google as my main search engine because I find it generates the best results for me. Yahoo and MSN, however, are also very good products and have a lot to offer.

When using Google, there are tools that are available that you may not even know exist. There are also symbols that you can use to help define your search to better help you get exactly what you are looking for.

The tools that I find are helpful are ones such as the calculator/converter. In the Google search bar, you can type in any combination of numbers such as 70 + 30 and Google will answer 70 + 30 = 100. This is faster than opening your calculator.

Another example would be to type 15 pounds to ounces in the Google search bar and Google will answer 15 pounds = 240 ounces. It's brilliant.

Other great tools include calendars, pictures, maps, business information, news and new alerts -- automatically get news and other information sent to your e-mail. You can also create and share documents online and view them from anywhere in the world.

To find more of these tools, go to www.google.com and in the top left-hand corner you will see images, maps, news, video, gmail, more. Click "more" and click "more" again and you will be led to a Google site that lists all the tools it has to offer.

The use of symbols will also improve your Google search. The most common way to search is to type what you're thinking. Google will then search for pages containing those particular words. For future reference, avoid using insignificant words like and, in, if, as, or, etc., as Google will not use these words to find appropriate links. When searching for specific topics of interest you can improve your search by utilizing these symbols:

Quotation marks: If you want to search for an exact phrase, use quotes. "Red wool sweater" will only find that exact phrase. Red "wool sweater" will find pages that contain the word red and the exact phrase "wool sweater."

Similar terms: Use the "~" symbol to return similar terms. (~red wool sweater - red) will get you pages that contain "green wool sweater" and "big wool sweater."

Definitions: Use "define:" to get a quick definition. (define: hockey) will give you a whole list of definitions from different sources, with links.

Wildcard: The (1 star) symbol is a wildcard. This is useful if you're trying to find the lyrics to a song, but can't remember the exact lyrics. (can't (1 star) me love lyrics) will return the Beatles' song you're looking for.

Numrange: This feature searches for a range of numbers. For example, "best books 2000 . . . 2005" will return lists of best books for each of the years from 2000 to 2005.

Site-specific: Use the "site:" operator to search only within a certain website. (site:ford.com mustang) will search for the term "mustang" only within this site.

Music: The "music:" operator returns content related to music only.

File types: If you just want to search for .PDF files, or Word documents, or Excel spreadsheets, for example, use "filetype:".

I hope this helps. Like anything else, practice makes perfect and over time you will see more and more how search results are returned and ultimately help you find exactly what you're looking for.

Contact me if you need coaching or facilitation help in the areas such as but not limited to; 5S, Value Stream Mapping, Set-up Reduction, Problem Solving or Policy Deployment and Consortium Development



2008 Consortium Event Schedule



Tour Workshop Conference

January	February	March	April	May	June
<p>T</p> <p>Wednesday 16 <u>Eaton Electrical</u>, contact Joe Fisher, JoeRFisher@eaton.com</p>	<p>T</p> <p>Wednesday 13, <u>ACE Bakery</u>, contact Cindy Grolleman, cgrolleman@acebakery.com</p>	<p>T</p> <p>Wednesday 19, <u>Nestle Waters</u>, contact Mariela Castano mcastano@perriergroup.com</p>	<p>T</p> <p>Wednesday 16, <u>CTS Corp.</u>, contact Bob Garces, Bob.Garces@ac.ctscorp.com</p> <p>Consortium Shareshowcase</p> <p>Saturday 05 <u>Eaton Milton</u>. Contact Cindy Grolleman cgrolleman@acebakery.com or Joe Fisher JoeRFisher@eaton.com</p>	<p>T</p> <p>Wednesday 14, <u>Stackpole CSD</u>, contact Don Barber Don.Barber@stackpole.ca</p>	<p>T</p> <p>Wednesday 18, <u>Morrison LaMothe</u>, contact Tony Vita tvita@morrisonlamthe.com</p>
July	August	September	October	November	December
		<p>T</p> <p>Wednesday 24, <u>Kraft Foods</u>, contact Hanif Jivraj hjivraj@Kraft.com</p>	<p>T</p> <p>Wednesday 08, <u>CGL Manufacturing</u> contact Dave Deskur daved@cglmfg.com</p>	<p>T</p> <p>Wednesday 12, <u>Messier-Dowty</u>, contact Mike Smith Mike.Smith@Messier-dowty.on.ca</p>	<p>T</p> <p>Wednesday 10, <u>Orenda</u>, contact Brenda McIntosh brendamcintosh@orenda.com</p>