YOUR STRATEGIC BUSINESS ADVISORS

If you have questions, or would like to speak with someone from NWIRC about services, please contact your Strategic Business Advisors:

Tom Weible  
814.590.5202  
Cameron, Clarion, Clearfield, Elk  
Jefferson, McKean & Potter Counties

Susan Hileman  
814.572.2077  
Crawford, Forest, Mercer & Venango Counties

Ed Barthelmes  
814.923.3084  
Erie & Warren Counties

UPCOMING EVENTS

ISO/TS 16949 Audit Training  
February 10, 11 & 12  
Location: Erie  
April 21, 22 & 23  
Location: Meadville  
May 5, 6 & 7  
Location: St Marys  
Participants will develop skills for identifying non-conformance and promoting continual improvement within their service of manufacturing organizations by using a combination of lecture, discussion and auditing case studies.

Root Cause Analysis  
February 25  
Location: Meadville  
April 28  
Location: St Marys  
May 19  
Location: Erie  
Discover a disciplined approach to problem solving. Once a root cause is identified and remedied, final system outcomes improve, preventing it from occurring again.

LEAN Champion Certification  
March 5, 12, 19 & 26  
Location: Erie  
April 7, 14, 21 & 28  
Location: DuBois  
April 30, May 7, 14 & 21  
Location: Hermitage  
LEAN Champion Certification participants gain hands-on training and one-on-one assignments that pertain to your manufacturing business.

Calibration & Using Measuring Equipment Workshop  
March 24 & 25  
Location: Erie  
Through this workshop companies will save dollars by having internal resources trained in proper gauging and measuring techniques. Participants will learn handline and storage of measuring devices, types of gauges, measurement traceability and special topics as requested.

Check our website for additional training events.

For more information visit www.nwirc.org/events
Regional Manufacturing Outlook for 2015

by Bob Bengel, NWIRC President/CEO

In its latest Beige Book summary of current economic conditions (published January 14, 2015), the Federal Reserve reported that manufacturing activity expanded during the mid-November through late December 2014 reporting period in most of its twelve Districts.

Regionally, manufacturing contacts at factories in the Cleveland District – which includes western Pennsylvania -- reported that:

• Demand ranged from stable to moderately improved during the past six weeks.
• Declines in orders, if any, were attributed to seasonal factors.
• The seasonal slowdown in steel shipments that typically begins in November was slightly deeper than expected. A few contacts expressed the belief that customers are waiting for steel prices to stabilize at a lower level. Due to pricing and market uncertainties, some steel producers are reducing their finished goods inventory.
• New hiring continued at a modest pace -- mainly in production and sales. Wage pressures presently are limited to high-skilled production workers, engineering, IT, and computer system personnel.
• Raw material prices were stable or lower during the past six weeks with declines seen in steel, copper, and petroleum-based products.
• Finished goods prices held steady.

Growth Cited in Construction, Shale Gas, and Automotive in 2014

Year-to-date results for 2014 were generally better than a year earlier, as several producers cited growth in the construction, shale gas, and auto industries as contributing to higher revenues. Year-to-date auto production through November at District assembly plants was more than 4 percent higher compared to the same period in 2013.

Regional Manufacturers Expect Moderate to Strong Growth in 2015

Looking out over the next twelve months, Fed contacts in the Cleveland District were fairly optimistic -- expecting moderate to strong growth in 2015. Some manufacturing contacts expressed concern, however, about weakening foreign economies and a decline in the price of oil. A large majority of factory representatives projected that capital spending in 2015 will be moderately higher than prior-year levels -- with funds being allocated mainly for new IT and capital equipment.
Improve Your On-Time Delivery!

by Craig Corsi, NWIRC Lean Specialist

Do you know how much late deliveries are costing your organization?

Some of the costs are immediate and obvious, such as disgruntled customers, premiums for freight, overtime pay and possibly customer imposed monetary penalties.

Other costs are often a direct result of late deliveries but are more difficult to quantify such as:

- Loss of customers and market share
- Difficulty in obtaining new orders
- Time wasted tracking down and explaining late orders
- Problems with cash flow
- Increased inventories
- Lowered productivity and profits

The cumulative impact can be devastating to overall performance, and some organizations have difficulty overcoming past mistakes and perceptions. Penalties of tens of thousands of dollars annually can turn a potential profitable order into a loss.

While the majority of our clients do not have such poor reputations for delivery, nearly everyone can benefit from improvements such steps as:

- Set “on-time delivery” as a top performance measurement of your organization. Set targets for improvement, and promote your goal heavily throughout the organization at every opportunity.
- Align the organization. Make on-time shipments part of performance reviews, management incentives, or profit sharing. Apply this concept to all functions within the company and not just to the production department.
- Measure progress toward your goal. Appoint leaders in the organization to champion key milestones on your projects, and frequently post progress. Discuss the latest results, regardless of whether the news is good or bad.
- Identify and redesign those processes that are preventing on-time deliveries. You may need to revamp how your organization schedules and communicates, or you may discover that bottlenecks need to be eliminated.

Celebrate successes and encourage those who fail while giving their best effort.

Want to learn more? Please contact me or your NWIRC business advisor for more information.

Mr. Craig Corsi serves as the NWIRC’s Lean Manufacturing & Continuous Improvement consultant and trainer. With over 12 years of manufacturing experience, Craig worked within GE’s material management and demand flow technology groups, is certified in Six Sigma, and has earned a MBA in 2001 from Gannon University.

战略销售

by Mike Estrich, Decision Associates

当我在15年前开始销售企业对企业解决方案时，我为一家房地产开发商工作。他们喜欢通过给他们不成功的项目组合，并给他们一个简单的目标：让商场达到100%的 occupancy，只要达标预算目标。

这看起来相当直接，除了教练的建议就到此为止。如何销售、销售什么以及卖给谁都是由我来决定。所以在3个月的位置上，我一直在外出和听每个人的意见，但最后我得出一个结论：并非所有的潜在客户都是一样的。

虽然这是一个简单的结论，但它引领了一系列复杂的问题和回答。我想要找出如何利用我的知识，只专注于那些极有可能成功并让我省时省力的潜在客户。我需要找到“谁”、”什么“、”在哪里“和”为什么“的答案，以便铺开理想的潜在客户。

我需要在销售中更加战略性，但那意味着什么呢？

战略销售的概念可以更好地被陈述为，在销售努力中变得更加有选择性。这种选择性可以分为两个大问题：

1. 什么使一个客户“理想”对我们？
   a. 我们最赚钱和最不赚钱的部分和服务的特征是什么？
   b. 我们赢得工作的原因是什么？我们丢失工作的原因是什么？
   c. 客户为什么把我们当作供应商或服务提供商？
   d. 我们的客户属于哪个行业，以及在接下来的5年里他们的预期增长率是多少？

2. 什么使我们“理想”对一个客户？
   a. 我们理解他们业务的复杂性吗？
   b. 我们了解他们所服务的最后使用行业吗？
c. Do we understand their competitive environment?

d. If they have a problem to solve, do we have the resources internally to provide a solution?

e. Are our companies culturally compatible?

These questions create a list for your company to better filter opportunities against one another. The closer a prospect is to the “ideal” the higher likelihood they will turn out to be a great customer. This will allow you to dedicate more time and energy to building relationships with the prospects that will give your company the best return on their investment of time, resources and energy.

If you would like assistance in helping your company become more strategic in its sales efforts contact mike.estrich@decision-associates.net or your NWIRC Business Advisor to learn more!

Mike Estrich is a senior consultant at Decision Associates specializing in strategic planning, sales development, market research and B2B marketing.

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Put Social Media to Work for Your Company!

by Andy Fritts, President & CEO - fh group

In today’s business world, it’s just as important to have a presence on social media as it is to have a website. Social sites like LinkedIn, Facebook, Twitter and YouTube are providing unprecedented access to your customers and prospects when and where they are online. For some social networks, the business-to-business segment is growing as fast as two new members every second. This continues to evolve quickly because so much information is now instantly available to the buyer, giving them the ability to evaluate and select or eliminate your company faster then ever.

**Why you should participate:**
Social networks enable access to a large number of competitors and customers for research, monitoring and conversations online. Before you fully jump in, you should first examine what your target customers are sharing and posting to better understand their needs, then look for ways to engage them. A good example would be utilizing LinkedIn to data mine for key stakeholders in your target audience, then connecting with them or following their company to stay up to date on their latest news. They may have a recent contract win you can leverage as you reach out and build rapport or offer your services.

Social networks also allow your team to present industry knowledge and become recognized as thought leaders. With the ability to have real conversations, social selling has started to eliminate the time drain of cold calling, as your prospects become qualified based on interactions and connections.

**How you should participate:**
With so many new networks going online every day, research is key to see where your audience and customers are participating. Focus on your top three and set realistic goals, whether it is 10 new followers a week or 100 new engagements per month.

Once you start participating, you will have the ability to share case stories, promote trade shows you’ll be attending and connect with other industry thought leaders. Leverage and empower your team to post on topics relevant to your company and industry to provide additional reach, but make sure you have guidelines in place regarding how to participate online.

So if you’re new to social media or are just kicking off your program, do your research first, and then let social media go to work for your company.

**Andy Fritts** is an advertising and interactive marketing professional with more than 15 years of experience delivering business building solutions for a variety of manufacturing clients and industries.