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

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### UPCOMING EVENTS

**The Talent Grab**  
January 20, 27 & February 3  
Location: Erie  
Participants will be provided with what it takes to have the right people ready along with being guided through the creation of a talent management program in efforts to measure the potential and performance of the workforce and enable growth for the future. This is a three session workshop.

*Check our website & inside for updates and additional 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 nonconformance and promoting continual improvement with 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.

For more information visit www.nwirc.org/events
Are You Fully Leveraging Information Technology Tools & Resources?

by Gerry Schneggenburger, NWIRC Client Services Director

If not, please consider contacting the NWIRC for assistance. Our IT KickStart and CIO-for-HIRE programs assist manufacturers with initiatives that improve such activities as order processing, network speed, online customer education, and work-in-progress reporting. Our IT-based programs aren’t offered by any other service provider in the region and feature:

• A Problem Solving & Solution Development Focus
• Seasoned & Experienced Business Advisors
• Deep Relationships With IT Service Providers & College Resources
• Objective & Unbiased NWIRC Advisors That Don’t Need to Sell You A Software Product

Over the past two years we’ve engaged dozens of manufacturing clients in:

• Cloud-based Application Implementation
• Enterprise Resource Planning (ERP)
• Web-based Marketing, Services and Outreach
• Network, Virtualization & Redundancy Planning

The NWIRC measures success in terms of client project impact. With over $2.1 million saved by clients over the past one year, our IT programs can help you by offering:

• Tried-and-True Solutions Learned From Regional Projects & National
• Best Practices
• Facilitation and Identification of Your Team-based Needs & Requirements
• Minigrants To Help Decrease Project Costs
• Correctly Scoped Projects To Accurately Capture Project Requirements From the Start

Interested in learning more? Please contact your Business Advisor for more information.

Gerry Schneggenburger has over 25 years of experience in engineering design, systems development, and business operations.
Selling Your Business? What You Need to Know to Succeed
by Susan Hileman, NWIRC Strategic Business Advisor

The October 2014 issue of Senior Outlook Today stated, over 90% of business sales fail. It's a stunning figure and warning to all owners planning to sell within the next 10 years. The Northwest PA region faces a potential economic crisis since Census data indicates over 36.5% of our small businesses are owned by soon-to-retire baby boomers. If the business ownership cannot effectively be sold or transferred, it could have a huge impact on our regional economy. There are several factors to consider beyond assets and financial performance, as well as the process of the business transfer itself.

First, get help. There are a small number of good consultants in the region who can help those looking to buy/sell a business. It is important to enlist someone with experience in mergers and acquisitions, who understands the accounting side of transactions, and knows where the opportunities lie to structure the deal favorably. It's also important to make sure the deal is structured so that it aligns with your personal financial goals and retirement lifestyle.

Second, get your ship in order. Financials only tell half of the story, and savvy buyers know this. A strong operational performance equates to a cost savings during the transfer process, as buyers will not need to spend time and resources on making improvements. If your operational performance is weak, consider working with the NWIRC to make improvements. We have business tools that can help identify performance gaps and potential gains in your existing processes.

Third, know that buyers are going to perform a comprehensive evaluation of your business to determine the potential for commercial success. Avoid surprises in the process by assessing your business through an objective lens. This gives you a chance to fix any red flags you may find and close any gaps in value. Address these issues before your potential buyer performs their own due diligence to be confident that their assessment goes smoothly. Improve your odds of success by heeding this advice! Contact your NWIRC Business Advisor to begin preparing today.

Source: Chuck Richards, CEO of CoreValue Software, helping business owners evaluate the financial and operational health of a company in advance of its sale.

Susan Hileman with 20+ years of private industry experience along with Workforce Investment Act leadership and grant acquisition roles served in the U.S. Air Force, earned A.S. and B.S. degrees from Clarion University, and is Green Belt certified in Innovation Engineering services.

Seven Good Reasons Why a Buyer May Seriously Consider Purchasing Your Business
by Susan Hileman, NWIRC Strategic Business Advisor

1. A buyer may already have an existing business like yours and, by combining the two, be able to operate at lower cost.
2. A buyer may seek to acquire any number of your operating assets, such as desirable customer bases, complementary product lines, proprietary technology, key locations, staff, name, URL, or other tangible or intangible assets.
3. A buyer may have expertise in restructuring or repositioning businesses, and has a plan to make your business profitable either by streamlining operations or through integration with their existing companies.
4. A buyer may decide that it is more feasible to acquire your business, to invest in it and make it successful, than it would be to build a comparable business from the ground up.
5. A buyer may have sufficient finance sources to carry the loss until your business becomes profitable.
6. A buyer may have lower financial expectations and feel that, with minor cutbacks and a small investment, modest profits are achievable.
7. A buyer may be looking for a loss to offset taxation obligations.

Contact the NWIRC for assistance if you’re an interested buyer or seller who wants to assess the potential value of your business before a sale!

Source: BizQuest.com

Composiflex Benefits From IT Kickstart!
by Gerry Schneggenburger, NWIRC Client Services Director

Composiflex, Inc. serves aerospace, defense and medical device industries with high-performing carbon composite products manufactured right here in Erie, PA!

On a growth trajectory for five years now, due in part to aggressive customer acquisition, plant and equipment upgrades, and a conducive market for all things composite, Composiflex sees upward potential. What’s frustrated growth however is antiquated information technology (IT) systems and processes that haven’t kept pace.

Founded in 1985 and currently with 94 employees, Composiflex doesn’t have internal IT expertise to keep pace with server virtualization, network security, redundancy methods and server best practices, so they turned to the NWIRC for assistance.
After a software, hardware and network discovery process, the NWIRC brought in project partner Forquer Group of Erie, PA who specializes in broadband systems installation. Forquer is expert in VMware and SonicWall, and is a certified HP, Windows and Cisco reseller of network integration solutions. Not only did the NWIRC and Forquer assist in project specification development, the NWIRC assisted in project quality assurance and ensured project deliverables were met. The combined effort led to $75,000 in cost reductions, improved customer satisfaction, and increase sales of $150,000.

Michael Chesley, President of Composiflex, states, “Composiflex appreciates the cooperation between the NWIRC and the consulting group to help identify our needs, propose and carry-out a viable solution, and provide support in improving our IT network infrastructure. All parties were professional and easy to work with. We would recommend working with NWIRC to other manufacturers.”

If your business is being held back by IT issues and you’re seeking ideas and solutions, please contact your NWIRC District Manager today!

**NWIRC Clients at Pittsburgh’s 2014 Manufacturer of the Year Awards**

by Susan Hileman, NWIRC Strategic Business Advisor

The NWIRC sends Congratulations to those companies nominated by the Pittsburgh Business Times for the 2014 Manufacturer of the Year Awards!

The following Northwest regional manufacturers were among 40+ finalists in the category of Overall Excellence: Channellock, Wendell August Forge, NLMK, IPEG Inc. and Lord Corporation.

In addition, Channellock and Miller Welding & Machine Co. were also nominated in the category for the Premo J. Pappafava Award (Family-owned businesses) for which Channellock was the winner honored with that award.

About 400 attendees turned out for the Pittsburgh Business Times 12th Annual Manufacturer of the Year Awards banquet held at the Omni William Penn. The event was held December 4th, honoring the region’s most outstanding manufacturing firms.

Job well done!

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**UPCOMING EVENTS**

**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 on-on-one assignments that pertain to your manufacturing business. This program is presented once a week for 4 weeks.

**Lean After Hours**  
**March 24**  
Location: DuBois

**Lean Lunch & Learn**  
**April 9**  
Location: Hermitage

During this FREE 90 minute event you will be introduced to tactics that will improve cash flow, minimize waste, and increase productivity. Topics will include Value Stream Mapping, KanBan Inventory Reduction, and The Efficiencies of 5S.

**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 handling and storage of measuring devices, types of gauges, measurement traceability, and special topics as requested.

**Statistical Process Control**  
**June 9**  
Location: Hermitage

Learn how SPC can be part of your quality management system during this hands-on training.

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