

## AM&T Activities that Promoted Innovation, Collaboration, Growth & Profitability of Manufacturers in the Southern Tier

- Conducted an ISO 9001:2008 Briefing at a company in Ithaca, NY. Twelve (12) project leaders, supervisors, and managers received training in the requirements of the ISO Standard.
- Performed a Lean Assessment at a company in Endicott, NY. Inefficiencies were observed and a Lean Support proposal was prepared and delivered.
- Completed an ISO 9001:2008 Internal Audit at a company located in Rochester, NY. A summary report was prepared and delivered. This effort is a partnering effort with High Tech Rochester.
- Completed an ISO 9001:2008 Internal Audit at a company located in Elmira, NY. Their QMS was deemed compliant and effective.
- Conducted a Lean Thinking workshop at a company in Stamford, NY as part of a Lean Support contract. A mix of manufacturing, engineering, and office employees participated. Twenty (20) participants received training in the basic lean tools and methods.
- Conducted a 5S / Workplace Organization workshop at a company in Hornell, NY as part of the CFA contract. A mix of manufacturing, engineering, and office employees participated. Ten (10) employees received training in the 5S tools and methods and participated in a 5S Kaizen event.
- Completed an OHSAS 18001 Gap Assessment at a company located in Elmira, NY. Gaps and deficiencies were noted and a summary report was prepared and delivered.
- Completed ISO 14001:2004 & 9001:2008 Internal Audits at a company located in Rochester, NY.
- Conducted two TWI Job Relations workshops at a company in Elmira, NY. A total of 16 supervisors and team leaders were trained on using a 4-Step Method for dealing with employee conflict and creating better job relations.
- Conducted a Pull / Kanban workshop at a company in Hornell, NY. A mix of manufacturing, engineering, and office employees participated. Ten (10) employees received training in setting up Kanbans and implementing pull systems.
- Conducted a multi-day "Change Request" value stream mapping event at a company in Greene, NY with a team of eleven people. It is anticipated that when implemented, the plan will result in reduced wastes and a significant reduction in lead time.
- Conducted (1) four-hour Lean Thinking training session at a company in Elmira, NY focused on identifying and improving production and administrative wastes. The training was attended by 10 people.
- Completed Lean Six Sigma Green Belt training and a lean pilot project for a logistics operation company in Endicott, NY.
- Completed Management Representative training and a Pre-Assessment Audit in ISO 9001, 13485, 14971, and AS9100 for a sheet metal fabricator in Hammondsport, NY.
- Completed ISO 9001 Internal Audits for a company in Van Etten, NY.
- Conducted (1) four-hour Lean Thinking training session focused on identifying and improving production and administrative wastes. The training was attended by 10 people.
- Conducted two four-hour Problem Solving training sessions for a company in Spencer, NY. The training was attended by 20 people.
- Completed a Pre-Assessment Audit at a company in Ithaca, NY.
- Conducted a QMS Management Review and participated in a surveillance audit at a company in Syracuse, NY. This is a partnering effort with CNYTDO.
- Participated in a Registrar's Surveillance Audit at a company in Binghamton, NY.
- Conducted an Internal Audit and Management Review at a company in Endwell, NY.
- Worked with management of the Southern Tier Hotspot and the new REV Ithaca Downtown Incubator staff to coordinate support for entrepreneurs in the Tompkins County region.
- Planned, coordinated, and delivered a Pre-Seed Workshop to over 50 participants at the McGovern Family Center for Venture Development at Cornell University. The workshop centered around the creation of five teams that explored all the aspects of analyzing the commercial potential of five start-up companies, most of which emerged from the work of Cornell researchers. Their work culminated in presentations to a feedback panel of venture capitalists.

**AM&T can help your company also. Call Jim Cunningham at 607-725-1225**



Alliance for Manufacturing & Technology

## HOW WE HELP

- Business Assessments
- Strategic Planning
- Lean Enterprise
- Supervisory Training (TWI)
- Project Management
- ISO/AS Quality Systems
- Sales and Marketing
- New Opportunity Identification and Growth — Markets, Products, Services, Customers

AM&T is a not-for-profit economic development organization that receives significant financial support from the New York State Foundation for Science, Technology and Innovation (NYSTAR), and the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP). AM&T is a NYSTAR® designated Regional Technology Development Center for the Southern Tier and is one of nearly 50 MEPS located across the country. AM&T works directly with regional companies to increase their competitiveness and profitability.

This publication is funded in whole or in part by NYSTAR. Any opinions, findings, conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of NYSTAR.



MEP • MANUFACTURING EXTENSION PARTNERSHIP



# Value Stream Mapping - Good, Bad or Ugly? Find out Dec 1st



Are you looking to learn and share new continuous improvement ideas with other Lean Thinkers outside your organization? AME Roundtable events can help!

AME is conducting a "Roundtable Discussion" event, which will predominately include manufacturing participants. The focus will be on continuous improvement topics of importance to you and your organization.

This session's topic will be Value Stream Mapping - the good, the bad and the ugly!

If you have a specific topic for the group to address at a future session, you are encouraged to inform the AME event host.

Attendees are encouraged to "bring a friend" that has background / experience in Value Stream Mapping.

### PARTICIPANT BENEFITS

- Learn from your peers some of their challenges.
- Learn how these challenges are being addressed.
- Learn how companies are staying competitive.
- Network with your peers.

### AGENDA

12:45 - 1:00	Arrive
1:00 - 1:15	Introductions / Welcome
1:15 - 2:15	ASI Energy: Lean manufacturing; energy efficiency in processes
2:15 - 3:30	Roundtable Discussion - Issues / Challenges Facing Regional Manufacturers
3:30 - 4:00	Networking Time
4:00	Depart

**DATE:** December 1, 2014

**TIME:** 1:00 p.m. to 4:00 p.m.

**LOCATION:** ASI Energy  
950 Danby Road  
Ithaca, New York

**COST:** Non-Member Fee: \$50

**REGISTRATION:** <http://www.ame.org/event/ame-mid-atlantic-round-table-cny>

# 4 Things That Financially Healthy Businesses Have in Common

by Susan Payton

If you've ever wondered if there are certain qualities that make for a successful small business, you're not alone. While there's no magical formula for being financially healthy, the "Small Business Financial Health Analysis" (<http://www.thefundwell.com/wp-content/uploads/SMB-FinHealthReport.pdf>), put together by The Federal Reserve Banks of Chicago and San Francisco, Pepperdine University, and online lending resource FundWell, shows there are four practices that successful businesses share.

For the survey, more than 900 businesses were asked about their knowledge of financial products, the credit experience of business owners, and financial planning and management practices. Here are the four practices that were common among successful small businesses:

## 1. Strong Knowledge of Credit Products — And Experience Using Credit

If terms like inventory financing, accounts receivable financing, or trade credit make you scratch your head, you might want to bone up on those topics.

The survey showed that the majority of businesses in excellent financial health were very knowledgeable about financial terms and credit products.

And while taking out a business loan isn't necessarily an indicator that a business will succeed, 75 percent of those surveyed with excellent financial health have, indeed,

secured financing from a bank.

## 2. High Level of Unused Credit Balances

Financially healthy businesses have credit to spare. Meaning, they do not max out their credit cards and loan borrowing capabilities.

Conversely, the less successful businesses tended to max out — 65 percent of those in poor financial health had no credit available, at all.

## 3. A Budget for Business Expenses

You might think that budgeting is a no-brainer. Nope.

What's surprising is that apparently not every business budgets for expenses — not by a long shot. Could it be due to lack of organization, or lack of a good accounting software to use, or something else? Whatever the reason, those that did not budget fell into the camp of the less financially healthy.

Not only did 60 percent of the most financially healthy businesses budget for business expenses, but they also had a separate bank account for their business transactions.

## 4. Cash Set Aside for Payroll — Not Used It For Anything Else

There's nothing that drives a company into closing up shop faster than not paying employees on time. Even worse is the situation of a company that doesn't pay payroll tax withholding to the government in a timely manner. The IRS will put you

out of business fast if that situation lingers.

Take a note from successful companies, 90 percent of which always have enough money in the coffers to pay employees. They also have enough to cover payroll taxes, health insurance and benefits expenses.

## Who Runs These Financially Healthy Businesses?

If you're curious to see who's behind these thriving small businesses, the survey contains that information too. The majority of these financially healthy companies, more than 72 percent, are male or non-minority owned. That's possibly because this group has traditionally received more business loans in the first place. Thus, they have had more experience with credit and financial management.

By contrast, just 28 percent of the companies surveyed were run by women, and 21 percent by minorities. Across the survey, women and minorities scored well on knowledge of credit products. But when it came to credit experience and financial planning and management, they performed lower.

Minority entrepreneurs still have a more difficult time than other entrepreneurs when it comes to securing a loan, claims a report by The Washington Post. But programs are currently under way to see that women and other minority small business owners have more access to funding for their ventures as well. So this may lead to higher financial health among women and minority owned businesses in the near future.

**"Logic will get you from A to B. Imagination will get you everywhere else." ~ Albert Einstein**

## Why Manufacturing Makes America Great

While U.S. manufacturing makes up a smaller share of total employment than in decades past, the sector remains a vital source of our standard of living and economic growth.

Here's why.

**Still made in America:** It's a myth that we no longer make anything in this country. If the U.S. manufacturing sector were its own nation, its \$2 trillion worth of annual value-added would make it the world's seventh largest economy.

**Supporting millions of other jobs:** One in six U.S. private sector jobs depends on manufacturing, with the factory sector supporting 26 million domestic jobs, including roughly 14 million in professional services, wholesale and retailing, transportation, agriculture, and other sectors.

**Driving innovation:** Manufacturers account for 68 percent of all business R&D performed in America; spillover effects from these investments spread new ideas across sectors.

**Generating more economic activity than any sector:** Manufacturing has a higher multiplier effect than any other sector: every dollar of final sales in the sector generates \$1.92 in economic activity throughout the economy.

**Driving productivity growth:** Superior productivity growth leads to low inflation for goods, thus stretching family budgets and lifting living standards. U.S. manufacturers are leaders in this metric because they embrace—and develop—advanced technology.

**The lion's share of exports:** U.S. manufacturers exported \$99 billion in goods per month last year to almost every country on earth. Manufactured products represent more than half of all American exports, helping bridge the country's huge trade gap.

The United States boasts the world's most productive, innovative manufacturing powerhouse. The sector is key to future economic growth and America needs to take appropriate measures to encourage and expand innovation and production.

## Presentation Tips – 4 Ideas for Successful, Last-Minute Speeches

By Mike Brown

If you have just a few moments to set the stage, get your point across, and get off stage, all with high impact, here are four ideas on how to make that happen:

**1. If the speech topic feels off, redirect it to something that works better for you.**

You want to be up on stage talking about something that you can relate to well, even if it isn't exactly what the organizers planned. Look for how you can twist the topic more toward your strengths. If you deliver a

ger message, but consider creating some suspense by not finishing the story. That creates the opportunity to finish or call back to the story at the end of your talk. That's always a nice touch.

**3. In between stories, make a couple of related, memorable points.**

When you have only a few minutes to present or set the context for a panel, confine yourself to only a couple of points. Succinctly convey those points, ideally in a way that relates to the story you told to start the presentation.



great message, no one is going to remember you twisted the topic around a bit.

**2. Start your speech with a personal story, and weave the story into a reinforcing pattern.**

It's clear we all love stories. But use a personal story at the start of your talk to its best advantage. Tie the opening story to your big-

**4. Have a couple of go-to questions at the ready.**

If there might be an opportunity for questions after your brief remarks, have a couple of questions that you either plant with audience members or ask and answer yourself. And a few conversation-rich questions are always helpful for a panel moderator.

# Is Your Business Ready For Curves In The Road Ahead?

By Marty Zwilling

Every entrepreneur thinks he can relax a bit after his business model is proven, funding is in place, and revenues are scaling as projected up that hockey-stick curve. Unfortunately, the market is changing so fast these days that any upward climb can level off quickly, as the core business growth begins to stall. This S-Curve, with no correction, can quickly lead to disaster.

I'm not talking here about a small pivot. I'm talking about the kind of change that moved Apple from personal computers to music distribution to consumer electronics, and Amazon from books to e-Commerce to cloud computing services. On the other end of the spectrum are companies that fell behind the curve and may never recover, including MySpace for social networking, Yahoo with online ads, and maybe even Groupon with discounts for group purchasing.

To sustain long-term growth, every company needs to build a repeatable process for innovation and finding new opportunities before their core business growth disappears. The reasons for this requirement, and some practical guidelines for how to prepare, are outlined in a recent book "The Curve Ahead: Discovering the Path to Unlimited Growth," by Dave Power.

Power has been guiding growth companies for 25 years, and now teaches innovation at the Harvard Extension School. He has helped many companies with this problem, and as an advisor to startups, I see the same common themes leading to growth slow-downs. These are appearing earlier and earlier in emerging companies, as well as in mid-sized and mature companies:

- **Your original market becomes saturated.** Initially, all companies sell to customers who are the easiest to reach and most excited about the new product.

As a company begins to penetrate its market, it begins to work hard and harder, often in new geographies, to find more prospects. Marketing costs and time go up, and the growth curve flattens.

- **Competitors see the same opportunity.** New players jump in, and existing players broaden their offerings to cover the same territory. They steal a share of your market, slow down customer buying decisions, making it harder to close new business, and put the brakes quickly on your exponential growth.
- **Prices begin to decline quickly.** The first customers are early adopters who are the least price-sensitive. Unfortunately, the mainstream customers who can really drive revenue care more about price. Thus even if unit sales keep increasing, revenues can lag due to the need for lower prices as the mainstream market takes over.



- **Customer acquisition gets harder and more expensive.** Scrappy guerilla marketing based on personal contacts and word-of-mouth campaigns gives way to more expensive customer acquisition using advertising, trade shows, and a marketing agency. You suddenly need to enhance your in-house social media efforts with a public relations firm.
- **An expanding customer base demands better support.** Serving a growing customer base

– with a great customer experience – requires more time and dedicated resources. In the early days, your product engineers could handle customer support. Over time, however, a continuous growth company needs a trained and dedicated support team.

- **Management overhead and skills required go up.** In the beginning, your entire team could meet in your office. As the company grows, functional leaders need to build and manage larger teams, recruit and develop talent, and manage remote offices. Managing the scale and complexity requires more formal processes, which slow the momentum.

Your first objective should be to stretch the S-Curve, which can buy you a few months or a few years. Among the most common ways to stretch the curve include deeper penetration of current markets, expanding into new geographies, new market segments, optimizing pricing and packaging, and driving consolidation through acquisition of competitors.

Ultimately you need to find the next S-Curve, and then the next, and build the process into your strategy, for unlimited growth. This means you need to find new sources of revenue growth to offset a slow-down in the core business. It means finding a large underserved market and addressing this market with a product or service innovation, often with a different business model.

Successful entrepreneurs and successful companies never stop re-inventing themselves. The alternative of not anticipating the curves, and not building the navigation systems into your core engine, is likely to be a long and painful fall off a high cliff. Do you have a plan in place yet?



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## Benefits of Becoming an AM&T Associate

- Four free hours of consulting services
- Your company's profile will be featured in the "Associates' Corner" of our monthly newsletter, which is distributed throughout eight counties: Broome, Chemung, Chenango, Delaware, Schuyler, Steuben, Tompkins, and Tioga. Also, the newsletter is featured on our website giving your company worldwide exposure
- Discounted fees at AM&T sponsored seminars & workshops
- A free Performance Benchmark and Transformation Planner (\$2,500 value)
- A link to your company's website from ours
- Assistance with Technology Transfer, Funding Sources, Venture Capital Investment, Networking, Research & Development Programs, etc

Call Jim Cunningham at 607-725-1225 to ask about becoming an associate.

More information at [www.amt-mep.org](http://www.amt-mep.org)

## Associates' Corner



Endicott Research Group, Inc.

Endicott Research Group, Inc. (ERG) provides power solutions for backlight displays, general lighting applications, and LED retrofit opportunities. You might be using an ERG product on a daily basis and not even know it! The display at the gas pump may have an ERG inverter powering the light that illuminates it; ERG's LED driver may be powering the sign of a local business; or you may have a dimmable ERG Lighting LED driver powering your under-cabinet kitchen lighting.

ERG began in 1979 developing DC-DC converters to power neon displays. That all changed when General Motors was in need of a high-quality EL lamp to power the coach lamp in its "top-of-the-line" showroom cars. An exclusive relationship between GM and ERG became the cornerstone for growth into other substantial markets such as medical displays, point-of-sale, and defense. ERG continues to design and manufacture standard and custom solutions for CCFL and LED displays as well as DC-DC and EL applications.

In response to the recent explosion of LED tech-



nology in the general lighting markets, ERG created a division called ERG Lighting which is dedicated to applying expertise in LED driver solutions to general lighting applications such as street lights, refrigeration lighting, troffers, showcase, and downlights. This year, ERG developed their own line of Made-in-the-USA LED troffer retrofit kits for both commercial and residential lighting. In addition, they offer contract manufacturing services that provide customers with leading-edge manufacturing processes. ERG is very proud of how they have always responded to changes in technology with innovative and cost-effective solutions for their customers.

ERG ships products around the world, but they are all proudly engineered and built in the Endicott, NY facility that has served as headquarters for over 35 years. For more information about ERG, visit the websites at [ERGpower.com](http://ERGpower.com) and [ERGLighting.com](http://ERGLighting.com), or contact Nate Burd at 607-754-9187 ([nburd@ergpower.com](mailto:nburd@ergpower.com)).



# AM&T - Making an Impact on Manufacturing Since 1988



## Around the Southern Tier

Nov 11	Lessons @ Lunch - Workplace Safety - The Watkins Glen Area Chamber - 607-535-4300
Nov 11	Basic Project Management Training - AM&T - 607-774-0022 x308
Nov 12	Your Office on the Road - The Corning Area Chamber - 607-936-4686
Nov 12	Business After Hours - The Tompkins County Chamber - 607-273-7080
Nov 13	SBC Network Luncheon - Greater Binghamton Chamber - 607-772-8860
Nov 19	Annual Meeting & After-Hours Mixer - The Watkins Glen Area Chamber - 607-535-4300
Nov 19	WBO Roundtable - SBDC at Binghamton University - 607-777-4024
Nov 20	Business After Business - Chemung County Chamber - 607-734-5137
Nov 20	Annual Small Business Dinner - Chenango County Chamber - 607-334-1400
Nov 20	Drugs In The Workplace - The Tioga County Chamber - 607-687-2020
Nov 20	Networking@Noon - The Tompkins County Chamber - 607-273-7080
Nov 29	Small Business Saturday - The Corning Area Chamber - 607-936-4686
Dec 02	After Hours Networking Reception - Greater Binghamton Chamber - 607-772-8860
Dec 03	Business Planning Workshop - SBDC at Corning Community College - 607-937-6861

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## HELPING MANUFACTURERS PLAN, PERFORM, PROFIT & GROW

We are a team of experienced, skilled consultants and trainers dedicated to helping manufacturers in the Southern Tier of NY plan, perform, profit & grow. Our goal is to have manufacturers remain, grow and prosper in the Southern Tier.

AM&T uses a comprehensive, overall business approach to create significant and long-lasting business improvements. Our experience is that individual improvement methodologies will provide some measurable benefits on their own, but it is the combination of them across the whole value chain that will lead to dramatic gains.

### WE HELP BUSINESS LEADERS:

- Assess their current state
- Articulate and define their desired future state
- Train their workforce in improvement methodologies
- Implement process improvements across the whole value chain
- Identify new opportunities
- Achieve and sustain growth and breakaway results

### AM&T DELIVERS:

A third-party survey for 2008-2013 reported impacts of:

- 3,461 jobs created or retained
- \$622 million in increased or retained sales
- \$15.0 million in cost savings
- \$44 million in investments
- \$845 million total impact
- 4.6 out of 5.0 Customer Satisfaction

### OUR SKILLS:

- Business Assessments
- Strategic Planning
- Lean Enterprise
- Supervisory Training (TWI)
- Project Management
- ISO/AS Quality Systems
- Sales and Marketing
- New Opportunity Identification and Growth — Markets, Products, Services, Customers

Our integrated, comprehensive approach, applied to the whole value chain, can make a difference. We are "hands-on", roll-up-your-sleeves people and we're passionate about manufacturing.

**Call Jim Cunningham at 607-725-1225 to ask how we can help.**