

## Is Your Company Good Enough?



In a global economy, good is just not good enough. Improving performance over last year also may not be good enough.

The critical factor today is beating your increasing competition and meeting your customers' increasing needs and requirements. Traditionally, customers buy from you for one of several reasons: service, quality, relationship, innovation, and, lastly, contribution to their bottom-line, or cost.

However, in today's world, quality and service are a given. Fail to deliver on one of these critical factors and you will lose the business quickly. Relationship is not as meaningful as it once was. Your long-term client will quickly give his or her business to your competitor if they outperform you in a critical area. You will find yourself listening to a conversation that begins, "We appreciate the years of service, but..."

The competitive advantage usually comes down to innovation and price. New product innovation is vital to survival. Products are brought to market at almost breakneck speeds; in turn, this means product life cycles are becoming shorter. And how do you compete on cost when you're in a global marketplace and third-world labor can be as cheap as 10 percent of your overall compensation for employees? Is it a hopeless cause? The answer is no; however, as Albert Einstein once said, insanity is doing the same things over and over again and expecting different results.

ReVision understands this challenge and has global experience in helping large multinational Fortune 500 companies as well as small Midwest companies meet this ever-changing and growing competitive challenge. We bring a fresh perspective that helps companies see their operations in a new light and find ways to improve them.

This service is client-specific, tailored to address a client's own unique situation. ReVision's experienced staff works with each client to determine exact goals and requirements. We challenge assumptions and explore different alternatives to address the client's need. Our staff analyzes the relationships between all work units, based on proximity and flow, and develops a plan that is engineered around the client's process. We ensure that the plan is consistent with the client's corporate goals and takes into account plans for future growth.

If you are facing the challenges of global competition and looking for ways to improve your company's bottom line, contact us at ReVision to see if we can help you improve your performance.

## Competing in the Global Marketplace

By Alan K. Bowden



The sport of boxing has many classes and subdivisions, but it has only one competition that is universally recognized as the best—the one that produces the heavyweight champion. It is in this class that you find boxers who are the strongest and the most able to take a punch. It is evident that the United States' economy has been the world heavyweight champion since the Second World War; today, however, it seems that our nation is now more heavy weight than champion.

This thought has run through my mind in recent years as I worked in Mexico, Europe, and, over the last four years, China. Even when I'm home in the States, people here who have not been overseas believe the U.S. will prevail just as we always have prevailed. Their example is typically Japan, forgetting that Toyota, Honda and other Japanese automakers are growing their market share and profits here and around the world as our Big 3 continue their downward spiral.

My purpose in this letter is to offer you a better understanding of what is really taking place in China and why U.S. manufacturers must seriously face the challenge of competing on a global basis. I have made more than 30 trips to China since 2003 and I can assure you the scene is similar everywhere I go: incredible expansion and construction. Let me put this into perspective: 40 percent of the world's construction is happening in China. Does that seem incredible? It ought to—it is the fastest growth in the history of the world. The gross domestic product in China is growing at 6 to 10 percent. By comparison, the United States' GDP is growing at 1 to 3 percent.

While some here believe that China will not be truly competitive, consider this: China has more English speakers and more Internet users than the United States has. In addition, the ratio of new engineers produced each year in China in comparison to the U.S. is 4:1.

The competition is formidable. So how do we compete with \$150 to \$200 a month labor rates in China and other low cost producers? Part of the answer is greater efficiency through automation, lean manufacturing, Six Sigma and other tools to

reduce non-value labor and waste. However, would you be surprised to know that China is also beginning to employ these same principles? China wants to move from the world's low-cost producer to the country that is inventing products.

Some pundits in our country say that the only way to compete is to move all of our labor-intensive work to China. That's not the right long-term strategy. Manufacturing today represents less than 17 percent of jobs in the U.S. and continues to decrease. Some say we need to keep all jobs here and that we should

"I believe strongly in growing and keeping jobs here in the United States. At the same time we are in a world economy that wants better products, and wants them produced more quickly and cheaply. China is undergoing an industrial revolution and your company can be a part of it...and benefit from it."

— Al Bowden in remarks prepared for delivery in mid-July

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## Staff Appointments Announced



Rick Kiley

Two staff appointments have been announced by Alan K. Bowden, president of ReVision LLC.

Rick Kiley has been named Project Manager and Allison R. Best has been named Strategic Operations Manager at the project management group headquartered in Fort Wayne.

“Rick Kiley’s background in industrial design and his organizational and management skills make him a natural fit for the project management role, and we’re pleased to recognize his accomplishments with this promotion,” Bowden said.

Kiley has 28 years of industrial design experience, using CAD (computer-aided design) to model production equipment, create tool and die designs, and develop efficient plant layouts for a wide variety of commercial and industrial clients.



Allison R. Best

“Allison Best holds the project management professional certification, the pre-eminent credential for practitioners in the field of project management,” Bowden said.

Best relocated to Fort Wayne from San Francisco in July 2006 to join ReVision, bringing 12 years of project management experience in a broad range of industries, including healthcare, information technology, distribution, and the U.S. Air Force. She earned her bachelor’s degree in mathematics from Duke University.

## Global Marketplace...

adopt a strategy of protectionism. That fight is long over. If you do not address the low-cost competitors, you can be sure your competitors will.

The ultimate answer for manufacturers will be a combination strategy. Some industries are fortunate that either labor cost is a small component of their overall cost or they are able to automate and continue to produce solely in the U.S. For most though, foreign prices and lower cost pressure from your competitors is a real factor. In this case, the appropriate strategy may be that certain products or components carrying a high labor component need to be manufactured off-shore, and your plant here may need to be redesigned to eliminate all non-value labor.

Another key consideration is that China should also be considered as an exciting new market for your products and services. Many U.S.-based companies have found China to be a profitable market. China has a population of 1.4 billion people and that number is increasing.

In my view, the bout for heavyweight economic champion is not over. We may be bloodied and our economy staggering a bit, but manufacturing can use new tools and form new alliances to regain its pride and profitability.

## Four Major Projects

Three significant projects using ReVision’s project management services have been completed recently, while a fourth is under way.



**Ellison Bakery**, 4108 Ferguson Road, began operating its new high-bay warehouse for storage of finished goods in March. The facility represents 25,150 square feet with six easy access dock doors, tripling their capacity to ship the bakery’s finished product.

The additional square footage of previous areas plus additional space from the expansion gives Ellison a grand total of 25,619 square feet for its process and packaging areas. The expansion also included a new break area, locker room and rest room facilities, as well as support offices for Ellison’s employees’ totaling 3,983 square feet. The total cost of the expansion including new pallet flow through rack for storing finished goods, process and equipment upgrades was \$4.1 million.

A second major project was the completion of a new tool-and-die shop for **Meriwether Tool & Engineering**, 10108 Smith Road, on June 15. The new facility represents almost double the size of Meriwether Tool’s former facility. The new 15,000 square foot shop will house nine employees.



ReVision has been engaged as project managers for **Afdent Dental Services’** new facility at 4041 Parnell Ave. The construction of the three-story steel frame structure, which was

begun in April, will provide 32,932 square feet to house more than 30 treatment rooms for the state-of-the-art dental practice. The project’s construction value exceeds \$4.3 million. The targeted completion date is January 2008, with the official opening two months later. The total value, representing construction, dental equipment, telecommunications and furnishings, is \$5.25 million.



On the other side of the world ReVision has just recently completed a 135,000 square foot manufacturing plant in China for **Calmar**, a world leader in plastic injection molded triggers

and sprayers. As managers for this project, ReVision has worked on every phase—from conception layouts, to land acquisition, design, bidding, government approvals, construction, and assisting the owner with equipment layouts, and installation. ReVision has worked with Calmar on similar projects in Mexico, Europe and in Asia.

## Global Business from 300 Main Street

There’s a new address for ReVision LLC, reflecting not only a new direction, but also its continuing commitment to building the economic efficiencies of its clients.

The headquarters for the firm is now in the modernized Main Street building that once housed NIPSCO. It has been renovated into a state-of-the-art business center by Fourth Wave.

“There is an appropriateness that we are here,” said Al Bowden, president of ReVision. “When I began my business 20 years ago, the company focused on construction and project management in the United States. Today, the market for its expanded services is global.

“This building was once the home of a regulated public utility, one that struggled for a fair return and that was limited by outside forces in its ability to be more efficient in the distribution of its product.

“Today this building is the hub of economic development in downtown Fort Wayne, looking for new ways to encourage new business to grow and develop in this region.”

Bowden noted that the location, for example, enables ReVision “to work hand-in-glove with the TQM Network in helping industries become more efficient and more competitive through Six Sigma and Lean Manufacturing techniques. This is the way to be competitive in the global economy.”

The concept behind ReVision, though, remains the same, Bowden said. It remains committed to helping industry be competitive and to providing excellent project management to expanding businesses.

