



Indiana Manufacturers Association
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MEDIA RELEASE

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Madison Precision Products Wins 2000 U.S. Senate Productivity Award

INDIANAPOLIS – On Wednesday, June 20th, the Indiana Manufacturers Association's judging panel met to make the final decision on the winner of the 2000 U.S. Senate Productivity Award. Madison Precision Products, based in Madison, Indiana, was chosen as the 2000 winner. Runners-up for the award included GM Powertrain, in Bedford, and Visteon of Connersville. Chosen for a Special Recognition Award was Indiana-American Water Company, Jeffersonville, for its technological advances.

Madison Precision Products (MPP) was ranked number one from a group of four finalists. MPP is a manufacturer of automotive aluminum die castings for Honda of America and other automotive customers and employs approximately 400.

Madison's improvements to productivity were many and included a reduction of in-house rejects and customer returns, increased on-time delivery, implementation of ISO 9002, implementation of ISO 14000 and outstanding efforts in company communication and participation. Madison credits a problem-solving training program called Kepner-Tregoe with its success.

One of Madison's most successful attempts to increase productivity included giving employee raises as an incentive to improve productivity; and as a result, turnover fell from 26 to 10 percent. Madison also has an employee-suggestion system that includes rewards for approved suggestions, even if they are not implemented.

"The key is to give employees recognition for their efforts and to keep the lines of communication open. Our organization is truly a team effort," stated Dennis Welch, Management Representative for MPP.

In 2000, Madison produced more than 6 million parts with an average of 6 parts per million (ppm) rejects for the year for Associated Fuel Pump Systems Corporation (AFCO).

"Our goal is to continually improve our operation through the use of solid principles and the people we employ," said

David Sutherland, Vice President of Human Resources/Safety/Environmental Management.

GM Powertrain, based in Bedford, Indiana, was chosen as one of the runners-up in the 2000 competition for its productivity improvements. GM is a manufacturer of transmission cases, engine blocks and pistons for GM cars and trucks.

Some of GM's improvements include the contiguous cell concept for its production of pistons which was a visionary partnership between UAW Local 440 and management. This concept significantly improved the areas of quality, people involvement, lead time reduction, standardization and continuous improvement. The above gains reduced casting cost 20 percent, direct labor headcount by 36 percent, improved productivity 15 percent, and quality by 51 percent.

"To be able to compete as a stand alone casting operation in this global market requires a product that meets or exceeds cost, quality and delivery goals," stated Walt Savoldi, Manufacturing Superintendent for GM Powertrain.

Also chosen as a runner-up was Visteon, based in Connersville, Indiana. Visteon is a manufacturer of automotive A/C compressors, evaporators, condensers, radiators and modules.

During the year 2000, Visteon made substantial productivity gains in its evaporator production process by implementing a new continuous corrugated (CC) controlled atmosphere brazed (CAB) production process which saves \$3.2 million annually, reduces scrap, improves quality and improves operator ergonomics.

The CC process combines three significant manufacturing innovations, an automatic gag die which produces a strip of sequenced dissimilar plates. Second, a tab connects the plates together making it possible to create two distinct folds. And third, a continuous corrugation folding machine that folds the plates, installs fins and cuts the cores to length. Four patents were issued for the design of the CC innovation which was conceived at the Connersville plant by plant engineers Kevin Wise, Jerry Selm, Carl Schornhorst and Bruce Rea.

"Not only has the value of this innovation been accepted and adopted by our customers globally, but other Visteon plants are launching this process to achieve similar benefits," stated James Maley, Process Strategy Technical Specialist for Visteon.

Indiana-American Water Company's Southern Indiana Operations and Treatment (SIOTC), located in Jeffersonville, Indiana, was chosen to receive a Special Recognition Award for its outstanding technological advances in its water treatment system. Indiana-American, a subsidiary of American Water Works Company (American), is the state's foremost water service provider servicing nearly 700,000 people in more than 35 cities and towns. American provides water, wastewater and other resource management services to more than 10 million people in 23 states.

"Our goal is to provide the highest quality water to our customers with the highest productivity possible, reducing our

cost to the customer, “ stated Roger Maynard, Operation Manager for SIOTC.

One of SIOTC’s major improvements was the removal of iron and manganese from water and improvement of taste and odor. SIOTC erected a new plant expanding capacity of 18 MGD (million gallons/day) to more than 25 MGD. This improvement is significant to the community in that its helps to attract businesses that need water for processes and fire protection. As part of its project, SIOTC installed more than 19 miles of new water main to serve Jeffersonville, New Albany, Clarksville and adjoining communities plus make water available for other areas in Clark, Floyd and Harrison counties.

On a tour of the facility, the judging committee viewed first-hand the technology behind the advances which includes high-tech computerized controls for each tank SIOTC operates.

“The technology and design of the new facility really make SIOTC a 21st century innovation,” said Donna Nijak of Linder Oil Company, a judge for the competition.

The U.S. Senate Productivity Award is promoted by Senator Richard Lugar to help publicize techniques for improvement that can be adopted by Indiana companies.

The Indiana Manufacturers Association sponsors the award each year and IMA members serve as judges. Judges for this year’s award included: Robert Bell of Dart Controls, Zionsville; Tony Greene of Midwest Quality, Indianapolis; Herb Hanselmann of Olive LLP, Indianapolis; Jan Hull of Knauf Fiber Glass, Shelbyville; Dan Jackson of Hoosier Gasket Company, Indianapolis; Joe Layne of Ford Meter Box Company, Wabash; Jeff Leonard of Metro Plastics, Noblesville; Jan McClanahan, formerly with Holland Colors, Richmond; Lauralee Montgomery of BICCGeneral, Indianapolis; Donna Nijak of Linder Oil Company, New Haven; Richard Ruh of City Machine Tool & Die, Muncie; and Renee Schultz of Helmer Labs in Noblesville.

Madison Precision Products will receive the U.S. Senate Productivity Award Medallion which will be presented by Senator Richard Lugar and IMA President Pat Kiely. GM Powertrain, Visteon and Indiana-American Water Company will each receive a plaque commemorating their outstanding achievements.

Congratulations to the winners and all of companies who competed for the award. IMA is proud to serve and represent such an elite group of Indiana manufacturers.