

**Indiana Manufacturers Association's**

# Media Alert

Indiana's Experienced Voice for Industry

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## **Sony Digital Audio Disc Corporation Wins U.S. Senate Productivity Award AK Steel Named Runner-Up**

*Indianapolis* – In mid-September, members of the U.S. Senate Productivity Award judging committee, composed of members of the Indiana Manufacturers Association and the Association for Manufacturing Excellence, made the final decision on a winner and a runner-up for the 2004 U.S. Senate Productivity Awards. This year's winner is Sony Digital Audio Disc Corporation, located in Terre Haute, Indiana. Sony is a high-tech manufacturer and distributor of pre-recorded optical media. In Sony DADC's 21-year history, more than four billion discs have been produced and distributed to all 50 states and more than 100 foreign countries.

Runner-up for the award was AK Steel Corporation, located in Rockport, Indiana. AK Steel is a state-of-the-art carbon and stainless steel finishing facility.

Also placing in the top four were Dart Controls of Zionsville and Dana Corporation Churubusco Distribution Center, located in Churubusco. Dart Controls designs and manufactures some of the world's most reliable speed motor drives and accessories, while Dana is the master distribution point for the packaging and distribution of



*Troy Long (left), Lead Operator in Replication and Ed Gehrich, Director, Process and Development Engineering (center), both of Sony DADC, show judge Donna Nijak a Universal Media Disc used in PlayStation Portable devices.*

gaskets and sealing products.

As the winner, Sony DADC will receive the U.S. Senate Productivity Award medallion from Senator Richard Lugar's office. AK Steel Corporation will be presented with a runner-up plaque.

### **Sony Digital Audio Disc Corporation**

Based on business and market drivers, local and global plant comparison reports and best practice exercises, Sony DADC sets its goals. Those goals drive sales, marketing and operational strategies. As a result of achieving its goals, plant productivity increased by 118 percent over the past five years.

Although Sony DADC's production environment is capital intensive and highly automated, credit for its success starts with its employees.

Employee education has included team building, problem solving, Kepner Trego, Kaizen and Six Sigma. In fact, in the past two years alone, more than \$30 million has been saved through Six Sigma integration.



*Above: H.B. Kincaid (right), General Manager of AK Steel, talks with judges Lauralee Montgomery (left) and Donna Nijak (center).*

In addition to employee education, Sony DADC designs and builds much of its own equipment as a way of prolonging the life cycle of the asset. Potentially obsolete equipment can be "life extended" through improvements; and over the past year, more than \$10 million was saved by avoiding the need for new equipment.

### **AK Steel Corporation**

AK Steel boasts a zero OSHA recordable injury record for 2004. Non-injury incidents also decreased by 60 percent in 2004. In addition, AK Rockport Works has reduced total environmental releases by 10 percent. Another strategy AK uses in achieving productivity gains is its quality system, which includes employees at all levels of the organization and focuses on improving internal quality, reducing reworks and retreats, reducing delays, implementing productivity improvements, reducing cost, improving equipment reliability and continuing product development.

### **Dart Controls**

Dart Controls' mission is to be the leader in variable speed controls and accessory products while constantly seeking improvement to its quality, products, procedures and customer service. Dart began implementing Lean Manufacturing in 1999. As a result, same day shipping accuracy was at 99.71 percent for 2004 and inventory turns have skyrocketed by 16 percent in the past two years. Product lead times have decreased from four to six weeks in 1999 to one to five days in 2004. In addition, Dart's 53 employees made 583 implemented suggestions during 2004. Most companies focus on "home run ideas" to provide big dollar savings. Dart's belief

is that "big idea" suggestions are difficult to develop and implement, while many small improvements are quickly implemented and add up to greater savings while creating employee ownership of the process.



*Dart Controls' Gary Grissom, Production Manager, discusses the improvements to his plant with the judging panel.*



*John Black, Plant Manager of Dana, explains the packaging process for various gasket kits.*

### **Dana Corporation**

Dana Corporation Churubusco Distribution Center completed one million hours worked without a lost time incident in March of 2005 and has received several customer awards for outstanding service and order fill performance. Dana's gainshare program, measured by a number of stretch goals including productivity, percent of fill to customers, cyclic accuracy, safety, ideas, presenteeism and housekeeping, gives its people the opportunity to be rewarded for performance improvements. In addition, Dana had an 87 percent participation rate for its employee suggestion program with an average of 2.6 ideas per employee per month.

Judges for this year's awards included Lauralee Montgomery of General Cable in Indianapolis, Donna Nijak of Linder Oil Company in New Haven, Jim Orbik of Utilimaster in Wakarusa and Scott Whitlock of Flexware Innovation in Fishers.

The award is sponsored by Senator Richard G. Lugar, the Indiana Manufacturers Association and the Association for Manufacturing Excellence.

The Indiana Manufacturers Association, Indiana's leading voice for industry, was formed in 1901. The IMA is a business advocacy organization representing nearly 1,600 Indiana companies and promoting economic development and the creation of high-wage jobs in Indiana.

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