



# Montauk to Manhattan



## Long Island & Metro NY Chapter 86 - eNewsletter

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### November Meeting Announcement

**Topic: Minitab® Statistical Software - Presentation**

**Speaker:** Jason Krasowitz, Minitab, Inc.

**Date:** Monday, November 23rd, 2009  
**Time:** 6:00pm - Networking/Refreshments  
6:30pm - Presentation

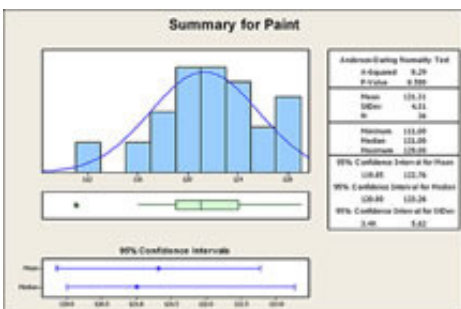
**Place:** Air Techniques, Inc., Melville, NY  
**Directions:** Directions to Air Techniques will be sent once your reservation is received.

**Fee:** Meeting – no charge  
Lite buffet/dinner/refreshments - \$5

**Reservations: Required**

RSVP by Saturday Nov. 21, 2009 to Tom Fiorella 516-214-5588 or email at [tfior9651@msn.com](mailto:tfior9651@msn.com). Please indicate: Name, Organization/Company, Day Time Phone, Member Affiliation (IIE / SME)

Minitab Inc. delivers software and services for quality improvement and statistics education. Minitab® Statistical Software is the leading package used by businesses to analyze quality improvement data. More than 4,000 colleges and universities also use it to teach statistics. Companies worldwide use Quality Companion® to manage their improvement projects.



At this presentation the following will be discussed:

- Minitab the Company
  - History
  - The Present
  - Products and Services
- Minitab Statistical Software Demonstration
  - Overview of Capabilities
  - Q & A
- Licensing Models
- Quality Companion with Value Stream Mapping

**Long Island Metro NY Chapter 86 Events Calendar**

**Mon., Nov. 23, 2009**

**Topic:** MiniTab – Quality Analysis Software Application  
**Time:** 6:00 PM Networking  
6:30 PM Presentation  
**Place:** Air Techniques, Inc., Melville, NY  
(See details on this page)

**Tues., Dec. 15, 2009**

**Topic:** The Job Search: Plan, Prepare and Execute  
**Time:** 5:30 PM Networking  
6:15 PM Dinner  
7:15 PM President's Welcome & Announcements  
7:30 PM Presentation (Presentation is at no-cost)  
**Place:** Panama Hatties - 872 Jericho Turnpike, Huntington Station, NY 11746  
**Reservations:** [www.apicsnyc-li.org](http://www.apicsnyc-li.org) or E-mail your reservation to [meetings@li-apics.org](mailto:meetings@li-apics.org) or phone 631-266-2621

**IIE – Long Island & Metro NY Chapter Annual Election**

The 2010 Board Election Ballot will be mailed out to all Chapter Active Members in November. Included on the back of the ballot is a programs survey. Please take the time to support your Chapter by returning the Ballot / Survey.

## President's Message



The October meeting, which was a joint event with APICS, was one of the best attended meetings in recent memory. Among the 79 attendees were students from SUNY Farmingdale and Stonybrook. Carolyn Chen's has put together an excellent review of the three member panel discussion. Please see Carolyn's article below.

For the November meeting Jason Krasowitz of Mintab, Inc. will be driving in from Pennsylvania to provide a presentation on the Minitab quality software application. I recently noticed, in a Minitab advertisement that appeared in the November issue of IE magazine, that their Quality Companion application now has a Value Stream Mapping component. I asked Jason to please include information on this application enhancement.

On December 15 we will again be joining APICS for their Holiday PDM (Professional Development Meeting). In case you missed it last year, at the APICS holiday PDM numerous gifts / door prizes are raffled off (no charge for the raffle). Last year just about every attendee left with one, two and more gifts. Also at this meeting John Phelan, Account Manager, from Aerotek will provide some valuable tips on The Job Search: Plan, Prepare and Execute. If there is only one event that you attend all year this is the one you would not want to miss.

I recently joined LinkedIn, which many consider the professional version of Facebook and Twitter. For those of you not familiar with this online networking website, LinkedIn describes itself as 'an interconnected network of experienced professionals from around the world, representing 170 industries and 200 countries. You can find, be introduced to, and collaborate with qualified professionals that you need to work with to accomplish your goals'. There is no fee to join the basic version. A premium version is also offered that provides more tools for finding and reaching the right people, whether or not they are in your network. I was amazed at how many personal interest groups exist on LinkedIn. I was even able to connect with Colleagues that I have not had any contact with in 35 years. Both IIE and the IIE-Northeast Region have established networking groups on LinkedIn.

Chapter 86 President

*Tom Fiorella*

## Review of the October Meeting

By Carolyn Chen

For the October Meeting, IIE joined the APICS Top Management Strategies meeting in Panama Hattie's in Huntington. There were three panelists who answered scripted questions as well as questions from the floor.

- (1) Anne Shybunko-Moore –GSE Dynamics, Inc., Owner, President
- (2) Richard Povak – Air Techniques, Inc., President
- (3) Frank Robilotto – Arkwin Inc., General Manager, Executive Vice President

**Question 1: "Given the economic changes over last 12 months, what are the top three biggest challenges your company has faced?"**

(Q1- Ms. Shybunko-Moore) Her top challenges are not new, but they became more exaggerated over last 12 months. The top challenges are employee training, keeping the knowledge base and maintaining open communications. GSE is a 2nd generation company. Employees were hired by the previous president (Anne's father). She must recognize who will still be with GSE 15, 20, or 30 years from now. She plans for GSE's 3<sup>rd</sup> generation by continuing to interview for future workforce. There is an incredible work force on Long Island that is currently unemployed.

She keeps communication going between her employees to make sure they know what's happening in GSE, and not strictly listening to what the media says about the economy. She must get the message out the "We are OK!!" Her father's way of sharing good news, was by playing rousing music from a jet whenever they got a new contract.

Anne studies the health care issues and plans. She meets with local politicians. She gets the information she needs to make decisions with her employees' best interests in mind.

(Q1 – Mr. Povak) The Dental industry doesn't usually get hit with cut backs – but they're getting hit now. Dentists are doing more elective procedures than before, such as whitening or straightening. Now people are putting off elective procedures due to the tightening credit market. Root canals used to be performed by specialists. but now dentists can do it.

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## Chapter 86 2009 Officers

President:  
Tom Fiorella  
Air Techniques, Inc.  
B (516) 214 5588  
H (718) 258 3143  
tfor9651@msn.com

Vice President:  
Bob Schroter  
H (516) 489 4017  
423 Elm St, West  
rschroter1@optonline.net

Secretary/Treasurer:  
Carolyn Chen  
Bracco Diagnostics, Inc.  
B (516) 333 8230 Ext. 3423  
H (718) 565 6820  
carolyn.chen@diag.bracco.com

Director:  
Robin Cole  
Consultant  
H (631) 586 1253  
prcole62@aol.com

Director:  
Richard Stripeikis  
H (516) 8728350

Director:  
Peter Kontigiannis  
Cox and Company  
B (212) 366 0200 x534  
pkontog@coxandco.com

Director:  
Roop Tawney  
National Storage & Conveyor  
Systems, Inc.  
B (631) 941 3900  
M (631) 455 6460  
ROOPBEER@aol.com

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Air Techniques asked themselves, "How do we make lemonade with all these lemons?" They were fortunate to have steady growth in late 90's and no debt. In today's climate, they looked back at inefficiencies that they ignored. The company has learned a lot in this recession. They realize they could have done things 5 years ago that would have put them in a better position today. Now, they look at all aspects of the business from top to bottom. Top managers get involved and 3 person committees are formed to study wastes and come up with recommendations. The most important issues have been identified as quality, customer service, lean programs and cost cutting.

In the past two years, Air Techniques has invested in training, including sponsorship of APICS CPIM modules. They resisted cutting back the workforce – people are their most important assets. They do not want to see the best employees leave. They have to better understand their people, and people must understand themselves. They developed a new assessment program. Managers sit with their direct reports and have an honest discussion about weaknesses and strengths. The goal is to tell the individual what he / she needs to do to stay a top performer.

In 2008, sales volume was down by 10%. 2009 is staying level. Everybody is paying attention and looking for inefficiencies during times like this. They do have increased market share even though business is down.



(l to r) Richard Povak, Frank Robilotto, & Anne Shybunko-Moore

(Q1- Mr. Robilotto) Arkwin, Inc. was founded 58 yrs ago. Founder Dan Berlin's #1 priority is his employees. "Keep everybody in the boat!" It requires a unique sense of urgency to transform an entrepreneurship into a sustaining business. The biggest challenge is maintaining profitability in sinking market. The business for precision aircraft components is flat, but the profitability is cut in half.

**Question 2: "Due to the economy, has your company changed their make-or-buy decisions or their sourcing strategies?"**

(Q2 – Ms. Shybunko-Moore ) In GSE's Quality Management system, they set up preferred vendors, and they keep good payment terms. Payment terms are changing, which forces relationships to change. Broaden your search

for vendors. Get double the RFQs' out. GSE's preferred vendors are being forced to shut their doors in this economy, so she must find new vendors. Call vendors who are not in trouble. Don't wait for them to give you a problem before checking into to say, "How are you?" She makes her decisions more public. Explain why you are doing what you are doing.

(Q2 – Mr. Povak) Air Techniques is a vertical company. When they were looking to expand, their commercial realtor asked "Why are you still manufacturing on Long Island?" Air Techniques' founder said "This company was built by the people out there, and I will not leave them. As long as we can turn a profit, I will stay with them."

They won't compromise on excellence. They control quality of individual components going into the product. The result is that you will build the best quality product.

They have 12 dental product lines and hold #1 market share in 6 of those lines. Note that Air Techniques are the most expensive, but it is reflected in their quality.

They partner with the right vendors. Pay on discount (pay early; they don't wait 60 days), so they can demand better quality and attention. They revamped the quality department and are doing a more thorough job of screening vendors. Poor quality vendors will not be accepted.

(Q2- Mr. Robilotto) What we've seen in the last 12 months has really been happening in manufacturing for the last 20 years. Quoting a high level foreign politician, "A country that can't maintain it's industrial base has no right to be a world power." Edwin "Buzz" Aldrin was overheard at the Cradle of Aviation questioning, "How can we give up our leadership in space ?" No matter what size business you have, you will always have smaller and larger counterparts. You will be "nothing" to the larger company. Think like the bigger companies, because the smart ones are always pushing the risk and the costs down to the smaller companies.

**Question 3: Lean discusses the "7 Deadly Wastes." What lean initiatives have you implemented?**

(Q3 – Mr. Povak) Several years ago, Air Techniques realized they had to change their ways. Tom Fiorella (their Industrial Engineer and our IIE chapter President) has a knack for finding government money for funding improvements. They apply for government grants to hire lean consultants and implement lean initiatives.

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## **Chapter 86 Membership Information**

Long Island & Metro NY Chapter  
Current Active Membership = 131

About IIE Founded in 1948, IIE is the premier society dedicated to serving the professional needs of industrial engineers and all individuals involved with improving quality and productivity. IIE has over 15,000 members and more than 280 chapters worldwide.

Who benefits from membership?  
There are hundreds of job titles given to people, who manage, design, install, or maintain integrated systems of people, machinery, and information. No matter what your job title, if you are the person called upon for solutions when there is an issue that requires your attention, you belong in IIE.

To become a member of IIE call  
1 800 494 0460  
or log onto  
[www.iienet.org](http://www.iienet.org) & click on Join IIE

Join IIE on [www.Linkedin.com](http://www.Linkedin.com)

## **Job Opportunities**

**Local job positions that may be of interest to IIE members are posted on the Chapter's website at**

**[www.iienet.org/long\\_island](http://www.iienet.org/long_island)**  
(See the Chapter's Careers Page for details)

Current Job Posting includes:

### **Industrial Engineer**

Job Purpose: Establishes and improves work systems by studying facility layout, work flow, and work methods..

Company: **THOMAS C WILSON, INC**

Location: Long Island City, NY 11101

### **Fields Industrial Engineer**

The Regional Industrial Engineer is responsible for developing and implementing technical projects that support the continuous improvement of three hard line distribution centers.

Company: **Toys R' Us**

Location: Wavne, NJ

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They trained over 200 employees in Lean techniques and worked on the low hanging fruit. They held Kaizen events, conducted Value Stream Mapping, and started spreading success. This has had major impact on their operations.

3 to 4 years ago, there were 198 employees on floor. Due to attrition, there are now 167, but they produce the same amount of work, now that they've implemented lean improvements. They display visual cues and parametric analysis. They track final test failures. Before, the team might have known about a problem but didn't focus on eliminating it since they were pumping out products. Lean has been integral in their survival and in re-defining the company.

(Q3 Ms. Shybunko-Moore) GSE has multi-generational employees. They don't use the new buzz words, but they've been doing this for years. "Inventory control" is the same as her father's saying, "What's up in the treasure chest?" Anne has done more analysis on the parts (how often are they ordered, what are the customer's ordering patterns?) Based on analysis and instincts, she may order 5 extra. She orders mill runs of raw material. Her strategies payoff because they are awarded contracts because she has the raw material already and can meet or beat a deadline. She does take risks since she must invest money to buy early. But the payoff is that when somebody wants a quote, she's got the ability to deliver.

(Q3 Mr. Robillotto) Frank doesn't like the term "Lean" because it's a term mainly for production people. He prefers "Value Added and Waste Elimination".

He pointed out that Toyota will lose 1 billion dollars and they've been lean for years. The best is still losing money. However, companies who are not as good as Toyota, stand to lose even more.

The next questions were fielded from the Meeting audience.

**Question 4: *How do you keep morale up?***

(Q4 Ms. Shybunko-Moore) Keep your sense of humor. She maintains transparency, and touches base with all of her employees every day. She has to respond to get tough questions. They typically ask in the first week of the month, "How did we do?" She will double the 401K contribution in good times, and she also cuts back contribution in poor times. When doing so, she is honest about the drivers behind her decisions and actions.

When morale is going down, she gets out there to monitor – what do they need to do?

Economy has humbled how we look at the vertical structure. Everybody in the company is critical. Her advice to the students was, when you take you entry level – understand your position and what your value is.

(Q4 – Mr. Povak) Spend time with people. Show how important they are to success of the company. Rich tries to say "Hi" to lots of people. There is more information transfer than they had before. Tell them when it's a good or a bad month. Air Techniques was the only exhibitor at their industry trade show with new products. They celebrated with people on the floor with a party and demonstrated the new products.

(Q4 - Mr. Robillotto) Remember that, like you, all of your employees have the same spark that makes them live. Make sure everybody knows what is going on – and how you tried to keep them in the boat.

**Question 5) *Do improvement projects meet resistance, such as fear of losing jobs? How do you manage that?***

(Q5 - Mr. Robillotto) People find change difficult. Go down to individual level. Understand how each person feels about change. You may give somebody a bigger desk, assuming it's a favor – but they may not want it. Their resistance says, 'Don't violate my space without me understanding what you are doing and why.'

Arkwin hadn't raised employee contributions to healthcare in 3 years, but costs went up 40% with employees paying for the increases. An employee focus group was formed, to decide how to manage those costs, and management supported them.

(Q5 – Mr. Povak) 15% won't accept change without being forced to. You cannot play to those people. Seek out those who will support and embrace change. They will help you succeed in that program. Don't worry about making the 15% happy. You must put thought into this. Find champions who can show success of the program. As more people are affected and benefit, then you'll succeed.

Jack Welch of GE talked up his programs obsessively, even to his own personal annoyance. However, it takes drive and obsession to push major business changes.

**Question 6) *Where do you think your industry is in the economic cycle and where is it headed this year?***

(Q6 Ms. Shybunko-Moore) There are 4,000 manufacturing companies on Long Island, and her hope that we don't lose any of them. Look at academia, and LIFT. Her favorite made-up word is "Coopetition". Check egos at the door and form alliances to move forward. Cooperate with your competition to maintain our Long Island manufacturing base.

(Q6 – Mr. Povak) This is the "NOW" generation and we want instant gratification. Things will never be the same, so prepare for a long process. Continue efforts to be competitive, innovative. Fight very hard to be successful. His advice to students as well as seasoned managers is to continue to read one management book a month. When he gets stuck, he remembers tips from books he read. Your education cannot end with school.

It was an inspiring evening to hear speakers who have fought hard to keep their workforce on Long Island. All of the panelists graciously invited the professionals and students in the audience to network with them. May future beneficial alliances be formed!