



Accu-tec International April 2008

Celebrating 20 Years of Service

Accu-tec shall be an integral part of each customer's success

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April 2008

Web Volume 1, Issue 7

A message from our President & Chief Operating Officer Six Sigma Update

We're on the web

<http://www.accu-tec.com>

In this issue:

Message from our President	1
Cost of Waiting	2
Turnkey Solutions	
Why contract packaging	3
EDI	4
Word from the Warehouse	
Teamwork	5
Personnel Notes	

Accu-tec International is proceeding with its Six Sigma program. Successful performance improvement must begin with senior management. The quality and outcome of any product is the direct result of how management reviews its responsibility to become an error resistant organization. The goal is to be error-free, however to meet this goal it must mean a pro-active commitment upon management to be involved with every problem that negates customer satisfaction.

We have initiated, since September 1st of 2007, any problem within the system dynamics of our performance, regardless of size, issue, or department, to be exposed and reviewed at all management levels. It is my responsibility to review and analyze each issue and make sure that the management team has an immediate action plan of correction.

The key directive in our organization is to self expose when an error surfaces and to eliminate the pointing of blame. We aggressively resolve the issue at hand and implement that corrective procedure throughout the organization. This system is established to develop close communication with customers, suppliers, and employees. We have put into development rigorous methods of obtaining and evaluating customer input. We then identify cultural, policy, and procedural obstacles to success.

Although this approach is simple, it is by no means easy. However, the results justify the expended effort. We have developed an organizational infrastructure to assure that performance improvement activities have the necessary resources. It is my key responsibility and role to make sure that our entire manufactured-packaging process is seamless and error-free. This can be a daunting task, because I know that the world is imperfect and so am I. I anguish over mistakes and anything that can possibly blemish a perfect record, however small that blemish may be.

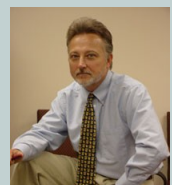
It is our policy to never criticize a revealed mistake. Every employee carries the weight of getting it right every time. It is my policy to embrace any customer negative response and react with the highest degree of urgency to correct, implement, and verify. I invite every customer, supplier, and business associate to contact me direct at [502/339-7511 ext. 1140](tel:5023397511) with any issue that you feel is not being addressed by a member of our staff, or that should be keyed to the highest level of management. I may agonize over the complaint, but I will be there to resolve any issue brought to my attention.

Accu-tec shall be an integral part of each customer's success!

Stephen J. Homola

President/Chief Operating Officer

shomola@accu-tec.com





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The Cost of Waiting on Employees to Change

Today's leaders are required to be students of change. There is no improvement, no growth, and no long term success, without change. The cost of waiting, on others, or as it is internalized thru **procrastination** is a critical impediment to bringing on change in the workplace.

“(Procrastination) is not a problem of time management or of planning... It is often a response to an authoritarian parenting style, which keeps a child from developing the ability to regulate themselves... (It) can even be a form of rebellion...”

This is a very personal issue for the procrastinator and to bring about change it needs to be personal for the leadership of the organization.

Ron Arden and Paul Batz, Vistage (www.vistage.com) communication experts' state;

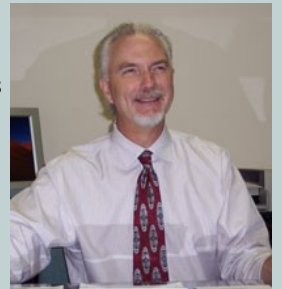
“For all organizations, it's become an absolute necessity for the leader to communicate effectively with anyone who has a stake in their company ... When things are changing; staff needs information **and** motivation to keep up...” Arden adds: “remember, it's not just the message of change you're trying to get across. You also need to let people see how you feel about change—your optimism, and the strength of your convictions about the path the organization has embarked on. “... when employees are asked to change their personal and group behaviors to accommodate (business) realities, the message has to provide enough information to make the change tangible at **all** levels in the company.”

Great leadership can bring about great change. The first step is realizing its not just business.... It's all personal!

Jeff Davis

CEO

Accu-Tec International



Turnkey Solutions

Accu-tec, International, Inc. offers turnkey packaging services allowing us to be your single source manufactured packaging and distribution solution provider!

We bring together broad resources and innovative capabilities allowing customers to have all the resources they need from one source to meet the demands of the consumer marketplace. Benefits from this partnership include innovative packaging and improved processing ultimately resulting in cost savings. You will receive single-source convenience and the highest level of customer satisfaction. We'll help you develop the best design presentation and most cost-effective way to bring your product to market. From simple assemblies to complex multi-product displays, we have the know-how and flexibility to handle those jobs and everything in between.

Roy Kraemer

Vice President/General Manager





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Why Contract Packaging, Manufacturing, Warehousing, Distribution?

Every company that outsources to a contract packager/manufacturer frees up its time to concentrate on their core competencies. Today, as companies continue to try to trim the fat and free up capital, CP/CMs are being embraced because they save time, money, and improves its product's quality.

When choosing a CP/CM, consider the partnership versus the relationship. Will they be an extension of your business? Do they respect your business plan and strategies? Can they add honest value that promotes the health of your bottom line?

The benefits of working with a CP/CM are best realized by treating them as a partner, not as an outside vendor of the company. A CP/CM should ultimately act as an extension of your business. As such, a CP/CM partner must be able to complete your project at a competitive cost aligned with your time schedule with quality assurance.

CP/CMs can offer expert, cost-efficient, practical solutions to help you initiate, organize, streamline or improve your packaging/manufacturing operations. Your selection must be innovative, versatile, and accustomed to efficiently working within your critical time frames. The bottom line is that businesses can often get a higher quality product faster and at lower cost by using a CP/CM that is committed to be an integral part of your success.

Some reasons why Accu-tec International has been the choice with our customer base:

There's a new product, market test, gift pack or seasonal appeal.

Promoting your product with non-standard packaging or promotional inserts requiring special machinery or labor intensive work.

The pressure of new business or deadlines creates a heavy workload for which you require experienced help.

There's a specific requirement that may be better served by specific experience or equipment.

The secret is finding a contract packager who can offer the specialized services you need.

Choosing Accu-tec International as a Contract Partner:

Location issues are eliminated. We will have the flexibility to locate a facility that will be cost effective for your business.

Experience of over 20 years of sustainable quality performance.

Strong Ethics that delivers with actions and not words.

Cost directives that enhance your bottom line.

Good Communication that will be open and honest.

Controls with quality directives as C-TPAT, AIB, Six Sigma, and MIL-STD efficiencies in place.

Aggressively High Standards that exposes all aspects quality performance.

Staff of experience, dedication, and honesty in performance.

Meet our people. Make sure you are introduced to the customer service, production engineering, quality, and operations people. See us from the bottom up.

We are always open and look forward to the opportunity to serve you.

Larry Leopold
Production/Quality Engineer





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Electronic Data Interchange

Accu-tec International has been using EDI for a number of years as a communications tool to transmit and receive information to and from our customers. On our most recent EDI initiative, Accu-tec International partnered with Avon Products to help them realize the many benefits associated with EDI.

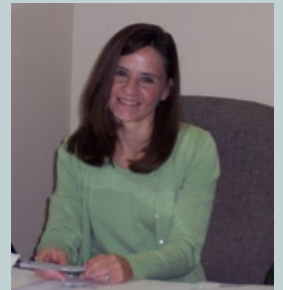
Using EDI allows both Avon and Accu-tec International to improve and streamline their business. Some of the benefits of EDI include the following:

- Improved reporting
- Improved accuracy
- Enhanced flexibility
- Reduced costs
- Reduced time

EDI allows computer systems to transmit information from one system to another in an effective and efficient manner with minimal human intervention. Companies can manage large volumes of transactions in a highly automated process that reduces the time required to process transactions (such as entering orders or invoices) in their system. EDI is widely used in industry to transmit traditional "documents", such as invoices and purchase orders.

As a result of this latest initiative, Accu-tec International and Avon will now use EDI to transmit information regarding the following transactions:

- 846 – Inventory Receipts and Adjustment Transactions
- 850 – Purchase Orders
- 856 – Advance Ship Notice
- 860 – Purchase Order Changes
- 940 – Warehouse Shipping Orders



Tina Mann
Controller/HR Manager

A Word from the Warehouse

As Accu-tec International enters into the second business quarter of 2008, we have made the commitment to update our fleet of material handling equipment. Through a partnership with Yale Kentuckiana, we have committed to and placed an order for nine, brand new Veracitor VX50's. Spending close to a quarter of a million dollars on an updated, safer fleet of forklifts will give us a competitive edge and maximize our efficiency which will translate into extra value for our business partners.

<http://www.yalekentuckiana.com/>

We have also partnered with Handi-Ramp Corporation of Saint Louis, Mo. to update our loading dock equipment with a safer, newer style of dock board.

<http://www.handiramp.com/heavydutyteeldockboards.htm>

Over the past couple of weeks we have begun an aggressive re-certification program for all material handling staff that is over and above what OSHA, and the industry standard calls for. It is through these efforts, that we at Accu-tec International have made the commitment to our employees, customers and business partners to always strive for excellence, value, and to be the safest most efficient business partner that you will be proud to be associated with.

"Accu-tec shall be an integral part of each customer's success"

Charles "Rusty" Green
Warehouse Manager





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ACCU-TEC PERSONNEL NOTES

April Birthdays

Gary Klass 4/02

Anthony King 4/13

Marty Green 4/14

Yolonda Rice 4/24

Rafika Sadek 4/24

Teamwork: The coming together

During our 1st Quarter, *SIX SIGMA* improvements have been made in several areas.

- Weekly meetings with each employee to communicate any and all issues concerning Performance and Quality.
- PPMH's (parts per man hour) are nearing the 100% target.
- Employee Quality Advisory Teams are assisting each other wherever needed to increase efficiency in the departments of "Quality, Production, Housekeeping and Material Handling."
- Material Handlers have initiated their own directives of 0% damage tolerance and measurements to insure 100% safety compliance.
- Supervisors and Line Leads are helping set up lines for next production run, which has reduced downtime and increased productivity.
- Maintenance continues to excel, keeping machines running and being set up on time.

Thanks to every employee for your dedication and accomplishments this first quarter!

NOW: Continuous Progress

2nd Quarter; "Our actions will speak louder than our words."

As we begin our next quarter there are expectations set in several areas.

- PPMH increase to exceed 100%
- Quality Audits accelerated to 20-minute checks and documented.
- Specifications more detailed to include skid inspections of finished goods.
- Improvement in attendance will be a new measurement.
- Safety (Stop, Look and Listen) adherence remains priority one.
- Respect every person all the time.

Our actions shall speak clearly and strongly of our intentions.

Last, but not least. Take Charge. Every employee is responsible for progress.

Patty Bentley
Production Manager

