



**Living Lean at CTB**



# CTB Overview

- Leading global designer, manufacturer and marketer of systems and solutions for the poultry, hog, egg production, and grain industries.
- Products focus on improved efficiency in caring for poultry and livestock, and on grain storage, handling and conditioning.





# CTB Quick Facts

- Annual Sales: Over \$350 Million
- People: Over 1200 Employees
- Facilities: 5 U.S. and 5 Overseas
- Physical Size: 1.5 Million Sq. Ft.
- Founded: 1952



CTB's Headquarters in Milford, Indiana



# Markets CTB Serves

## Protein

## Grain



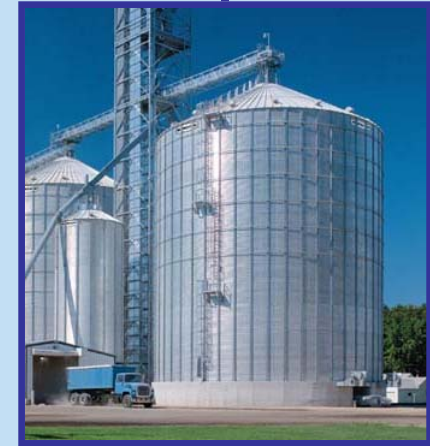
Poultry



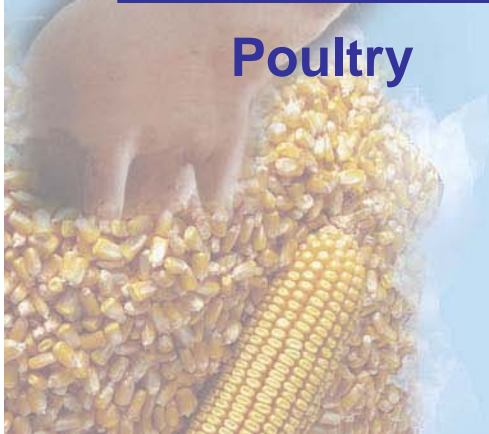
Hog



Egg



Grain





# Vital Link in Protein Equation



**FEED &  
GRAIN**



**PRODUCTS  
SYSTEMS &  
SOLUTIONS**





# CTB's Primary Brands

- Global Brands
  - Brock®
  - Chore-Time®
  - Fancom®
  - ProTerra®
  - Roxell®
  - Shenandoah®
  - Sibley®
- Best-known brands in northern Indiana are:





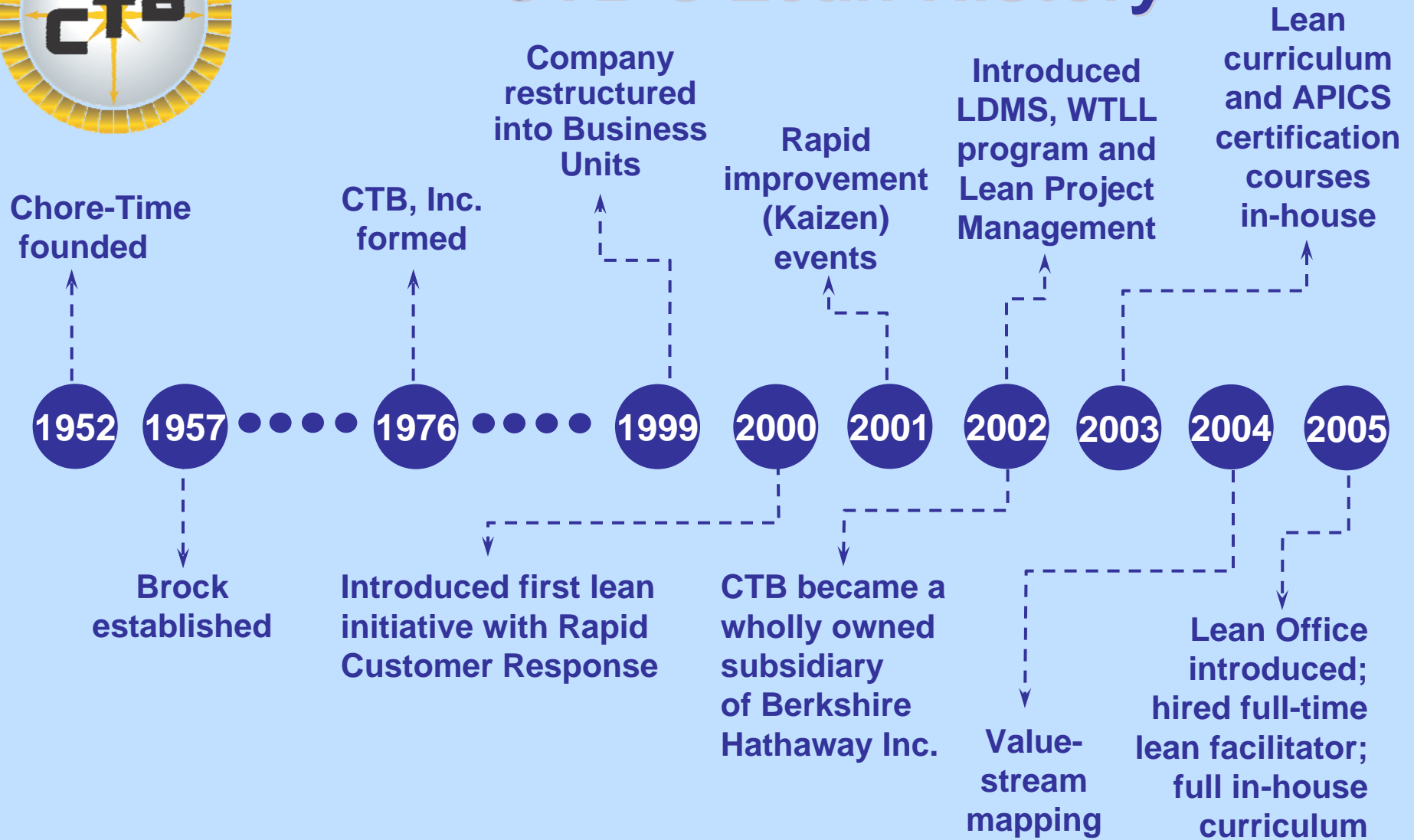
## Why Lean at CTB?

- Over 50 years of fabrication history lead to some operational dinosaurs
- Active acquisition history brought assimilation challenges
- Publicly traded for five years; now part of Berkshire Hathaway, Inc. – shareholders expect returns
- Very competitive environment requires efficiency to survive/thrive





# CTB's Lean History





## Step 1 – Restructured Company

- Restructured using Business Units
  - People closer to the customer
  - Better sense of customer challenges
  - More responsive to changing customer needs
  - Continue to provide innovative solutions
  - Position the company for accelerated profit growth





## Step 2 – Rapid Customer Response

- Initiated productivity improvements company-wide
- Rapid Customer Response (RCR)
  - Modified plant layouts
  - Implemented lean manufacturing techniques
  - Began training employees using an outside consultant





## Step 3 – Introduced SV<sup>2</sup> (Strategy, Vision and Values)

- Vision
  - Leadership Through Innovation®
- Values
  - Integrity in all things
  - Customers are why we exist
  - Profitability is a must
  - Excellence in all we do
  - People make the difference



**SV<sup>2</sup>**

- Strategy
  - ***Best Cost Manufacturer***
  - Product Driven Focus
  - Global Expansion
  - Acquisition
  - Financial Strength
- **Best Cost = LEAN!**





# Best Cost

- Strategy Item 1
  - ***Best Cost Manufacturer***
    - Greater operational efficiency
    - Improved productivity
    - Increased speed
    - Improved quality
    - Reduced costs and expenses
    - Enhanced service and value





# Transitioning to Lean

- Started with the basics
- Involved and trained key people
- Required regular reports on results
- Added skills through lean and APICS training
- Used outside consultants to spur and guide activity

A few examples ...





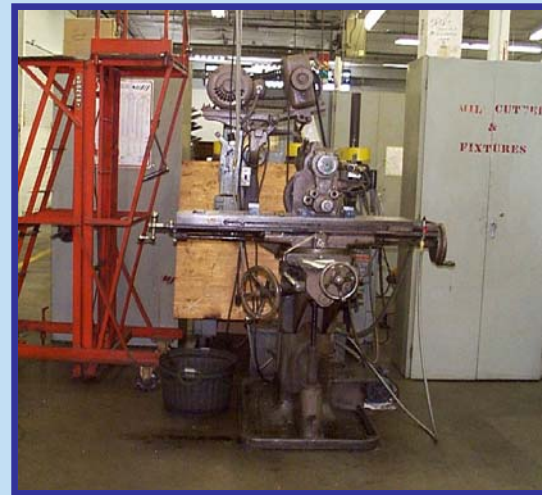
# Basic 5-S Activity



**BEFORE**

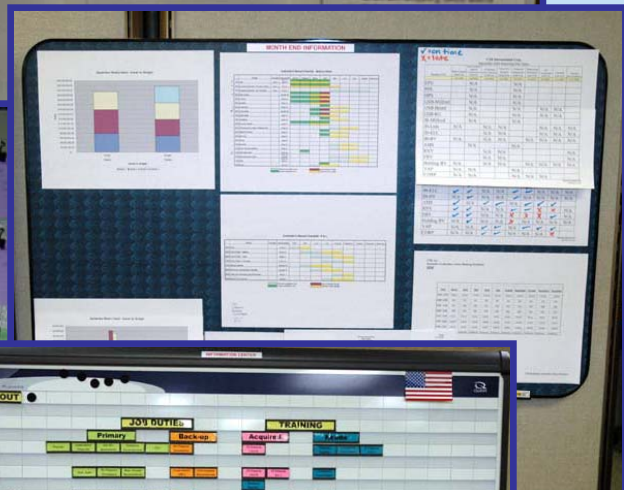
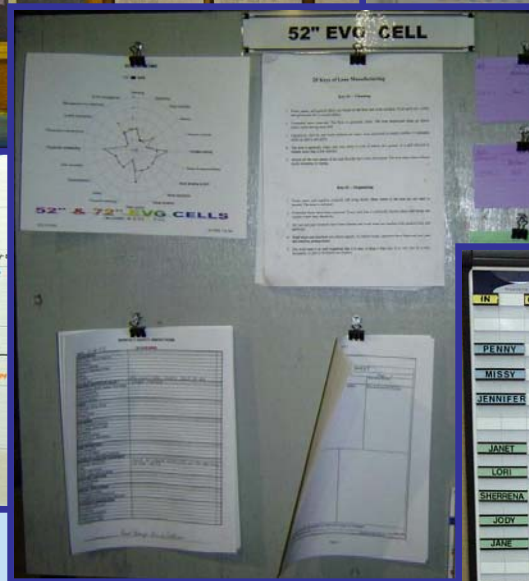


**AFTER**





# Use of Visual Displays





# Milford Flow Event

- 10,200 square feet cleared by PPS assembly for use by HPS
- Job filling easier and less time consuming for PPS
- New HPS operations assimilated



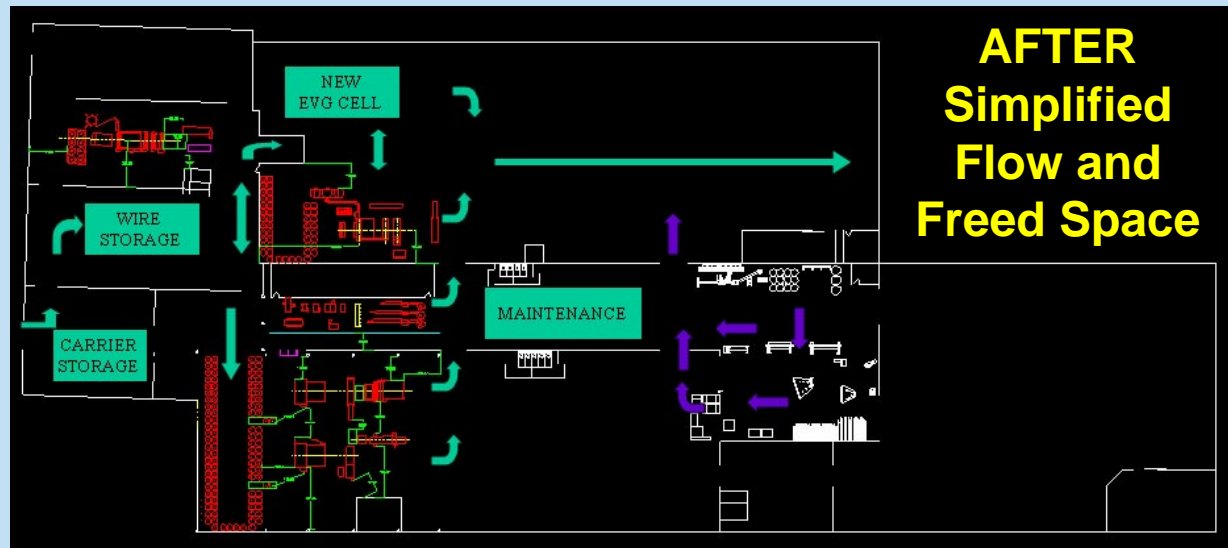
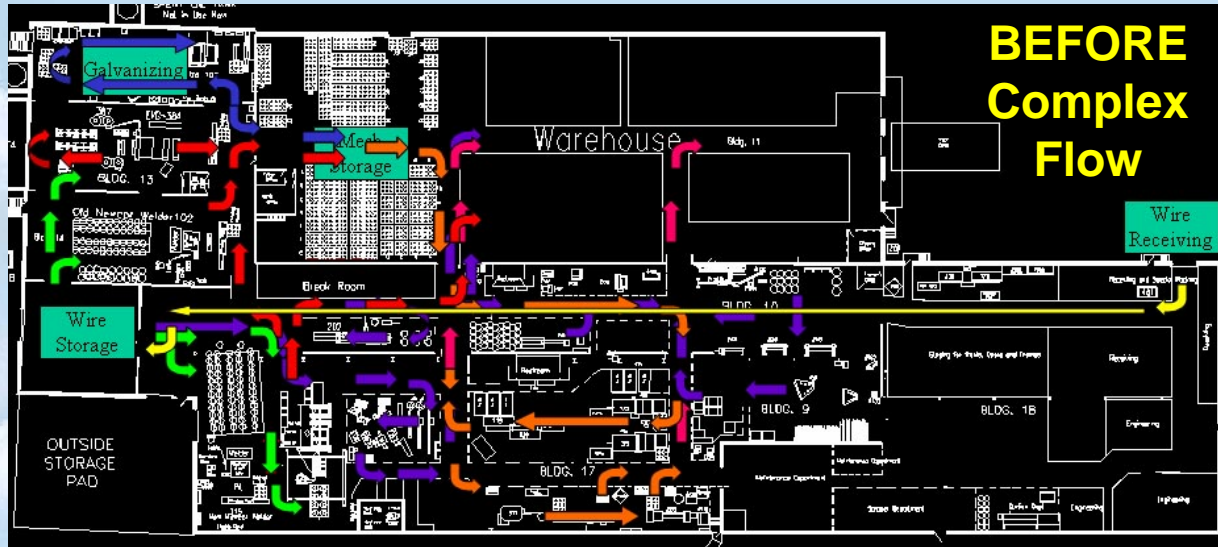
10,200 square feet cleared



New operations moved in



# Decatur Flow Event





# Lean Results

- Increased sales per employee
- Policy of no layoffs from lean
- Commitment to pursue continuous improvement





# The Lean Future at CTB

- Ongoing commitment; have captured low-hanging fruit, so requires more work now





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# WTLL Program

- Key people on the floor to promote Lean principles and processes
- Understand department and business operations in detail
- Instrumental in their BU's becoming more efficient and effective
- Ongoing training in Lean principles and tools
- Added to regular job duties with hourly pay premium





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## CTB's Lean Curriculum

- Classes taught throughout year at various plant locations by staff
- Current class offerings:
  - Lean Employee Primer (LEP)
  - Lean Daily Management System (LDMS)
  - Lean Principles (LP)
  - Lean Project Management (LPM)
  - The Complete Lean Enterprise
  - CPIM Certification Courses





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## Better-Qualified Planners

1. Initially, planners were promoted from within, but with limited preparation.
2. 1999 – CTB initiated paying for APICS out-of-town classes, study time, testing, and a bonus for CPIM achievement.
3. 2003 – CTB brought an instructor in to give review courses in-house in Milford.
4. 2004 – Inside instructor trained and certified to teach the review courses.
5. 2005 – Two in-house review courses per year for all interested employees.





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- **Renewed focus on value-stream mapping**





**No doubt about it ...**

**At CTB, we're planning on a  
profitably FAT future  
through living LEAN!**