

# 84<sup>th</sup> Annual International Management Conference – PIMA

*New York City, New York*

*June 29 – July 2, 2003*

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-- Presidents' Panel – Steve Buckman --

*How To Succeed In A Changing  
Marketplace and Business Culture*



# Steven B. Buckman

## Chairman of the Board

- **BUCKMAN LABORATORIES  
INTERNATIONAL INC.**

- ✓ **Worldwide Specialty Chemical  
Supplier to Paper Industry**



# Buckman Laboratories

- A Global Organization- Operating in Over 90 Countries...
- ...With 10 Manufacturing Plants and Technical Centers Worldwide
- Focused on Serving
  - ✓ Pulp and Paper Industries
  - ✓ Water Treatment
  - ✓ Leather Industry
- A Private Corporation With a Long Term Focus



# Delivering to our Customers

- A Deep Knowledge of Our Customers Processes and Businesses
- Processes to *Know* What Is Important to the Individual Mill As Well As the Corporation
- A Highly Structured Approach to Solve Operational Problems
- Team-based Solutions Through Knowledge Sharing



# Delivering to our Customers

- Tailored Solutions of Services and Products That Deliver Superior Value
- A Full Range of Specialty Chemical Products
- Constant Innovation - Keeping Our Customers Ahead of the Curve -
  - ✓ Through our focused R&D effort and joint R&D efforts with our customers



# Industry Overview

- **General Excess Capacity of All Paper Grades Would Lead To:**
  - ✓ **Slowdowns and closure**
  - ✓ **Mergers and acquisition**
  - ✓ **Rationalization of product lines**
  - ✓ **Focus on improving operational efficiency, not tonnage output (marginal economics)**
- **Quality Movement and Low Profitability Would Drive the Move to Single Sourcing or Preferred Suppliers to Leverage Volume Purchases to Lower Costs and a Focus on Productivity Improvement.**



***It is not Necessary to Change.  
Survival is not Mandatory.***

**Dr. W. Edwards Deming**



# Mission

**We, the Associates of Buckman Laboratories,  
Will Excel in Providing Measurable, Cost-effective  
Improvements in Output and Quality for Our  
Customers by Delivering Customer-specific  
Services and Products,  
*And the Creative Application of Knowledge.***



# **Associate Alignment**

**Ensuring That Every Associate Knows  
the What, How and When of Their  
Role in Buckman Laboratories**

**Ensuring That Every Associate  
Understands Why Their Role Is  
Important in Effectively Carrying Out  
Our Mission**



# **EXPLAIN THE “WHY”**

- **How Is This Relevant to What They Do?**
- **What, Specifically, Should They Do?**
- **How Will They Be Measured and What Are the Consequences?**
- **What Tools and Support Are Available?**
- **What’s in It for Them? For the Company?**

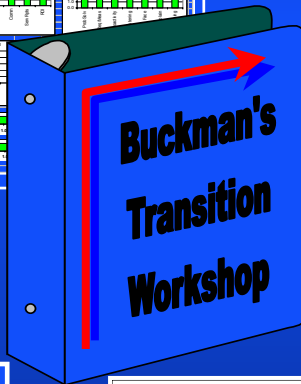
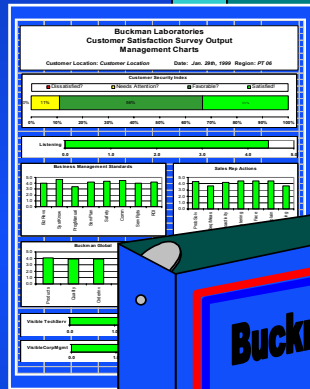
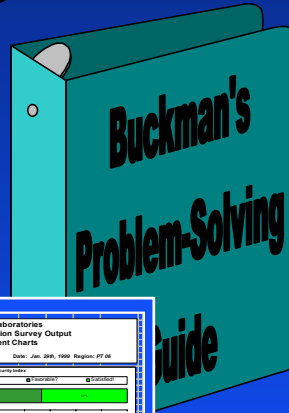


# Changes Needed To Meet the Needs of the Paper Industry

- Expand Product Line From Deposit-related Focus to Total Mill Coverage
- Broaden Applications Expertise to Functional Chemistry
- Expand Technical Resources:
  - ✓ **Laboratories**
  - ✓ **Field Services**
- Continue Expansion of Mill Support Staff
- Continue Use of Team Based Solutions Through Knowledge Sharing

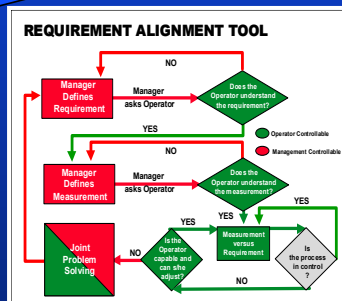


# Change Management Processes:



Products Designed for  
*"People"* Systems.

- Requirement Alignment Process
- Transition Workshops
- 8 Business Management Standards



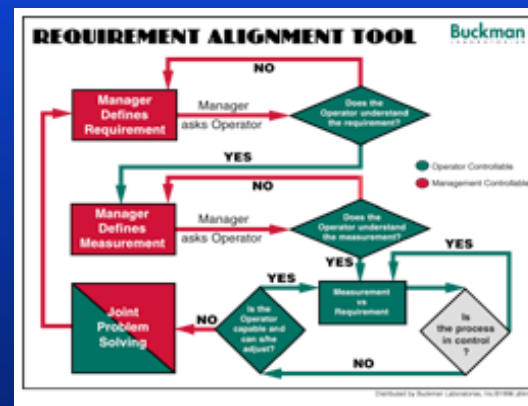
# Requirement Alignment Tool

Used to Discover the Requirements and Measurement to ensure Success

Make sure **REQUIREMENTS** are understood

Make sure **MEASUREMENTS** are understood

Make sure the supplier is **CAPABLE**



# The Transition Workshop

A “Repeatable, Successful” Process  
Concentrates on People, not Systems...

Making sure all fears are known

Making sure all ideas are heard

A safe, non-disruptive plan is created

Because the plan is JOINTLY created, the beginnings  
of a successful team are formed.

*Once the hearts and minds of the people are  
transitioned, the systems obediently follow!*



# 8 Business Management Standards



# *What Do Customers Expect?*

- **When We Surveyed the Customers, They Said ...**
  - ✓ **Good Communications**
  - ✓ **Full understanding of our systems**
  - ✓ **Good Planning ... plans that “fit” our plans**
  - ✓ **SAFETY ... safe products, safe people, safe procedures**
  - ✓ **Back up procedures (what to do when you are not there)**
  - ✓ **On-Going “activity” reports so it is known what you do**
  - ✓ **Periodic Business Reviews to stay on track**
  - ✓ **The best possible Value-Added for money spent**

*And these became the 8 Business Management Standards*



# **How Do We Know the 8 Business Management Standards Are in Place?**

*We ask the Customer- Of all of your  
suppliers who is the best .....?*



# Processes to Do the Job ....

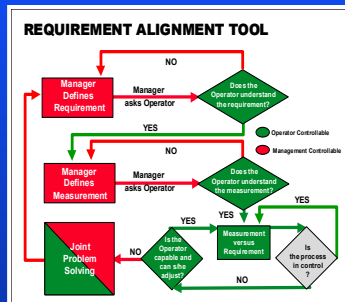
Original Cost Scenario



Immediate TCO Reduction

New Cost Zone

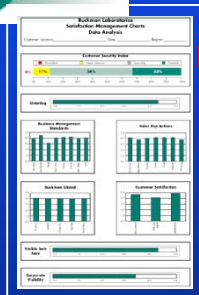
} Continuous improvement



# Continuous Improvement Processes



- Problem Solving Guide
- Product Stewardship and Safety
- Customer Satisfaction Surveys
- Customer Satisfaction Workshops
- New Products and Technologies to Improve Productivity

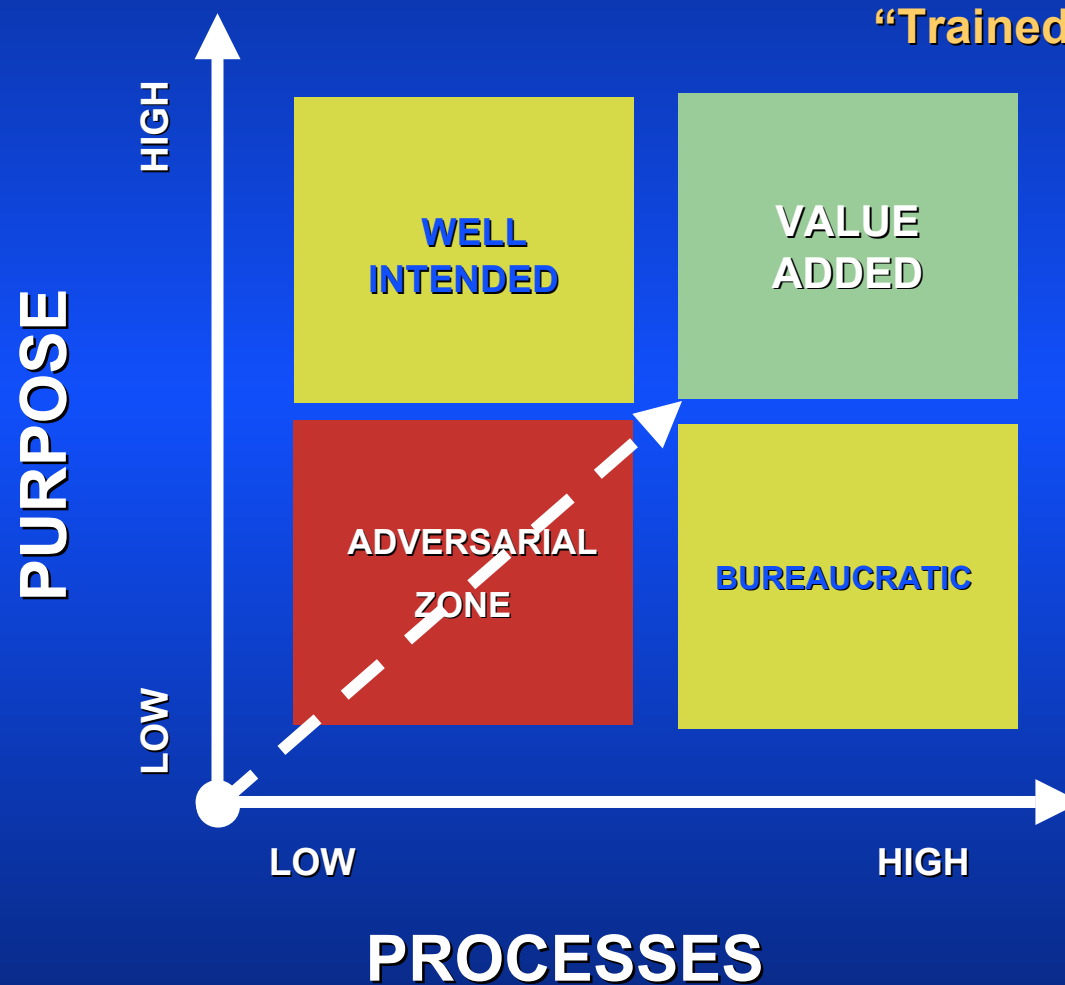


# Key Components to Change Management and Continuous Improvement

- **Trained, Knowledge-Able People**
- **Team-based Solutions through Knowledge Sharing**



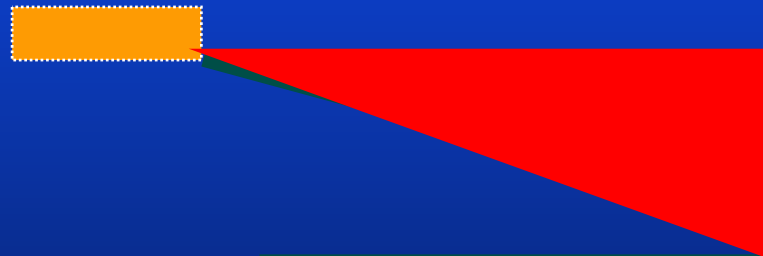
# Purpose-Process-People



“Trained, Knowledge-Able” People



- **Discipline to Execute**
- **Dedication to Continuous Improvement**



} Continuous  
improvement



# Thank You

