



Three Important Things to do...

JANUARY 2012

The new business year brings with it the opportunity to review and refresh your business strategy. Overall a strategy should include these three components.

- Continuous improvement
- Value Creation
- Planning

Continuous Improvement

When approaching your planning process it is common to ask, "What have we learned?" The answers should reveal things about your operation, your processes, your inventory, customer expectations and your ability to deliver what they expect.

Unless strategic planning drives continuous improvement, it may have only marginal value. In fact if the plan does not drive continuous improvement it can be counterproductive. There is at best no point, and at worse negative value, in having a plan just so you can say you have one.

Value Creation

The purpose of all businesses is to provide their customers with the products or services that they require and to be a preferred supplier. This strategy, Value Creation, is critical to your self-assessment.

"Making Value Creation the first priority for all employees and all company decisions will give you an enormous advantage in building your company's ability to achieve profitable and long-lasting growth." - Ken Favaro, Business Writer

The components of Value Creation:

$$\text{Resources} + \text{Distinctive Competencies} + \text{Product Quality} + \text{Differentiators} = \text{Value}$$

Planning

Planning is about change. It is about preparing to do things differently in order to gain a competitive advantage and to respond correctly to the marketplace and customers.

If Past Business Practices are No Longer Relevant – Then What's The Plan?

As many consultants and industry experts have pointed out, all improvement programs and initiatives need planning. Creating customer relationships with meaning, depth, and purpose (and understanding their business imperatives) calls for more planning.

Setting up customer and supplier relationships, even defining your sales philosophy and processes, requires still more planning. The pace of change today is faster than ever before. The key to survival is adaptability – combining the ability to observe new trends together with a willingness to change. Those companies who cannot adapt are unlikely to survive.

Our Purpose Statement:

"To serve the process control marketplace as a valued resource and advisor on flow control applications."

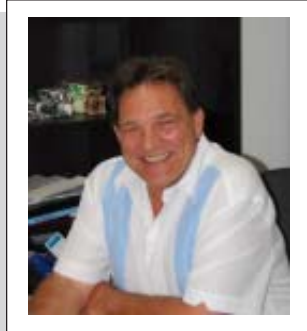
What do you need today?™

Don't Let Daily Tactical Issues Subvert Strategic Planning

Planning is the cornerstone of any change initiative, whether technological, process, or cultural. It is about growing and controlling the pace of growth.

Busy executives and managers are so often involved in tactical issues (getting things done) that it becomes easy to overlook the need for planning at the strategic level. However, growth oriented companies are the ones that are committed to continuous improvement strategies, accompanied by superb plans.

The following is a list of critical planning questions, all with operational implications, that should be addressed in a comprehensive strategic continuous improvement plan.



Wayne Ulanski, President

- What changes are contemplated by and for existing customers?
- How will these changes influence marketing plans and day-to-day operating relationships?
- What changes are required to successfully approach new customers and markets?
- What changes are underway or being considered by the competition?
- What are the most likely industry trends and how will they affect current practices?
- What are the company's internal and external vulnerabilities relative to new demands?
- What are the most critical immediate issues facing the company?
- What changes will most influence the company's profitability?

Final Thoughts...

Most hands-on managers eventually come to realize that there may not be a lot of point in trying to develop tactical plans if it does not include strategic continuous improvement planning on which to base them. If that's the case, perhaps the only tactical plan that makes sense is to stay in your foxhole and keep your head down.

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Supply Chain News...

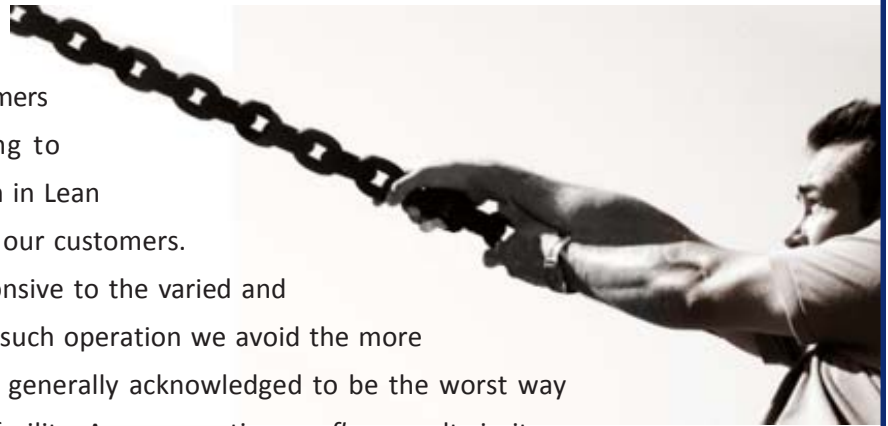
Not Pulling Your Chain

Here at SVF we have worked on our scheduling practices to improve and better serve our customers and in doing so we finalized our scheduling to **“The concept of pull scheduling”**. This system in Lean production means to respond to the needs of our customers.

We designed our operations to be more responsive to the varied and changing needs of our customers; by creating such operation we avoid the more traditional batch-and-queue method, which is generally acknowledged to be the worst way to process material through a manufacturing facility. A more continuous *flow* results in items being moved immediately from one workstation to the next as soon as they are ready. Planning for the delivery of a product to our customers becomes more efficient and demand from customers becomes more stable.

Pull scheduling reduces the over production. Only the required amount is produced in every stage. This also allows our system to work with virtually no Work in Process (WIP). Altogether this makes our manufacturing system highly flexible and with zero waste; ultimately improving our delivery time to our customers.

-Mauricio “Mo” Nunez, Supply Chain Manager | MNunez@SVF.net



BITS 'N BYTES

Managing to be a Project Manager



At the end of the year, I was soliciting for ideas on training topics for our employees. The usual topics keep coming up; until I suggest “Project Management”. Most people do not associate a need for project management skills because they do not hold the title of “Project Manager”. However, most of us become project managers without realizing it. You may be a Project Manager if you —

- You are a subject matter expert but have little to no experience managing projects
- Have never managed a project but you are the only one available
- Inherited a project from the previous Project Manager
- Managed one project before and you are now the project manager by default
- Volunteered by your peers because you are copied in all the emails
- Inherited the ownership because it’s your customer/supplier/ product

To become a proficient project manager takes years of training and practices. In many cases, the size and scope of projects that you manage may not require the exhaustive discipline to manage. Therefore, it may be beneficial to make basic project management skills part of your employee’s training curriculum.

-Ken Kwok, Information Technology Manager | KKwok@SVF.net

Mind Share Leads to Market Share...

The Power of Information

At this same time last year, I used the phrase “mind share leads to market share” as a theme for goal-setting and sales planning. And it was my intent to share this theme with all who had partnered with SVF in recent times and to embody the positive change necessary to reposition SVF and grow the business.

2011 was a breakout year for SVF in general and the Midwest in particular and it is with sincere thanks that I acknowledge this for my Midwest Channel Partners and the larger SVF ‘family’ around the globe. In retrospect, I can personally attest to an aggressive growth plan that was laid out this time last year. There was both excitement and anxiety associated with how we would go about achieving it. There were anticipated challenges both internally and externally that could negatively affect the growth plan. But, too, there was a level of resolve and commitment made by all stakeholders to deliver – and exceed - the sales goal.

In 2012 it is my personal goal to not only exceed yet another aggressive sales budget but also reinforce “the power of information” that resides within the ‘walls’ at SVF.

- A Leadership Team that has empowered staff to exceed customer expectation.
- A growing, field-based group of consultative SVF Sales Professionals.
- A knowledgeable and resourceful group of associates on the Inside Sales Team.
- An increasingly competent Engineering Team.
- A Marketing Team that has capably brought SVF into the 21st century.



Once you have it... what do **you** do with it?

Our collective business plan for 2012 has been mapped out and will be shared with our Channel Partners over the upcoming weeks.

Our ultimate goal is to build upon what we learned and achieved in 2011 and become ‘**a <more> valued resource and advisor on flow control applications**’.

-Dave Meyer, Regional Manager | DMeyer@SVF.net

The Quality Corner...

Four Steps in Formal Training

Formal and documented training is an essential part for a company to be successful. The trainer must:

- **Prepare the worker**, getting him or her interested on the job they are about to be trained on.
- **Present the operation**, the trainer needs to give verbal instructions demonstrating the job the importance and repeating the keys steps and why they are so important.
- **Try out the performance**, the trainee repeats the process first doing the job without talking then stating the important steps then stating why they are so important.
- **Follow-up**, after training, the trainer follows up and continues to coach. Remember that the success of the trainee depends on the trainer. If the worker hasn’t learned, the instructor hasn’t taught.

-Raul Roviroso, Quality Manager | RRoviroso@SVF.net

SVFmobile.net

Your Resource Is Within Reach

SmartPhones and iPads are finding their way into the enterprise. Some are calling them the most important new sales tools since the invention of the cell phone.



In 2012, most outside sales reps will start to use an iPad or other tablet for work. They will use it for shipping, product documentation, demonstrations, to capture leads at trade shows or to quickly research a prospect before a meeting.



SVFMobile.net was developed for the "SmartPad" and "Smart Phone"

Scan the "QR" code with your "Smart Tool" to visit www.SVFMobile.net

Product Spotlight... BZ9, FULL PORT, BRONZE BALL VALVES

The SVF Series BZ9 valves are designed for superior performance in general purpose, plant-wide applications. The direct-mount feature reduces the size and weight of traditional automated valves.

- ✓ Designed & built for economical performance
- ✓ Pressure rated for 600 p.s.i.
- ✓ Patented Adjustable Screw Gland
- ✓ Tested and inspected to API-598 standard
- ✓ Built-In ISO 5211 direct mounting pad for easy automation
- ✓ End connections include SE (Screwed Ends, FNPT) and TE (Sweat Ends)
- ✓ Three-piece "swing out" design offers easy access for in-line maintenance
- ✓ Lockable in the "Open" or "Closed" position



NEED MORE INFO?

Download the full color BZ9 Series Data Sheet at www.SVF.net/data_sheets/SVF_BZ9_Data_Sheet.pdf

Head Scratcher Question... A Greener Tomorrow Is In The Bag[™]

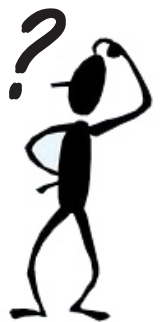
Can you step up to this challenge?

Be among the first 5 to log on to www.SVF.net/response.php & enter the correct answer and win a free canvas bag! (Note: you will be required to enter your name, email address, phone number and mailing address). The correct answer will be in our next FlowRATE. **GOOD LUCK!**

THIS MONTH'S QUESTION:

Which of the following would you look for when working with a cubit?

- a) Hospital Gown b) Yard Stick c) Jack Hammer d) Animal Trainer



The perfect companion at the grocery store or at the beach!



Continuous Action Recycling Effort