COEX Sheetline

QUALITY CUSTOM PLASTIC SHEET

GOEX Puts Reputation for Quality 'On the Line' Every Day

PETER DRUCKER INSISTED that the purpose of business is to create a customer. He might have added that the aim of business is to keep that customer satisfied. A company that understands the function of process control in making its product, and has the equipment and statistical methods in place to execute it, can be the highest-quality and the lowest-cost producer at the same time. If that company has the capacity to meet customer demand in a timely manner, it can also be a leader in customer satisfaction. GOEX aims to be that triple threat supplier.

When the Best Isn't Good Enough

"You have to do more than make the best product. Take the best product in the world and fail on delivery, and you've created a dissatisfied customer," states Wayne Pinnow, Director of Quality. "You've got to deliver on all counts."

Pinnow's mandate is to improve the company's quality systems. In driving to that mandate, Pinnow and his colleagues have developed a set of process controls to ensure that GOEX will satisfy those all-important customer requirements.

Pinnow, President Josh Gray and other company leaders are fully committed to stepping up quality to match the company's strategic growth plans. "Although much of our data are computerized and recorded, we needed to sort out the information to understand our process capability better, and head off problems before they turn into customer complaints," Pinnow says. Fundamentally, the effort involves tracking complaints and internal rejections in order to analyze them, learn from them and prevent them from occurring again. It's a tall order, given that



Director of Manufacturing Troy McCann checks the readout on one of the company's non-contact gauge measurement systems. Mounted on each sheetline, the systems help keep tolerances tight and consistent across the web.

GOEX focuses on product quality and specialty markets for its plastic sheet. "It's product solutions that make us special," Gray explains. "Most of the sheet suppliers in our markets have a limited selection of materials. Because we run many different materials

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- Welcome and introduction from GOEX President Josh Gray, page 2
- When the going gets tough, the savvy get creative.
 See "Rising Costs, Proactive Solutions," page 3
- Imagine! Print Solutions, Shakopee, Minn., is a success story in itself. All we can say is, "It takes one to know one." Check out our Customer Focus on page 3



Meet Phil Quade, GOEX Go-To Guy for Best Practices

EVERY MANUFACTURING ORGANIZATION needs a individual designated to provide training to all of its employees in the methods and processes used throughout the plant.

Not every organization has one, however. Thus, it speaks volumes that GOEX Corp. foresaw the need to create a Training Coordinator position, and then filled it with the likes of Phil Quade.

Quade is responsible for organizing and maintaining the company's Internal Competency Certification, a program designed to teach and reinforce GOEX products, processes and technology. He also has transformed the company's intranet

into an efficient training tool by repurposing video footage for on-the-job training.

In short, Quade's job is to ensure that new employees receive the proper training in the proper order on the right equipment. The goal is to create employees who can discharge their individual responsibilities competently, and who understand the relationship of their job functions to the GOEX enterprise.



Warning! This attitude may be contagious.

What A Grind!

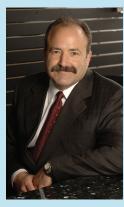
Quade knows the ropes. He began his GOEX career as a grinder, collecting material that is not to the correct specifications and recycling it. (This "regrind" is distinct from "dead scrap," which GOEX sells to a third party to be reprocessed into lower-grade plastic items.) New recruits follow the learning curve from grinder to process specialist with the aid of training videos and a curriculum developed by Quade

that is designed to teach and test at clearly defined levels of competency.

To ensure these transitions occur smoothly, Quade and Director of Manufacturing Troy McCann, assembled a "curriculum" of training continued on page 4

JOEX Sheetlin

President's Message



he sheetline is the beating heart of our manufacturing operation."

Welcome to the inaugural issue of the GOEX Sheetline. We think the title especially fitting. In our industry, the "sheetline" is the section of an extrusion line that performs multiple functions critical to the quality of the finished product. It also collects and communicates key process information throughout the plant. This twoway communication allows us to build on best practices and improve the consistency and quality of our plastic sheet. In short, the sheetline is the beating heart of our manufacturing operation.

Like its namesake, the GOEX Sheetline is designed to communicate insights about GOEX and the products we offer. In the first issue, you'll read about our continuous improvement, quality control and cost-cutting initiatives, as well as meet our corporate trainer, Phil Quade. You'll also hear from Imagine! Print Solutions, a longtime GOEX customer that shares our commitment to quality and top-drawer service.

We're intensely proud of the way we've chosen Josh D. Gray, to run our business and the substrates we President

manufacture. But don't just take our word for it. The newsletter you hold in your hands was digitally printed on GOEX .0075 Carom 45 DIGITEX PVC material via a proprietary technique that yields a perfect, press-ready sheet. Seeing is believing.

We expect the GOEX Sheetline will become a meaningful platform for communication with commercial printers who print on plastic or who would like to add printing on plastic to their menu of services. To make this happen, we'd like to know your preferences. Don't be shy - we encourage you to contact our corporate or editorial offices with your comments.

All of us at GOEX hope you will enjoy this and future issues of the GOEX Sheetline.

Sincerely,

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we can engineer customized solutions. Instead of approaching a customer with a product, we find out what their requirements are and where the deficiencies may lie."

The process begins with a designer or product development contact. "Our inhouse team will bring process, technical and performance considerations to the forefront of the discussion," Pinnow says. Ultimately, a number of product solutions are identified. "The more value we add, the higher the value of our product to the customer. The more closely we can match the customer's requirements, the better we can determine our process limits."

"Anybody can produce white polystyrene," Gray says. "It's the crosspollination of material selection and process excellence that enables us to provide unique solutions. Say a printer buys commodity white material and then prints expensive metallic ink. We can supply him with a substrate that builds in those aesthetic features. He can focus on the printed image quality without concern for the substrate."

What the Eye Can't See

Non-contact gauge measurement devices mounted on each of GOEX's nine sheet lines continuously monitor variations in thickness (gauge) across the web, while an automatic die adjusts the gauge on-the-fly, eliminating timeconsuming manual correction. This

enables GOEX to produce a uniform sheet stack that will feed smoothly in today's fast, automated presses.

"If you were to look at two stacks produced on identical dies with and without auto-gauging, you'd see a pronounced flatness difference," Gray says. "The commonality of the noncontact gauge measurement and auto die enables us to look at a sheet stack tolerance at least half that of non-auto dies. That's valuable to a printer." GOEX works within tolerances that are among the lowest in the industry.

Special Tools

GOEX also monitors the surface characteristics of its graphic arts grade plastic sheet. "High-end printers are getting very specific about that," Gray says. "Tools like profilometry measure the material's profile by dragging a stylus across the surface, giving us an opportunity to provide feedback on how rough it is. We also use a gloss meter to assess surface sheen."

Some quality improvements are more common sense than high-tech. For example, says Director of Manufacturing Troy McCann, "Our plant is almost like a medical clean room because of our housekeeping practices and because we've made a big investment in our positive-negative air flow. In layman's terms, when you open the door to leave the plant you don't want the outside air to be drawn, carrying dust and bugs.



Our manufacturing floor and material handling area are temperature- and humidty controlled-something that's unique in the U.S., maybe the world."

GOEX uses gas-fired desiccant dryers to drive the moisture out of its hydroscopic materials, raising another quality issue. "Humidity is a very influential factor in processability," Gray explains. "If I send pellets through my process with a water saturation of .008 percent, I achieve a material that has a certain physical property, impact strength, toughness, and durability. If

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Customer Focus: Imagine! Print Solutions

A Shared Commitment to Excellence Builds Customer Loyalty

For companies that share a common vision and possess the will and the talent to make it a reality, business can be a pleasure.

Imagine! Print Solutions has been a GOEX customer for six years, a relationship that hinges on both companies' dedication to quality, consistency and customer service across all the segments IMAGINE of the markets they serve. Shakopee, Minn.based Imagine!, completes some 16,000 projects annually and is one of the fastest growing printing companies in the U.S.

Like GOEX, which extrudes all resins that typically are consumed for printing and prides itself on being a one-stop-shop for its graphic arts customers, Imagine! Print Solutions provides one-stop production and custom solutions to national retail clients like Target, Wells Fargo, Dairy Queen and Toys "R" Us. The company specializes in high-quality special effects printing on paper, e-flute corrugated and plastic for high-end packaging applications like point-of-purchase structures, backlit signage, as well as tags, plastic cards, lenticulars and more. Imagine! buys extruded PVC and litho-grade polystyrene from GOEX.

> Why GOEX? In a word, says Technical Director Kurt Kroening, it's the exceptional quality of the GOEX product. "It feeds beautifully in our Heidelberg and KBA presses. The substrates give great ink adhesion and really stand up to

high-pressure, hydraulic die cutting. GOEX is a key player in materials for the commercial printing market."

Printing profitably on plastic calls for careful planning, communication and patience. With its focus on customer service, material availability and timely delivery, GOEX is a steadfast partner. "We know we can rely on GOEX to provide the material we need, when we need it, Kroening says. "We value their responsiveness and their willingness to work with us on problems." 3

Sharply Rising Operating Costs Call for Proactive Solutions

In an industry where the big news for opportunities to cut costs without in recent years has been mergers and acquisitions, privately held GOEX stands out – for the entrepreneurship that is its ruling passion, and for the creative product solutions that have brought GOEX to the attention of a wider graphic arts marketplace.

"With 135 employees, we're a small fish in a very big pond," says Josh Gray, president, alluding to the advantages of being small and flexible."We're excited about the upside potential."

Like its competitors, GOEX is feeling the effects of rising raw material costs. Says Materials Manager Bob Merrick, "Every increase has a significant impact, and there is a continual need to find and qualify competitive, quality materials to provide the value our customers deserve."

While there are limitations on what can be done to alleviate these impacts, "raw material is only one component of pricing," Gray explains. "Changes in extended costs have a direct impact. However, as a result of internal cost controls we have initiated, we have been able to hold the line on our cost of conversion for more than 10 years despite rising healthcare, energy and other costs. And they haven't trickled through to our end product prices."

GOEX continually scours its facility

cutting corners. "One of our goals is to eliminate processes that are inefficient and non-value-added," says Director of Quality Wayne Pinnow.

For instance, the plant is carefully climate-controlled to create a consistent

"Consistency costs money." But you get it without paying more if you choose GOEX."

processing environment year-round. "We're trying to compensate for outside temperatures that can vary by 80 degrees and humidity that fluctuates 70 percent, depending on the season. By minimizing those fluctuations, we're trying to produce the same product in August as in January."

Climate control promotes cleanliness, too. "We could shut off the air conditioners, open the doors and run fans, but the recall and the problems that would arise with bugs and dirt would undercut our quality and our competitiveness," Gray says. "We don't think that's the way to run a business."

Energy consumption is also a major concern. When the latest upgrade is completed, every user of electricity at GOEX will be integrated into the system so that the company can control where and when power is consumed and alleviate some of the peak demand that generates extraneous costs.

The GOEX Difference

Withits corporate star on the rise, GOEX is keen to differentiate its products and services despite escalating operating costs and raw material prices.

"Our customers can buy polystyrene from 40 different suppliers and the price won't vary more than two or three cents," says Gray. "Why should I come to GOEX? I come for quality and consistency. I come for service. I come because the company has its act together and will be a good, responsible supplier over the long term."

In striving to be that good, responsible supplier, GOEX invests heavily in technology and other improvements to enhance the quality of its product and the responsiveness of the organization.

"Consistency costs money," Gray concludes. "But you get it without having to pay more - if you choose GOEX. Because where the rubber meets the road, we have to be competitive. We have to find efficiencies in our process to make these improvements. It's the way we choose to run our business." 3



GOEX Sheetline

Reputation for Quality, continued from page 2

I process material through the same machine with a higher water saturation, I'll achieve lower physical properties in the final product." GOEX dries every pound of plastic and all of its raw materials, including virgin, colorants and additives to bring its product closer to press-ready condition. "We take these precautions to run aesthetically pleasing sheet for our printing customers," McCann says.

One of the quality department's strategic goals is to be able to perform an instantaneous analysis of process information to focus quality improvement initiatives. "That's a difficult goal to achieve, especially when your business is customized solutions," Pinnow says. "There are a million variables to watch, any one of which can become an issue. We want to scrub as much variability from the process as possible by producing jobs that are inherently the same in the same way."

Everybody at GOEX has quality and customer satisfaction top of mind. "

That proposition applies across the board at GOEX. "There is continuous inspection throughout the process, whether it's incoming material, initial job planning or continuous monitoring throughout the job," Pinnow says.



One of GOEX Corp.'s nine extrusion lines in action.

"While that effort is often led by the quality department, manufacturing is usually doing the same things."

GOEX is audited regularly by the International Standards Organization (ISO) that granted the company its ISO 9001:2000 certification in 1995. Nevertheless, the company holds its own feet close to the fire.

"Everybody at GOEX has quality and customer satisfaction top of mind," Pinnow says. "Anybody who recognizes a potential problem needs to react to that and handle it. It's no longer 'my' problem or 'your' problem. It's our problem. It affects everybody." •

Go-To-Guy, continued from page 1

videos and written instructions designed specifically for various positions. The training system works like a checklist of duties and responsibilities employees must master to become eligible to rise to the next level. The written instruction manual also contains a mission statement, a job description and methods by which an employee's performance will be evaluated.

One Step at A Time

Another piece of the training picture unfolds within the company's internal communication network. Individual computer monitors mounted on each of GOEX's nine extrusion lines enable new employees to watch training videos while they work. "They can actually turn out product while they learn," Quade says. "We also post our work instructions and procedures so that updated information is always at their fingertips."

Has all the effort paid off? "It's been fan-TAS-tic," Quade says. "When a technician or product specialist is working with someone who has just come onto the production floor, he has a chronological guide to all the things they need to work on if I can't be there – without holding up production."

Quade has earned the right to be called a a good example. "I worked my way through all the positions. I asked questions and always wanted to learn about new equipment," he says. "Now, when something goes wrong, I can distinguish between an operator error and a spontaneous mechanical problem. I also can help when an operator is having a problem with a particular formulation."

GOEX is "a great company with tremendous potential." Quade says. "It's a very clean plant to work in and the people are fantastic. There's great unity, especially in production and manufacturing."

A born teacher, Quade says job satisfaction comes from imparting his knowledge to others. "I enjoy making a difference and feel that I do this every day at GOEX." •

66 I love Hollywood.... Everybody's plastic, but I love plastic. I want to be plastic.

- Andy Warhol

