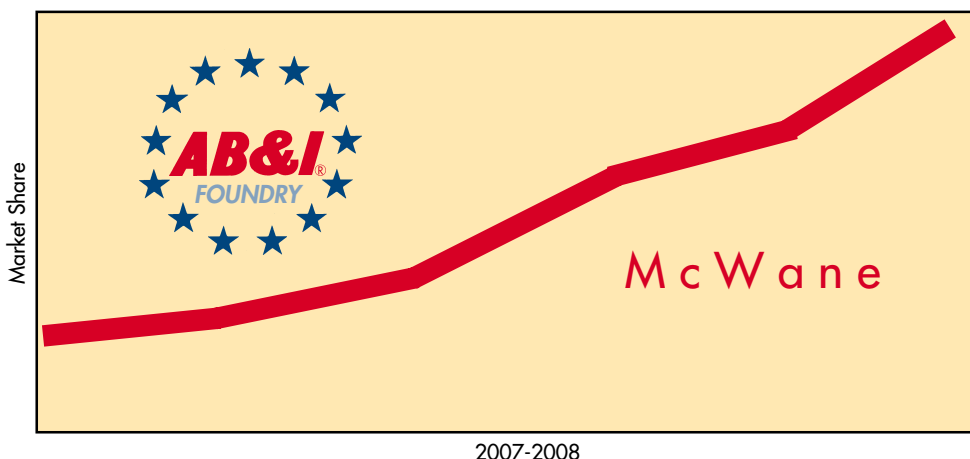




June 2007

**Foundry Update**

# McWane/AB&I Meet for Strategic Planning



The first-ever McWane-AB&I strategic planning session took place during May, bringing together senior management from both organizations to set forth a general plan for the coming year.

The focus of this session was on the value chain, and how AB&I and other McWane foundries fit into the overall marketplace. Providing solid value to our customers has always been a top priority, and AB&I has spent decades developing the very highest quality products, supported by the best customer service and outside sales teams in the business.

"We still need good intelligence on just where AB&I and the other McWane foundries stack up in the overall market," said AB&I's Kip Wixson.

"We need to know how the market perceives

the value we provide, in terms of product quality, customer service, and support."

AB&I and McWane are fully committed to making the kind of changes that will keep us on the forefront of the cast iron pipe and fittings business.

"We need to know what our customers, and our customers' customers, would like to see us do in the future," said AB&I's national sales manager, Gary Wickham. "We're paying very close attention to what our friends in the business are saying," said Wickham, "and want to continually remind them that their input to us is critical as we go forward."

While remaining price competitive is important to maintaining market share, the strategic planning group agreed that providing added value to our customers

was equally important. "Price is what you pay, value is what you get," is a famous quote from Warren Buffet, and formed the basis for much of the discussion at the session.

"The market sets the price," said Wixson, "so we're left with working on the value side of the equation. We all left the session knowing that we need good baseline data to determine our real value to our customers, so that we can continue to make improvements that add the most value to our products."

To accomplish the goal of gathering this information, AB&I and McWane are in the process of developing a formal procedure for assessing our current market position, and for soliciting feedback from our customers. You may be contacted in the future, and we thank you in advance for your time and your help.

## In this issue...

- ✓ Kip's Perspective
- ✓ SuperGrip 304LD
- ✓ Stocking Distributors
- ✓ Stress Reducers
- ✓ Just for Fun



## Perspective

### ***Want to be Successful? Think Like a General and Give Your Money Away.***

We just finished our first strategic planning session since joining the McWane family of foundries. Not that this was our first taste of strategic planning - AB&I has been doing annual strategic planning sessions for decades - but it was the first such session to include participants other than the inner circle of AB&I team members and consultants.

All companies develop a culture, and AB&I is no exception. The open management style of AB&I has led to a corporate culture of more-or-less free flowing ideas, a willingness to try new things and take calculated risks, and above all, a sincere optimism about the future. This culture pervades all levels at AB&I, from the foundry floor where it all happens, to the no-walls environment of the administrative offices (not even the president has a private office).

The joining together of AB&I and McWane has melded together two somewhat-different cultures into a cohesive, goal-driven team. This first strategic planning session brought that team together to formalize a strategy for improving product quality and customer service. Goals were set, and a roadmap for achieving those goals was begun.

The concept of value drove the entire discussion. Improving our value proposition to our valued customers, team members, and suppliers emerged as the cornerstone in our strategic thinking, providing the basis for evaluating all future changes and marketing efforts in the coming years. Will any proposed change make us better in the eyes of these important stakeholders? Does the proposed change make us more valuable, easier to do business with? If there is no measurable impact on value, then ideas for change in the future will not see the light of day. On the other hand, if somebody has an idea to provide added value, then the culture at AB&I will enable that idea to blossom. Some new changes will take root and become entrenched as policy. Some will no doubt flounder, maybe even fail. But ideas will always be welcome, and management's door will always be open.

Some say that strategic thinking is fine for big companies and military planners,

but not needed in small businesses. I have always thought that the development of specified goals and a step-by-step plan for meeting those goals is crucial to any business, even the one-man flower shop on the corner. Setting goals and developing a plan forces us to focus on the day-to-day process of running our business, not just on results. If we get the processes right, the results will follow, but if we think only of results without a plan to achieve them, then frustration will surely follow.

If, for example, Bob Drainman down at Hometown Plumbing Supply wants to increase his cast iron business by 10% next year, and if he thinks strategically (General Drainman?), he'll consider the steps that he needs to take to get to that 10%. If he's got 200 contractors who buy cast iron from him now, he might say to himself, "how do get 20 more contractors this year?" His step-by-step plan may involve the development of a special incentive program, then turning one of his inside salespeople into an outside sales person, at least part of the time. That salesperson must call on, say, 20 contractors a week (4 per day), offering a special reason for his visit each time. If these 20 calls a week turn into one new customer every 3 weeks, then the goal of gaining 20 new contractor clients over the next year is plausible and can be done.

Now, in the real world, it's a bit more complicated than that (like, how do I not lose any customers while I'm trying to gain 20), and allocation of resources is always a problem (it was a problem for General Patton, too), but you get the idea. Thinking strategically, that is, in a stepwise fashion about how to get from here to there, forces even the small business to think in tiny steps that lead to a great journey. And the journey, like life itself, is what growing a business is all about.

In reading business books and watching the financial gurus on TV, I especially enjoy how they saturate the bookshelves and airwaves, offering up advice on how to make it big. Now, I'm not talking about the wannabes for whom being a media personality is their goal, but rather genuine business and financial leaders who have

proven themselves in the trenches over the years; guys like Jack Welch, Suze Orman, Warren Buffet, and, yes, the Donald. These fine businesspeople, and others like them, are often called upon to share their knowledge and their wisdom. In reading and watching them on the tube, there are distinct differences in style and temperament, and even some of the details about how to help a company, or a person, meet their potential. But one common thread that I have been able to discern is the admonition from each and every one to give generously to charities and other worthy causes.

In a sense, it seems counterintuitive. You mean, to get rich, I should give my money away? Well, yes, but not all of it. To a man (and a woman), these superachievers all agree that a planned program of giving is basic to success.

You may be thinking, yeah, by being a big donor, you'll get your name out, people will think you're successful, they'll want to hang out with you and spend money on your stuff. Well, not exactly. The theme of the superachievers is not that you'll benefit directly from your giving, but that such behavior creates a climate that turns out to benefit many people, including yourself. Nobody can quite explain why it happens, but they are all in agreement THAT it happens. Give and ye shall receive. It's as old as papyrus scrolls, and as new as nanochips.

Maybe it relates to what some call the Law of Attraction. This law states that you attract the kind of people, environment, business dealings and success that you spend the most time thinking about. If you're the type who spends most of the time thinking about how bad things are, then - presto-chango - things will continue to be bad. If, on the other hand, you truly like people and believe that the world is a great place, then good things will tend to be attracted to you, and these good things will crowd out the bad. It's an oversimplification of a complex theory of human interaction, but it makes sense if put into practice, and could explain, at least partially, this paradox of giving to get.

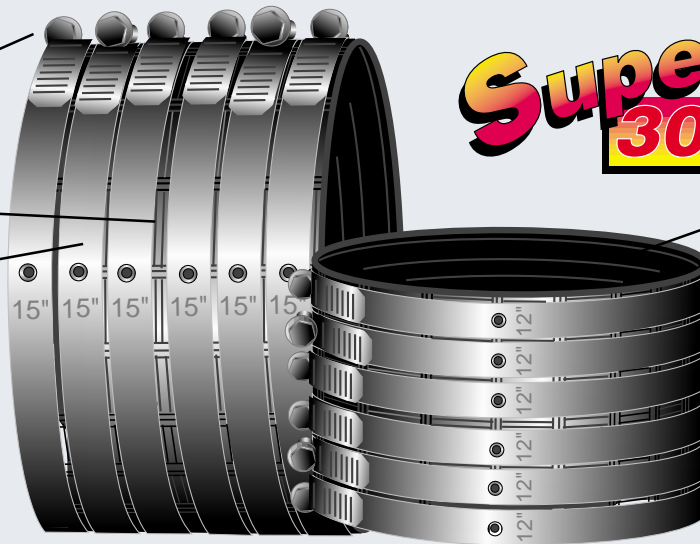
# SuperGrip 304 LD 12" & 15" Heavy Duty Couplings

Specially designed for large-diameter applications

Installed with pre-set torque wrench

Body is 304 corrugated shield with six 304 stainless clamps. These additional clamps provide a more uniformly rigid joint, restricting pipe and fitting movement

The only no-hub coupling on the market today designed for use with 12" and 15" pipe and fittings.



## SuperGrip! 304LD

Neoprene gasket meets ASTM C-564 standard, and features multiple sealing beads, located off center to the overlying clamp bands. When clamped, these gaskets form a slightly conical shape, providing a safe, secure seal.

For your copy of the SuperGrip 304LD Submittal, contact your field sales representative or go to [www.abifoundry.com/download\\_center.htm](http://www.abifoundry.com/download_center.htm)

### A Call to All Stocking Distributors: Send Us Your Contact Info

If you're a regular reader of this newsletter, you know that we have been asking all AB&I stocking distributors to send their contact information to our webmaster for insertion into the *Where to Buy* section of our website. Our goal is to have all stocking distributors posted to this important section of our website by the end of the year, but we need your help.

If you have not done so already, please email our webmaster with your company name, address, phone and fax numbers, email address and web address. Don't use email? That's OK, fax or snail mail them the info. Just get it to them so they can add it to our website. Their address is: Spectrix Digital

[www.abifoundry.com](http://www.abifoundry.com)

428 Sutter Street  
Jackson, CA 95642  
Fax 209/223-7746  
[graphics@volcano.net](mailto:graphics@volcano.net)

### Suffian Catches Us in Another Error!!



Talk about embarrassing.

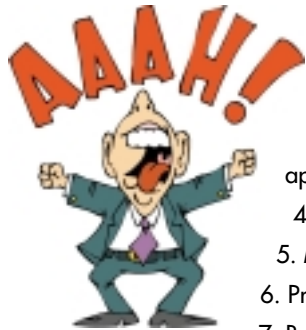
Last month, Mike Suffian of Atlas Supply in St. Louis contacted us to point out a typographical error that we made in a previous edition of *Items*. We appreciated Mike's attention to detail, and thanked him for taking the time to read our newsletter so thoroughly.

There was just one problem. When we identified Atlas Supply last month, we put them in Seattle, not St. Louis. Now, Seattle is a nice place to visit, or even live, but it is not the home of Atlas Supply. St. Louis is. So we stand corrected. Again.

Thanks this time to Brent Suffian who contacted us to point out that they had not moved to Seattle. Sorry for the mixup, guys. Ever have a job where nothing goes right, and the more you do, the deeper you get? Case in point.

OK, Suffians, what's wrong now?

## 52 Proven Stress Reducers



1. Get up 15 minutes earlier.
2. Prepare for the morning the evening before.
3. Don't rely on your memory. Write down appointment times, etc.
4. Do nothing which leads you to tell a lie.
5. Make duplicates of all keys.
6. Practice preventive maintenance.
7. Be prepared to wait. Keep a book or iPod with you at all times.
8. Don't procrastinate. Do tomorrow's tasks today.
9. Keep your gas tank at least half full.
10. Don't put up with things that don't work right; get rid of them.
11. Allow an extra 15 minutes to get to each appointment.
12. Restrict the caffeine in your diet.
13. Always have a contingency plan.
14. Relax your standards on the unimportant stuff.
15. Count your blessings, not your problems.
16. Ask questions. Repeat back directions. Write things down.
17. Say 'No' to extra business or social events.
18. Turn off the phone for relaxation time.
19. Learn the difference between "needs" and "preferences."
20. Simplify everything you can.
21. Make friends with non-worriers.
22. Get up and stretch every half hour if you sit at a desk all day.
23. Wear earplugs.
24. Get enough sleep.
25. Organize home/work so you know where everything is.

*(remaining ideas can be found at [www.abifoundry.com/stress](http://www.abifoundry.com/stress))*

### Just for Fun...

#### They Walk Among Us...

**Actual true stories, or so we're told..**

I was at the checkout of a K-Mart. The clerk rang up \$46.64, and I gave her a \$50 bill. She gave me back \$46.64. I gave the money back to her, saying that she had made a mistake in my favor. She became indignant, told me she was educated and had not made a mistake, and gave me back the \$46.64. When I again protested and returned the money, she put it right back in my hand. I left with the goods I bought and \$46.64.

I walked into Mickey-Ds with a buy-one-get-one-free coupon for a sandwich. I handed it to the girl. She looked over at a little chalkboard that said, "Buy One and Get One Free." She then informed me, "They're already buy one get one free, so I guess they're both free." She handed me my free sandwiches and I walked out the door.

I used to work in a 24/7 call center, where I got a call from a guy who asked what hours the call center was open. I told him that the number he dialed was open 24 hours a day, 7 days a week. He then asked if that was Pacific or Eastern Time. Wanting to cut the call short, I told him "Pacific."



**These people walk among us, they reproduce, and THEY VOTE!**

#### New Element Found by Scientists



A major research institution has announced the discovery of a new element - Governmentium.

Governmentium has one neutron, 12 assistant neutrons, 75 deputy neutrons, and 224 assistant deputy neutrons, giving it an atomic mass of 312. These particles are held together by forces called morons, which are surrounded by vast quantities of lepton-like particles called peons.

Since Governmentium has no electrons, it is inert. However, it can be detected since it impedes every reaction with which it comes into contact. A minute amount of Governmentium causes one reaction to take over four days to complete, when it would normally take less than a second.

Governmentium does not decay, but instead, undergoes a reorganization in which a portion of the assistant neutrons and deputy neutrons exchange places. In fact, Governmentium's mass will actually increase over time, since each reorganization will cause some morons to become neutrons, forming isodopes.