

# MANUFACTURING Matters

## Executive Interview

Mr. Thomas P. McDuffee  
SR Vice President,  
Human Resources  
Saint-Gobain Containers

By Brent T. Horrocks  
MBA Class of 2006

Tom McDuffee has long been one of the Krannert School of Management's best supporters. A native of Indiana, McDuffee graduated from Purdue in 1973 with a Bachelor's degree in Business, and then earned his Master of Science in Industrial Relations from Krannert in 1975. Tom also holds the Senior Professional in Human Resources, SPHR, designation from the Society of Human Resource Management.

Tom started his career with RCA and worked in various human resource positions both in the manufacturing plants and on a corporate level. While at RCA, Tom was an expatriate in Taipei, Taiwan serving as VP Human Resources. He left RCA to join Clarke American in San Antonio, Texas. While working there, McDuffee helped Clarke American prepare to achieve the prestigious Malcolm Baldrige National Quality Award for excellence in seven areas of business, including human resources.

After his career with Clarke American, McDuffee moved back to Indiana to work for Saint-Gobain Containers (SGC), where he is currently SR Vice President of Human Resources. He is also President of the Krannert Alumni Association, and has served on the Krannert Alumni Association Board for over 12 years. In 2004, he received the Krannert Distinguished Service Alumni Award. SGC has been a DCMME partner for the past five years.

Always a strong supporter of Krannert students, we decided to ask him how his educational career at Krannert has helped him on his career path. Responding that the Krannert reputation, the technical curriculum and work demands of the school gave him the necessary business tools and confidence that are required today to deal directly with business leaders and executives, we believe this is a message to all Krannert students that

they are among the elite.

His pride and confidence has only improved with the recent success Krannert has experienced in school rankings through the leadership of Dean Cosier and the excellent faculty. McDuffee stated that Krannert taught him the ability to learn, to simply put in the work necessary to achieve and to be flexible. These skills have helped him become a business leader. In addition, he affirmed that his Krannert experience helped him to understand change management. "Helping organizations change," according to McDuffee, "is one of the most important tools the HR professional can offer ..." he learned at Krannert.

When asked what types of classes he recommends, he listed the following:

**Finance Classes:** every business leader needs finance skills regardless of their function.

**People-related courses (OBHR)** – these will provide a foundation of learning that you will fall back on time and time again. You achieve through your team.

**Operations & Logistics:** knowledge of process & lean concepts

**Business Law:** you need to know what to ask

In addition, McDuffee recommends students take the opportunity to team up and be leaders while at school. Through leadership roles, students should be able to demonstrate that something has been achieved. It is not enough to simply attend meetings or activities, the student must show engagement and results.

We asked him what the major issues he sees facing manufacturing organizations right now. McDuffee believes that attracting, retaining, and motivating high-potential manufacturing talent is the key issue. In light of the trend for outsourcing and assumptions that all manufacturing is going offshore new candidates are wondering "is manufacturing a viable place to be?" In response, McDuffee says that manufac-

turing is very different today. "It competes on a high-tech level. It is information based and involves international coordination. It isn't really manufacturing as much as it is order fulfillment. The focus of manufacturing is to satisfy customers and fulfill orders. Successful companies will become expert at serving customers by recognizing that it is all operations that fulfill the expectation of a customer. There are many excellent manufacturing career opportunities for the talent leaving Purdue each year."

McDuffee's advice for current students who are interested in a career in manufacturing. In addition to learning finance and technical skills at school, he has three pieces of advice:

**Be Patient.** Successful business leaders have taken the time to make the investment in learning the business, its products, and its customers. You should also manage your expectations. It is unrealistic to expect to be a vice president in the first 3-5 years after graduation. Instead of looking for a title, look for responsibility, achieve and the titles

will come.

**Establish Relationships.** This involves listening, building credibility, and having the ability to agree to disagree and then reach a solution. In addition, you should find people you can trust and create a professional network. Look for people who are good mentors. Remember, a good mentor isn't always your boss; it could be a peer or a manager in another function. Associate yourself with two meaningful and successful projects a year. This will help leaders associate you with success.

**Develop the key leadership qualities.** Do you have empathy? Are you sensitive? Are you clever? Do you want to win? These qualities will separate you as a leader. Get to know your employees and their families, and show that you care by or congratulating them on their successes....recognize their contribution. Get out of the office and create an image that others want to follow. There may be people who have more technical skill than you, but your ability to be creative, your drive to win, and your

ability to lead others will differentiate you from them.

This is great advice from one of Krannert's most active alumni. Special thanks to Tom for all his efforts to support Krannert's reputation and keep its students among the best in the world.

For more on Saint-Gobain Containers visit [www.sgcontainers.com](http://www.sgcontainers.com) and read "Partners In the News" on page 4.

## Global Focus: Eastern Fast Fashion

By Wayne Chan  
MBA Class of 2007

In the European fashion industry, the timeliness of concept to product is becoming ever more important. Fast fashion is a norm rather than an aberration now. Competition has become so fierce that time is of the essence for many major fashion retailers. Moreover, there is a thing or two that American retailers can learn from European retailers.

Designer brands such as Ferragamo and Chanel have fashion shows in Milan, but imitation brands, such as H&M and Zara, will bring that fashion to market sooner than Ferragamo and Chanel. Even though knockoffs are not the real thing, they have become chic. Also, consumers find them to be much more affordable, sometimes up to ten times less expensive than the genuine clothing articles, and they are available in retail stores much sooner.

However the premiere fashion houses are not sitting back and letting others reap their fruits of labor. For instance, Ferragamo has revamped its supply chain management and is currently able to bring its ideas to products in stores in 10 weeks from three months (under old system). Ferragamo implemented a centralized system to increase efficiency and timeliness. It uses a central computer to link leather, fabric and other suppliers to one database. In addition, it uses a centralized stockroom to distribute its merchandise more efficiently and to react to market conditions more expediently.

Along those lines, Mango with more than 700 women's boutiques in 72 countries moves in the speed of the fickle fashion market. Mango's production process is so capable that it is able to make last minute alteration of their clothing articles just before they go to the stores. For example, a change in fabric or a physical modification to clothing is not a problem for Mango. In fact, alterations are part of their production process.

In short, due to European fashion supply chain innovation, many European clothing retailers that use one form or another of this technology are doing very well. In comparison, they are trumping the US retailers in sales. As evidenced by the NPD Group study, the US women's apparel sales have declined by 6.6% whereas Britain's sales have increased by 19% since 2000. This contrast can be attributed to European countries' rapidity to market reaction of fashion trends. Suffice it to say, the US is sluggish and Britain is nimble to trends.

Source:  
Rohwedder, Cecillie, "Making Fashion Faster," The Wall Street Journal, February 24, 2004.  
White, Erin, "For US Retailers, Britain has Plenty of Fashion Tips," The Wall Street Journal, April 22, 2004.  
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border task forces. However, officials say that the best ways of combating cyber crime are to report any suspicious activities to the proper authorities.

# Fall DCMME Partners' Meeting

By **Rasheeda Washington**  
MBA Class of 2006

Once again industry partners along with Purdue faculty and students converged in Rawls Hall for the DCMME Fall Partner's Meeting on Thursday October 13th. The theme for this event was "Managing Globally Competitive Manufacturing." This meeting incorporated traditional tracts such as the Speaker Series as well as new additions like the Student Poster Contest.

Professor Iyer reported on the current profile and future for DCMME. Highlights included the Supply Chain Management Leadership Series, The Spring Break in China trip, and collaborative projects DCMME is engaged in this year such as the customer service project with the Indiana Department of Transportation (INDOT) and the manufacturing cost study with the National Institute for Pharmaceutical Technology and Education (NIPE).

Industry executives shared their experiences about trends in their business and changes that have occurred as industry "goes global." Speakers included Rado Gazo from Purdue University; Thomas Klier with the Chicago Federal Reserve; and Venu Srinivasan of TVS Motor Company.

That afternoon industry partners had lunch with students and had the opportunity to view the student entries in this year's Student Poster Competition. Students completed posters detailing projects they completed during their summer internships. Project topics ranged from benchmarking and process improvements to industry economic impact studies. This year's winners were Jie Chi and Howard Nelson both interned with American Axle and Brent Horrocks who interned with Honeywell.

After the formal session was completed, partners had the choice of attending several other events: The Chao Center Dedication Ceremony, a few rounds of golf with students at the Kampen Golf Course, and the Steve Forbes presentation and dinner.

Overall this was a great event as DCMME focused on core topics that are important to the domestic manufacturing industry as well as discussing issues on how to keep pace with new events such as the international focus that either have or will affect us all.

[Click here to view or download speaker presentations.](#)



## Student Profile

By **Ghazi Saleem**  
MBA Class of 2007

Lena Ridjolkina is a 1st year MBA student at the Krannert School of Management. Lena is originally from Bulgaria and came to the U.S. in 1996. She has a Bachelors degree in Psychology from Rutgers University, NJ. After graduation, she worked as a consultant with Employer Consultancy, Inc. a company that helps organizations retain and motivate talented employees.

Lena decided to pursue an MBA because she wanted to have the business and quantitative knowledge needed to further her career in consulting. Lena was accepted at many top MBA schools

and admits that choosing among these schools was a very difficult decision. She chose Krannert because of its very strong quantitative program, a skill that is highly valued in the consulting industry. After graduation, Lena's plan is to consulting in change working in going through transitions.



In her free time, Lena enjoys painting landscapes. In addition to her career goals, Lena's secret ambition is to have her paintings displayed at the Louvre in France!

## Student Involvement Opportunity

Together with USC Marshall School of Business, the Global Supply Chain Management Initiative is proud to sponsor the first Supply Chain Case Competition.

Held in conjunction with the Global Supply Chain Conference on February 16-17, 2006, this is a chance for MBA students from around the world and Krannert undergraduates to showcase their talent in front of leading corporate executives and cutting edge university faculty. Over \$10,000 in prize money will be awarded.

The topic for the Krannert-Marshall MBA Case Competition will be Intellectual Property, developed with Bose McKinney & Evans, LLP. The case will be an original written with Krannert School of Management faculty. Teams will compete for prizes of \$6,000, \$4,000, and \$2,000.

The undergraduate case will be RFID implementation from a consumer viewpoint. Developed with Kimberly-Clark Corporation, this case will also be an original written by Krannert faculty and industry leaders. Teams compete for prizes of \$3,000, \$2,000, and \$1,000.

Co-sponsors for this event are:



**PhilipMorrisUSA**



## Coordinating the Global Supply Chain Conference & Case Competition

February 16-17, 2005

For this conference we have selected supply chain coordination within a global business environment as our theme, treatment of this theme will include presentations from Vice Presidents of Supply Chain from several companies including Cummins, Delphi and Air Products; panel discussions of structuring a global supply chain for intellectual property protection, as well as focused sessions on HR in global R&D, supply chain risk management, and RFID implementation.

The speakers, panel sessions and case for the competition will revolve around the complicating issues, implementation and management decision-making implications, thus providing conference attendees a complete picture and case competition finalists the opportunity to integrate and apply new knowledge into their case presentations. We will also provide a forum for an interactive session wherein the participants will be engaging, interacting and exchanging with each other rather than a featured expert or speaker. In addition, open social activities and meals will be coordinated to allow for the more informal interactions that are so valuable. Each of these events will provide ample opportunity for networking and exchange between students, faculty and industry.

To view complete details and an agenda, visit our Web site [www.gscomi.org](http://www.gscomi.org). To R.S.V.P., contact Karen Pulliam - [kp@purdue.edu](mailto:kp@purdue.edu) or call at 765-494-4322.

## Parthers In the News:

By **Charlie Kuo**  
**MBA Class of 2007**

With more than 80 years of history in manufacturing, Saint-Gobain Containers' mission is to manufacture glass containers to serve the food, beverage, cosmetic, pharmaceutical and wine container market. The company has 16 plants and two service centers in U.S. and is a wholly-owned subsidiary of Compagnie de Saint-Gobain, which produces everything from glass to automobiles and is based in Paris, France. Compagnie de Saint-Gobain is very well known in the glass industry and has been a part of that industry for more than 360 years.

Saint-Gobain Containers is currently the second largest glass producer in U.S. and provides wide range of existing product selection to different industries. The company also offers design services in addition to manufacturing services. With glass packaging the only product of the company, Saint-Gobain's commitment to glass production is unsurpassed.

Formerly known as Ball-Foster Glass Container Co, the company was result of purchase and merge of Ball Glass Container Corporation and Foster-Forbes Corporation. At the time the name of Ball-Foster was used due to customer and supplier bases, but in 2000

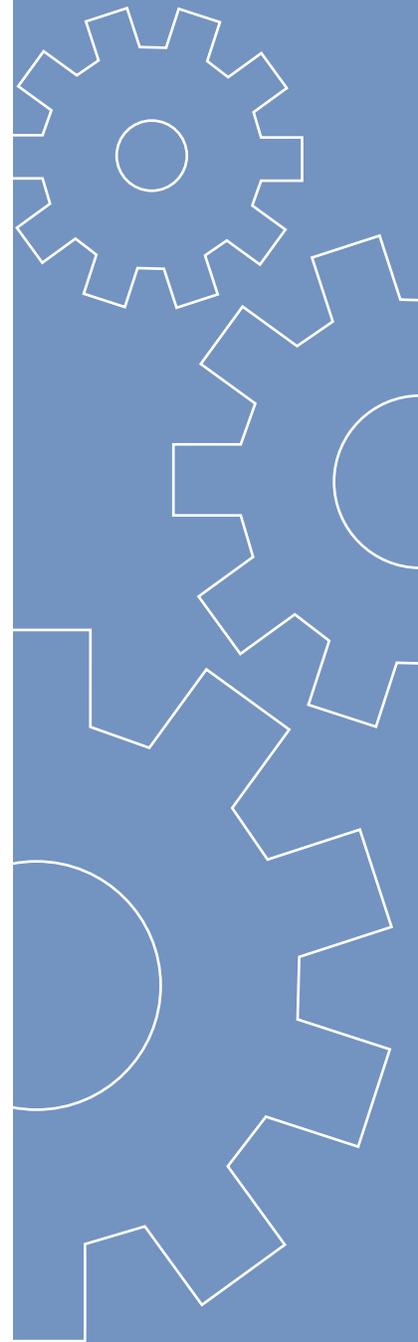
the company changed its name to Saint-Gobain Containers in order to establish the Saint-Gobain name as a whole in the country, which currently contributes 25% of the revenue of parent Saint-Gobain.

Due in part to the increased popularity of plastic packaging, growth in the glass container industry has dropped off. However, Saint-Gobain posted gains despite the situation. The company's strategy was to aggressively pursue market in beer, wine, and custom foods packaging where plastic can not replace glass. The company also spent more than \$650 million over the past few years to enhance the productivity and quality.

As a partner with Purdue University and Krannert's DCMME Saint-Gobain can rest assured that the will continue to receive a steady stream of talent and ideas.

Website: [www.sgcontainers.com](http://www.sgcontainers.com)

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