# IOWA STATE UNIVERSITY Center for Industrial Research and Service







# Woofables Uses COVID-19 Slump to Spark Future Growth

A Coralville bakery catering to the culinary needs of dogs expects to triple in size over the next three years after CIRAS gave it the confidence to expand its service of two different parts of the market for high-quality treats.

Woofables, a gourmet dog treat bakery established in 2004, is wrapping up a major expansion that included creation of two separate production lines to serve both small pet boutiques and large commercial supermarkets. Company leaders say the investment will make Woofables more efficient at serving two growing segments of a growing industry—segments with competing interests that don't always align.

"It was making us schizophrenic to serve both of these markets," said Woofables co-owner Laura Taylor. "CIRAS just gave us the confidence to say, 'We don't want to pick one. We want to serve both.'"

The change comes after Taylor decided to take advantage of a deep, pandemic-

driven lull in business last year to launch a substantial review of the company. She contacted CIRAS for help with a new strategic plan and a reevaluation of where

Woofables belongs in its industry.

CIRAS strategic adviser Joy Donald said the bakery had been dividing its effort between giving extremely personalized service to its boutique clients and also providing more standardized products for supermarkets. Serving both markets limited growth, because the boutique work took time away from the largevolume, more generalized products desired by big stores.

"Now, we're developing a plan, and we have a specific target in mind." — Laura Taylor "They were serving both of them, but the needs of those two segments were conflicting with each other," said CIRAS project manager C.J. Osborn. "The skills that

you need to serve one are quite different than what you need to serve the other. It became unwieldy."

CIRAS worked with an outside consultant to analyze the \$4 billion pet treats industry. It soon became apparent that there was more than enough growth potential to justify a major Woofables expansion.

In the second half of 2020, the company began assembling the people and

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**On the Cover:** Production of handmade dog treats at Woofables in Coralville. (Photos by Jessica Kray Martin)

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Woofables in Coralville provides dog treats both small pet boutiques and large commercial supermarkets. (Photo by Jessica Kray Martin)

equipment necessary to expand both its pet store and grocery businesses. While Donald assisted Woofables with recruiting new executives, CIRAS strategic advisor Steve Wilson and project manager Troy Crowe began working with Woofables on a value-stream mapping project to help make the company as efficient as possible on both production lines. CIRAS project manager Paul Gormley also has been advising the company on necessary steps to improve its e-commerce platform, so Woofables can grow its online business as well.

Combined, the company expects to increase sales by more than \$3 million over the next five years.

"The market is there," Taylor said. "I guess if we hadn't gone through this process with CIRAS, we probably would have continued on the same path, showing nice decent growth every year. But it wouldn't have been focused, and it wouldn't be with a plan.

"Now, we're developing a plan, and we have a specific target in mind."

Osborn praised the company's willingness to take advantage of the pandemic-sparked downturn and use it as the impetus for charting a new course.

"Smart companies use times where there are disruptions to reevaluate and see what they can do differently," he said. "Sometimes, you end up on a much better path."

For more information, contact C.J. Osborn at cjosborn@iastate.edu or 641-840-0505.

## AT A GLANCE

#### Woofables,The Gourmet Dog Bakery

**FOUNDED**: 2004

#### EMPLOYEES: 35

**OVERVIEW**: Gourmet dog treats made from scratch.

**IMPACT**: The company anticipates adding at least seven jobs and \$3 million in revenue over the next five years.

LEARN MORE:

www.woofablesbakery.com

# CIRAS Helps ALMACO Assess COVID-19 Risk from Suppliers

The problems caused by COVID-19 last summer were bad enough, but what really bothered Steve Skaggs was not knowing what was coming next.

"We had been having some spotty parts shortages, which was creating some anxiety," said Skaggs, purchasing manager for ALMACO, a manufacturer of seed research equipment in Nevada. "We just didn't know for sure who or where the next problem was going to come from."

So Skaggs turned to CIRAS for help in assessing ALMACO's vulnerability to supplier problems tied to the pandemic.

CIRAS project manager Adam Boesenberg partnered with a consultant and used the CIRAS supply chain risk assessment to evaluate ALMACO's vulnerability on a host of fronts. The assessment looks at factors such as how important each supplier is to the company, alternative sources available, supplier performance, and geographybased risks.

The resulting report helped Skaggs rank all his vulnerabilities and focus attention where the greatest number of potential problems existed. ALMACO has estimated that the work saved the company roughly \$192,000 in costs tied to avoided inventory shortages and maintained \$500,000 in revenue that could have been lost because of delayed or canceled orders. "Up to that point, it had been more of a kind of gut feeling as to who might be giving us problems," Skaggs said. "This project actually used data to get a handle on where we stood."

Work with ALMACO was funded by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. With or without a pandemic-related concern, CIRAS can help companies assess the risk of suppliers or locate new suppliers to fill an essential need, Boesenberg said.

In recent months, CIRAS helped Positech Corporation, a hydraulic manipulator manufacturer in Laurens, with a similar COVID-19 risk assessment that helped the company retain roughly \$70,000 in threatened sales. And last summer, CIRAS helped a Florida-based manufacturer of room-sized air purifiers find a new assembler in Iowa—a project that is expected to create at least

# AT A GLANCE

ALMACO FOUNDED: 1884

EMPLOYEES: 200

**OVERVIEW**: Founded as a Story County blacksmith shop, ALMACO evolved into a maker of custom agriculture equipment for seed researchers around the world.

IMPACT: Nearly \$700,000 in retained revenue and avoided costs. LEARN MORE: www.almaco.com

\$5 million a year in new business for Hiawatha-based World Class Industries.

"The depth of manufacturing knowledge that CIRAS possesses means we understand how different pieces fit together," Boesenberg said. "Whether it's finding a new source for a part or just finding the information you need to make a data-driven decision, CIRAS can help you make more sense of the puzzle."

"CIRAS helped me understand that I do actually have several sources for a lot of the components I'm ordering," said Ben Storms, engineering manager at Positech. "It helped us understand what our options are."

> For more information, contact Adam Boesenberg at aboesenb@iastate.edu or 515-294-5903.

> > An ALMACO combine harvests product.

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# What You Have Learned from COVID-19

The COVID-19 pandemic upended nearly every aspect of business life, and at least some of those impacts are likely to be permanent. How are we going to be different once the pandemic has passed? As lowa companies turn their focus to the future, CIRAS conducted an informal survey asking more than 100 clients to look back and identify key lessons that they learned while doing business during a pandemic.

#### Among the highlights:

- You were pleased to learn that your businesses were "essential."
- You discovered that your employees are surprisingly adaptable when forced to transcend the usual way of doing things.
- It takes a lot of time and (probably worthwhile) effort to clean to standards set by the U.S. Centers for Disease Control.
- You miss meeting customers face to face, but you believe video meetings are a good thing overall.
- You're determined to be better prepared for the next crisis that comes along.

#### **On Resourcefulness**

"We learned that we have great employees who value their jobs and are dedicated to come to work. Employees were able to make adjustments at a rapid rate and be cross trained."

—Steve Miller, Weaton Capital in Fairfield



#### On the Importance of Options



"We learned that diversity of clients (public and private) is crucial. We would have had to close our doors if it weren't for the work we've had with our private clients. It's been a tough year."

—Lorna Puntillo, Act Safe in Sioux City



"We learned that we can adapt to these types of changes on short notice, but we have found that certain vendors can prohibit us from doing that very easily. We will probably have more than one vendor for critical materials and services if this were to arise again."

—Adam Delagardelle, Criterion Manufacturing in Waterloo

#### On the Relative Unimportance of an Office



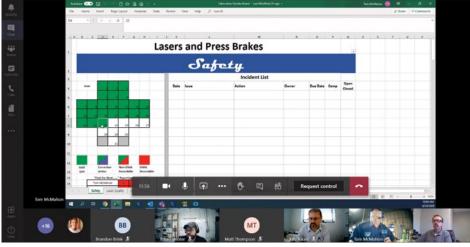
"Most business processes can be adapted to Zoom."

—Kevin Griggs, EOR Inc. in Boone, Coralville, and Storm Lake



"We can adapt. We don't have to meet face to face. Virtual works and is more time efficient and cost effective, making us more productive." —Mark Hansen, Universal Printing Services in Des Moines

# **UPCOMING EVENTS**



Screenshot from Stellar Industries virtual gemba.

# Gemba Goes Virtual as Stellar Response to COVID-19

A Garner-based maker of hydraulic truck equipment has found an unexpected benefit from pandemic-imposed limitations on its factories—by taking a valuable Lean management tool online.

Brad Tiedemann, manufacturing engineer manager at Stellar Industries, said the company discovered increased efficiency and smoother problem-solving after COVID-19 restrictions brought an end to Stellar's daily gemba walks.

Gemba, a Japanese term for "the actual place," is a major tool in Lean management. The practice involves daily factory tours by company managers to view visual information about business performance. Leaders then can spot problems quickly and coordinate to find solutions.

But how do you do all that while maintaining social distancing?

Bowing to reality, Stellar canceled its gemba walks in March 2020 after the pandemic hit. But floor managers were unwilling to completely shelve the progress Stellar had made since it first adopted Lean in 2018. So, in what the company credits as a true example of its burgeoning Lean culture, Stellar took its gemba walks virtual.

"It's a great example of problem-solving from all levels of the organization," said Tracy Schuster, director of the Iowa Lean Consortium. "It is an example of how Lean thinking helped them."

Gembas that used to draw 5 or 10 managers now regularly involve more than 125 virtual walkers as part of a daily Microsoft Teams meeting. Twenty Stellar managers at six factories in Garner, Kanawha, and Hastings, Nebraska, take turns sharing spreadsheets with the latest statistics covering safety, quality, and delivery.

Tiedemann said the change has proven so useful that the company decided to keep virtual walks beyond the pandemic. Managers at one factory now routinely spot problems at another and share tips via phone calls once the virtual meeting is over.

"I don't see us ever getting away from this," he said. "There's just too much benefit from having everybody see everything."

"I do think we've lost something by not being on the floor," Tiedemann said. "But I think we've gained so much more."

For more information, contact Tracy Schuster at tschust@iastate.edu or 515-715-0164.

# AT A GLANCE

#### **Stellar Industries**

FOUNDED: 1990 OVERVIEW: Manufacturer of hydraulic truck-mounted equipment.

#### EMPLOYEES: 520

IMPACT: Improved management; sharing of best practices across company. LEARN MORE: www.stellarindustries.com Weekly Business Resiliency Webinars

#### Tuesdays 7:30 a.m.

Online discussion about ways your company can prepare for a post-COVID world.

- Virtual Lean Coffees 3rd Friday each month 9:00 a.m. to 10:15 a.m.
- What to Consider before Investing in 3D Printing Technology May 13, 2021

Webinar providing an overview of the technology's importance and how to get started.

#### Powerful Proposal Writing May 20, 2021

Webinar exploring writing best practices and value of proposals as documents to advance the sale.

## Food Talks

June 9, 2021 Quarterly webinar where lowa food manufacturers can discuss food safety issues.

#### Identifying State and Local Government Markets

August 3, 2021 Webinar showing how to get started in government contracting with local agencies.

For details on these and other events, visit www.ciras.iastate.edu/ events-workshops.



Nick Wiese operates Decker Manufacturing's new plastic injection machine.

# Decker Finds Peace of Mind through CIRAS Technology Assistance

A Keokuk maker of grooming brushes and other agricultural products expects to save at least 50 percent on energy costs after CIRAS advised the company during replacement of an aging plastic injection molding machine.

Tony Fox, president of Decker Manufacturing, said his company contacted CIRAS last summer seeking unbiased advice about replacing an aging hydraulic machine that had become an energy hog and needed frequent repairs.

CIRAS project manager Abhay Grover walked Decker through the relative merits of electric and hydraulic plastic injection machines. Once Fox chose the all-electric version, Grover connected Decker with an Iowa-based automation consultant and found other companies willing to talk about their experiences using the same model.

Decker estimates that the new machine will help the company retain more than \$500,000 in threatened sales and save thousands of dellare a vest in energy seate

dollars a year in energy costs.

"We did a lot of research on our own, but we still had some questions," Fox said. "CIRAS just kind of put our minds at ease that we were making the right decision."

For more information, contact Abhay Grover at agrover@iastate.edu or 515-509-1485.

# AT A GLANCE

Decker Manufacturing Company

**FOUNDED**: 1878

**OVERVIEW:** Manufacturer of a wide variety of agricultural and equine products.

EMPLOYEES: 27

**IMPACT:** More than \$500,000 in retained sales, plus energy savings.

LEARN MORE: www.deckermfg.com

# CIRAS Advice Helps Schramm Electric Join Derecho Clean-up Effort

A Sioux City electrical firm landed more than \$190,000 in state contracts after CIRAS helped the company register as a vendor with the lowa Department of Homeland Security.

Stephanie Schramm, office manager at Schramm Electric, said her company turned to the CIRAS Procurement Technical Assistance Center (PTAC) in early 2020 when Schramm had questions about

how to register for business with the Federal Emergency Management Agency (FEMA).

CIRAS government contracting specialist Mary Zimmerman responded by providing detailed instructions for navigating the FEMA registration process. She also suggested that the company get on a vendor list for the lowa Department of Homeland Security.

Schramm said she ignored the Homeland Security suggestion

for a few weeks but remembered it when the massive derecho storm swept through lowa last August. Within 24 hours of Schramm following Zimmerman's instructions, the state contacted the company to rent more than a dozen emergency generators.

Zimmerman stressed that Schramm's rapid contracting success was aided by prior contacts and foundational paperwork such as the Schramm capabilities statement, which the company previously had submitted with CIRAS assistance.

"When you do that, you're planting seeds," Zimmerman said. "When you register with agencies, you're building relationships. That's what you have to do: you water it, fertilize it, and wait to see what happens."

# For more information, contact Mary Zimmerman at maryz@iastate.edu or 515-450-1278.

Team members at Schramm Electric.



Schramm Electric FOUNDED: 2010 EMPLOYEES: 9

**OVERVIEW:** Specializes in installing and maintaining commercial electric equipment.

**IMPACT**: More than \$190,000 in new state contracts.

LEARN MORE: www.schrammelectric.com

# Grants Plant Seeds to Help *FIRST*® LEGO® League Grow

Two major sources of grant money are helping lowa organizers of FIRST LEGO League (FLL) increase access to programs promoting science, technology, engineering, and math (STEM) to lowa youth.

FLL Explore, formerly known as FIRST LEGO League Junior, is one of two programs created to help elementary school students grow in their use of STEM skills. This year it was included as part of the 2021 STEM Scale-Up

program, which was created by the Iowa Governor's STEM Advisory Council to provide schools and other organizations with free access to roughly a dozen STEM programs

At the same time, a grant from Microsoft Community Challenge is helping FLL launch new teams with an underserved population in metropolitan Des Moines.

each year.

Camille Sloan Schroeder, director of K–12 outreach programs at Iowa State University's College of Engineering, said she hopes both grants will lead new groups of Iowans to get involved and stay involved in STEM education.

"The basic idea behind the Scale-Up program is that people who otherwise wouldn't have these programs or have the means to take advantage of them now would be able to do that," she said. "It's a nice way to get up and get going and begin building the relationships that you need to make it sustainable over the long term."

Across the state, Iowa companies regularly donate money, time, and expertise to help FLL teams compete. The assistance both helps children learn and helps companies make a positive impression on the next generation.

Founded in 1998, FIRST LEGO League Challenge is a research and roboticsbased problem-solving program for children ages 9 to 14. FLL Explore

"Many children do not have anyone in their social sphere to talk with about engineering and to tell them what engineers do. If you don't have somebody sharing that with you, you might not know that's an opportunity for you." — Camille Sloan Schroeder features teams of children ages 6 to 10. Both use robotics, research, coding skills, and engaging showcase events to make learning and team problem-solving more attractive to young lowans. The goal also is to promote interest in how such skills can lead to a future in fields such as engineering.

"Many children do not have anyone in

their social sphere to talk with about engineering and to tell them what engineers do," Sloan Schroeder said. "If you don't have somebody sharing that with you, you might not know that's an opportunity for you."

Sloan Schroeder said the Microsoft Community Challenge grant is being used by Genesis Youth Foundation to launch FLL teams for diverse Des Moines-area youth.

"Funding like the Microsoft grant is a great way to bring new organizations into the FLL community," she said. "It just takes some kind of catalyst to put good things in motion."

> Students with Genesis Youth Foundation working to solve FIRST LEGO League challenges.







For more information, contact Camille Sloan Schroeder at camilles@iastate.edu or 515-294-4293.



Muscatine's T42 Turbo Separator separates food waste from its packaging.

# Muscatine's MARRVE Will Make Fuel from Former Food

A Muscatine solid-waste treatment facility is building what it hopes will become a major biogas production plant after lowa State University helped the city discover its best formula for using food waste to produce methane.

Jon Koch, director of the city of Muscatine's Water and Resource Recovery Facility, said his agency recently completed the first two-year, \$4 million phase of developing Muscatine Area Resource Recovery for Vehicles and Energy (MARRVE). The effort has turned a former recycling center into a hub for food manufacturers around the Midwest to drop off food waste for treatment by Muscatine's anaerobic digesters. Zhiyou Wen, director of the Center for Crops Utilization Research, to determine the best mix of food waste for producing biogas. (In short, meat works the best.)

The next step involved building enough infrastructure to process food waste from manufacturers throughout Iowa, Missouri, and Illinois.

"It's quite an investment," said Brenda Martin, a CIRAS account manager

The goal eventually is to handle enough food waste—and produce enough biogas from that process—to generate

and sell the equivalent of 1,000 gallons of vehicle fuel per day.

"We're kind of hitting a triple sustainability thing," Koch said, referring to the triple bottom line of social, environmental, and financial sustainability.

Koch launched the project after working with Iowa State University professor

"We're kind of hitting a triple sustainability thing." — Jon Koch who has worked with Koch and lowa food manufacturers to help Muscatine obtain food waste. The project is appealing to many food

companies that hope to shrink their impact on the environment.

"Without him, a lot of this waste is going to get buried in landfills," Martin said.

Since last spring, food companies visiting MARRVE have dropped off more than 30 tons a day of out-of-date or damaged products—from dog food to lunchmeat and everything in betweenMuscatine Water and Resource Recovery Facility

FOUNDED: First plant built in 1965

#### EMPLOYEES: 25

**OVERVIEW:** Wastewater treatment facility working to produce gas from food waste.

**IMPACT**: Increased efficiency thanks to Iowa State expertise.

LEARN MORE: www.muscatineiowa. gov/1122/MARRVE

for a modest tipping fee. Food goes into the T42 Turbo Separator, a special machine that rips open packaging and drops the organic material into the same types of large tanks that process solid waste.

"We happen to be the only municipality in the region doing that," Koch said. "I don't know anyone else who has a depackaging machine."

Muscatine hopes within the next year or so to begin using its biogas to generate electricity, Koch said. Locally produced power would help MARRVE lower its operating costs. The plant also could get revenue by selling e-RINs, or electric Renewable Identification Numbers – essentially credits that oil companies can purchase to prove compliance with federal renewable fuel law.

"There are a lot of ways this helps us become more efficient," Koch said.

For more information, contact Brenda Martin at bkmartin@iastate.edu or 515-570-5282.

# GOVTALK—B2G SALES

# LMT Defense Finds Bigger Role in Government Contracting

An Eldridge arms manufacturer won business worth more than \$17 million after CIRAS helped the company wade deeper into government contracting.

Lewis Machine and Tool Company, which does business as LMT Defense, for decades has been a major manufacturer of firearms for military and law enforcement customers, many of them overseas. The company had performed a variety of U.S. government work since it was founded in 1980, but LMT leaders last year set a new goal to vastly increase the percentage of company sales inside American borders.

# AT A GLANCE

LMT Defense FOUNDED: 1980 EMPLOYEES: 165 OVERVIEW: Manufacturer of weapons, components, and modular systems for the U.S. military, law enforcement, and government agencies. IMPACT: Government

contracts worth more than \$17 million. LEARN MORE: www.lmtdefense.com

Benjamin McKibbin, head of OEM sales for the company, said LMT Defense contacted the CIRAS Procurement Technical Assistance Center (PTAC) in

late 2019 for help shifting from a government subcontractor to more of a prime contractor. McKibbin attended a variety of webinars and worked closely with CIRAS government contracting specialist Melissa Burant.

"Melissa really helped us a lot on this," McKibbin said. "We would send her a rough draft of anything we were ready to submit, and she would help us go through it to present ourselves in the best possible way."

In September, the company learned it had been awarded a fiveyear, \$17 million contract to make grenade launchers for the U.S. government.

"She was a big help," McKibbin said of Burant. "I honestly don't believe we would have landed this contract without her guidance on this."

For her part, Burant praised the company's willingness to embrace CIRAS as a resource.

"They've been a great partner in the process," she said. "PTAC staff love it when you ask us questions, because that's how we can help guide you to that success."

For more information, contact Melissa Burant at mmburant@iastate.edu or 563-726-9958.

Employees at LMT Defense in Eldridge.



# ISO Helps M3 Boost Business

A Bloomfield metal fabricator expects to see a roughly \$5.5 million benefit after CIRAS helped the company prepare for ISO 9001:2015 certification.

Sam McClure, co-owner of M3 Fabrication, said his company initially sought ISO certification both to improve its overall quality and to set the company apart when trying to recruit new customers.

"The main thing we were looking for was someone to help guide us through the ISO process, because there's a lot to it," he said.

CIRAS helped M3 Fabrication assess where the company needed improvement and implement suggested changes before the certification process, McClure said. The result is better overall quality and a brighter image in the eyes of new customers.

Standards set up by the International Organization for Standardization (ISO) continue to be a key way for lowa companies to set themselves apart from competitors, said **CIRAS** project manager Rudy Pruszko. "It's basically a way that a customer can have some reassurance that you are going to meet their quality specifications-that vou have procedures in place to make sure you're giving them quality parts."

CIRAS account manager Glenn Volkman agreed.

"More and more customers are requesting that certification, so it's sort of expected," Volkman said. "Mainly by companies that

don't have any kind of relationship with you."

M3 Fabrication has estimated that ISO certification will lead to \$1 million in new business while helping retain \$4.5 million in current sales.

For more information, contact Rudy Pruszko at rpruszko@iastate.edu or 563-599-0645.

# AT A GLANCE

M3 Fabrication FOUNDED: 2014 EMPLOYEES: 24

**OVERVIEW:** A metal fabrication company offering tube and flat laser cutting, metal forming, welding, and powder-coat painting services.

IMPACT: Roughly \$7 million including new sales, retained sales, and an investment in new machinery.

LEARN MORE: www.m3fab.com

# **STAFF NEWS**



#### **Troy Crowe**

Troy Crowe has joined CIRAS as a project manager.

Troy graduated from Washington State University with a bachelor's degree in animal science and later received a master's degree in food science and technology from Iowa State University. He comes to CIRAS with more than 25 years of experience in food product and process development, formula optimization, and end-to-end cost optimization studies, including work for several major food manufacturers.

Troy's new role at CIRAS will involve helping lowa manufacturers develop new products and processes, increase productivity, reduce cost, and improve product quality.



#### Gayle Mastbergen

Gayle Mastbergen has joined CIRAS as a marketing data analyst.

Gayle graduated from Iowa State University with a bachelor's degree in business before going to work at the Iowa State University Book Store. Starting as a marketing coordinator and apparel buyer, Gayle spent the last half of her nearly seven-year tenure at the book store as assistant manager of marketing.

Her new role will involve using digital tools and information to help CIRAS improve our ability to identify and engage with the Iowa businesses that need assistance.



#### Tim Miller

Tim Miller has joined CIRAS as a manufacturing engineering project manager.

Tim has a bachelor's degree in industrial engineering from Iowa State University and a master's degree in industrial engineering from the University of Cincinnati, as well as a graduate certificate in system design and management from the Massachusetts Institute of Technology. He comes to CIRAS with more than 32 years of experience in manufacturing, including 23 years at Deere and Company, most recently as senior staff engineer in Waterloo.

Tim's role at the John Deere Waterloo Works included assessing, developing, and implementing change within a variety of manufacturing processes. His new role at CIRAS will involve similar work—helping members of the Iowa Lean Consortium make significant impacts by improving their processes.



#### Jeff White

Jeff White has joined CIRAS as an account manager for southeastern lowa.

Jeff has a bachelor's degree from Western Kentucky University and a master's degree in business administration from the University of Iowa. He joins CIRAS after 30 years in marketing, business development, and sales, primarily in Iowa manufacturing. For the last nine years, Jeff worked as a consultant and as vice president of marketing and business development for Elanders Americas in Davenport.

Jeff's new role at CIRAS involves helping manufacturers thrive by connecting them with resources at CIRAS, at Iowa State, and throughout Iowa. He is based out of the Quad Cities.

#### **Newell Joins CIRAS Advisory Board**

Julie Newell is senior director of operations for Danfoss Hydrostatics-Ames, where they manufacture components and assemble pumps and motors that serve mobile off-highway hydraulic equipment markets. Newell, who has been with the Danfoss Power Solutions segment since 2016, has more than 20 years of operations leadership in hydraulic, vehicle, and electronics industries. She holds a bachelor's degree from Iowa State University and an Executive MBA from the University of Tennessee–Chattanooga.



Julie Newell

# **CONTACT INFORMATION**

## CIRAS Helps Goodwill Assemblers Get More Efficient

One of the manufacturing arms of a Cedar Rapids job-training agency increased revenue by \$675 per day after CIRAS helped make one of its assembly lines more efficient.

Tom Cavanagh, production manager for Goodwill of the Heartland, said he sought help from CIRAS last summer out of concern that Goodwill wouldn't be able to meet its commitments on its factory line assembling doors for ice makers. The line is just one of the production businesses that Goodwill maintains as a job-training program. But work became more complicated after the social distancing requirements of COVID-19.

"We were proactive," Cavanagh said. "Had we done nothing, it's likely that our customer would not have been satisfied."

Recognizing the need, CIRAS project manager Adam Boesenberg matched Goodwill of the Heartland with the lowa Quality Center, which evaluated each step of Goodwill's production process. The experts, noticing that some workers had to occasionally wait for others on the line

### AT A GLANCE

#### Heartland Goodwill Enterprises

#### FOUNDED: 2013 EMPLOYEES: 40

**OVERVIEW**: Founded by Goodwill of the Heartland to operate businesses that provide job training for people with disabilities.

IMPACT: Improved business by roughly \$150,000 in increased sales and reduced costs.

LEARN MORE: www.goodwillheartland.org

to catch up, suggested reassigning tasks to balance the load with fewer people.

It worked, Cavanagh said. "And we were able to divert workforce from that production line to other areas where we were struggling to keep up."

With fewer people working on ice-maker doors, remaining workers became more efficient—and better able to maintain their social distancing. Goodwill estimates that the project, which was supported by funding from the federal CARES Act, has improved its business by roughly \$150,000 in increased sales and reduced costs.

"We're much better for calling CIRAS—now and in the long run," Cavanagh said.

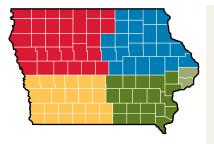
For more information, contact Adam Boesenberg at aboesenb@iastate.edu and 515-294-5903.

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In addition to four regional account managers, CIRAS has five regional government contracting specialists,\* a statewide account manager for the food industry, and one for economic development. More staff information can be found at *www.ciras.iastate.edu/staff.asp*.



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# **GROWING YOUR BUSINESS**

# Understanding Your Value Proposition By C.J. Osborn

Prior to COVID-19, many of the conversations CIRAS had with business leaders focused on growing while being constrained by manufacturing capacity. Any talk about revenue growth was inseparable from decisions about incremental capital investments.

Today we are in a position in which capacity is more available, and many companies are ready to grow again. CIRAS has the ability to help those companies in a number of ways. But central to any growth program is creating a compelling message to customers that encourages them to buy your product instead of another alternative.

This is known as your "value proposition."

Value propositions are scalable. They apply to a product, a market segment, and even the greater company. They are different than slogans, but slogans can be used to reinforce the value proposition. Your value proposition conveys that you create value in an area that matters to your customer. It may be a gain you are offering ("increase your yield with ..."), a pain you are relieving ("reduces downtime by ..."), or a job you help them with ("local stock with free delivery"). A great guide for creating value propositions is "Value Proposition Design" by Alex Osterwalder.

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www.ciras.iastate.edu/ciras-newsletters.

Has it been a while since you've validated your belief about what your customer values? If you want to better understand how your customer perceives your ability to offer this value, there is an array of options.

One simple approach involves having some informal discussions with people in your company who regularly meet with customers (customer service, sales, and field service). You can ask "What problems are we solving for them? What do our customers share about the advantages we have over competitors in solving those problems?" A more comprehensive approach is to use a primary research tool called "Voice of the Customer" that ranks buying criteria and also compares performance to that of competitors.

I encourage you to set a goal to assess your value proposition this year. If you'd like some assistance along the way, just let CIRAS know.

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