

APICS The Association for Operations Management

Central MN Chapter

P. O. Box 457, St. Cloud, MN 56302

Visit us at: www.apicscmn.org

October, 2009

Make plans to attend Central MN APICS *Breakfast* meeting and tour of Gold'n Plump October 6th, 2009.



Company Overview

Gold'n Plump Poultry • St. Cloud, MN • 320-251-3570 • goldnplump.com



The Posters & Gold'n Plump Farm Family
Pierz, Minnesota

Key Contacts

Lexann Pryd-Kakuk, Corporate Relations

Locations

Minnesota—St. Cloud (headquarters),
Cold Spring, Sauk Rapids, Luverne
Wisconsin—Independence, Arcadia

Employees

Approximately 1,500

Annual Sales

Approximately \$300 million

Giving

Five percent of pre-tax earnings, annually, to
charitable causes in our local communities.

Agenda:

- 7:15 - Registration starting at our Front desk,
- 7:30 - Breakfast Buffet and Networking,
- 8:00 - GNP Overview Presentation,
- 8:20-9:30 - Tours,
- 9:30 Reconvene for Q&A.

Cost:

Members - \$15.00, Non-members - \$25.00, Students- \$10.00

Please make reservations on our web site at www.apicscmn.org.

APICS is responsible for all meal reservations, including no-shows. Cancellations and no-shows received after noon on Monday October 5th will be billed.

(GNP Overview on Next Page)

Overview

Gold'n Plump Poultry is the largest producer of fresh and frozen chicken for retail, foodservice, and deli in the upper Midwest. It's unique, because most chicken producers are located either on the east coast or southern United States. Gold'n Plump partners with nearly 300 local family farmers, located throughout Minnesota and Wisconsin. The company's primary distribution area is the Midwest, expanding nationally. It provides differentiation through a strong commitment to quality, innovation (having many company "firsts"), Six Sigma and lean practices. An area of focus is using automation to provide consistently premium products and a safe work environment while helping reduce labor costs. Gold'n Plump processes about 87.2 million chickens annually.

Milestones

The company was founded in 1926 as Jack Frost—it started as a small, seasonal hatchery selling day-old chicks to farmers throughout the state of Minnesota. The company continued to grow and evolve towards integration under the leadership of Don, Jerry, and later Michael Helgeson. During that time, the hatchery, feed mill, and contract grower base were expanded. In late 1983, it became fully integrated with the acquisition of the Cold Spring processing plant. In 1993, Gold'n Plump purchased Arcadia Fryers which today produces foodservice and deli products. In 2007, the Arcadia operations were expanded and included the addition of a state-of-the art hatchery.

Brand and Products

The Gold'n Plump brand was launched in 1978 and rose to local fame through the use of a creative ad campaign, which many remember as the "parachuting chickens." Since then, the Gold'n Plump brand has grown to lead the Minneapolis-St. Paul market with 97 percent brand awareness and consumer preference of eight to one versus the closest branded competitor.

For the retail market, Gold'n Plump's products include a large, fresh selection of truly all-natural (nothing added) premium chicken and convenience products like Bake It Easy™ (pre-stuffed breasts and seasoned whole chickens in bake-in packaging), and pre-flavored Marinades®. Other convenience products include fresh ground chicken, a line of freshly frozen Everyday Easy™ chicken, and grab 'n' go deli rotisserie and cut-up chicken.

Buying Trends

Long known as "America's favorite protein," Americans eat an average of 85 pounds of chicken a year (per capita). Chicken is also growing in popularity in the export markets where we've recently seen record increases in volume: 16 percent of our products were exported to countries like China, Russia and Mexico in 2007.

Consumers continue to look for convenience products that help them and their families lead healthier lifestyles. Their palettes are also becoming more sophisticated, wanting exciting new flavors and cuts. There's also a growing interest among both consumers and trade customers in how their chicken gets from the "farm to the fork." They want to understand how the animals are cared for, the impact on the environment, as well as what's going into our products. Questions around feed, rearing practices, and safety measures are more frequently asked. Company transparency is becoming an important part of the buying decision and therefore, a requirement for prospective buyers. These elements are driving a desire for fresh, local products.

Answering Needs, Recent Changes

To become more transparent and connected to consumers, Gold'n Plump launched a new brand campaign in 2008 that focused on its local family-farm partners. One hundred percent of Gold'n Plump chickens are raised on family farms throughout Minnesota and Wisconsin, by many who have raised chickens for more than three generations. Gold'n Plump works closely with its partners to ensure the creation and adherence to nutrient/land management plans to maintain the integrity of our land and water sources. It also requires that all farm families follow strict Animal Welfare Guidelines as established by the National Chicken Council (NCC) in conjunction with industry experts and top poultry scientists from leading universities around the country. It routinely validates its performance using the established NCC Animal Welfare Audit Checklist. These guidelines ensure the proper care, management and handling of broiler (meat chickens) and breeder (egg-laying chickens) flocks.

To further answer the needs for consumers who desire local, fresh poultry and are conscientious about where their food comes from, Gold'n Plump launched an entirely new line of fresh chicken products in 2008 to appeal to upscale retailers and foodservice providers. Brought to market under the Just BARE™ brand (nothing but all natural chicken), it not only provides a simply raised chicken but also features recyclable*, environmentally friendly packaging. From the clean, "leaf" logo, to a clear package that allows for full view of the product, to the upscale, full-color photography, this line appeals to a distinct buying group that seeks a different product from that currently found under the Gold'n Plump brand. In the marketing of the line, special emphasis is being placed on the expert nutritionists and veterinarians, cage-free climate-controlled barns, and the humane practices behind the raising of Just BARE™ chicken. Each package and product case is traceable to the family farm where the chicken was raised, answering consumers' growing interest in knowing where their food comes from and food safety.

*Recycling centers that accept and recycle PET or PETE #1 plastic may be limited but numbers are growing. Check with your local provider for details.

Officer's Corner

By Andy Stevens, VP Marketing

"Why APICS Certification?"

When pursuing the position with Precision my APICS membership/involvement was something that set me apart from other applicants. The body of knowledge, the PDM's, and certifications are just some of the value of being an APICS member and employers know it! During the two rounds of interviews that I had with Precision both times APICS did come up as a topic of discussion.

The Central Minnesota APICS chapter's student chapter at SCSU recently received a gold status for student chapters. This is a fantastic accomplishment as students involved in this organization will be a step above their peers not involved in APICS when it comes time to get that first of second job.

Membership in APICS as a student or professional allows us to prove our competency in the operations management field through certifications. This year Central Minnesota APICS is offering classes that will help its members in becoming certified. Even if the test for certification is not something you are interested in, the class content is something that can help supply chain and operations professionals.

I attended my first board meeting since taking the position in August of this year. During the meeting it was great to see all the hard work and planning that goes into providing value to members. One of the critical items in planning is feedback from members on what they would like to see offered. APICS board members always appreciate feedback on both past and future events. To contact a board member e-mail addresses are available for the board members on the APICS website.

I look forward to meeting our members through various events throughout the year. If there is anything I can do or help you with feel free to contact me anytime!

THE UN-COMFORT ZONE with Robert Wilson

Leadership vs. Power

King George III asked Benjamin West, his American painter, what George Washington would do if he prevailed in the Revolutionary War. West replied, "He will return to his farm." The British monarch incredulously said, "If he does that, he will be the greatest man in the world." On December 23, 1783 Washington did just that and retired to Mount Vernon – despite the encouragement of many to stay in power. Despite the willingness of Americans to crown him king. Thirteen years later, he would do it once again.

In 1787, Washington was coaxed back to Philadelphia to attend the Constitutional Convention. While there he provided the leadership necessary to get the fractious delegates to settle down and complete the work of designing a new constitution. Afterwards, in 1789, he was elected the first President of the United States. He reluctantly ran for a second term in 1792. He refused to run for a third term, setting a precedent that lasted 150 years, and retired once again to his farm.

Abraham Lincoln said, "If you want to test a man's character – give him power." George Washington passed that test. Twice in his life he walked away from power and proved that he was indeed the greatest man in the world. He demonstrated that leadership is something that you give – not take – and that power should be used responsibly.

Washington died in 1799, the year that Napoleon Bonaparte became the ruler of France. In contrast to Washington, Napoleon could not acquire enough power. His legendary lust for command drove him to take over much of Europe. "Power is my mistress," he once claimed, "I have worked too hard at her conquest to allow anyone to take her away from me."

Years later, having lost all power and living in exile, he lamented "They wanted me to be another Washington."

History is rife with stories of people who abused their power. Abuse of power, however, is not just reserved for politicians and tyrants. It can be abused by managers, spouses, parents, peers and the list goes on. It is the lure of dominance over others, when it motivates people toward leadership roles, that is revealing. It reveals uncertainty, lack of confidence and fear.

It is said that power corrupts, but more often than not, it is a corrupted individual who is attracted to power. It is a feeling of inferiority, sometimes called a Napoleon Complex, that drives someone to control other people and to micro-manage their surroundings. Today we call such a person a Control Freak. Science fiction author, Robert Heinlein noted, "Anyone who wants to be a politician shouldn't be allowed to be one."

When we look at Abraham Maslow's hierarchy of Human Motivation (Survival, Safety, Social, Esteem, Fulfillment), we see that someone who hungers for power is stuck in the second to bottom level which is Safety. A true leader has self-esteem and self-confidence and does not seek power to bolster his or her feeling of self worth. Thomas Jefferson observed that, "An honest man can feel no pleasure in the exercise of power over his fellow citizens."

A true leader is motivated by a goal. A goal common to his group whether that group is a company or a country. If you find yourself attracted to leadership, stop and check your motivation. Are you driven to share your gift of understanding in the endeavor of achieving a goal, or are you motivated by perquisites of position and the power you have over others? As John Quincy Adams said, "If your actions inspire others to dream more, learn more, do more and become more, you are a leader."

Robert Evans Wilson, Jr. is a motivational speaker and humorist. He works with companies that want to be more competitive and with people who want to think like innovators. For more information on Robert's programs please visit www.jumpstartyourmeeting.com.

Welcome new members

Katharine Duncombe Student

Central MN Chapter's Education Calendar

CPIM Certification Review Classes

St. Cloud Classes

Basics of Supply Chain Management

Date – Mondays (starting September 28th)

Instructor – Bruce Skalbeck CFPIM, CIRM, CSCP

Location – New Flyer

CSCP Review Course

Date – Wednesdays (starting October 14th)

Instructor – Les Foreman

Location – New Flyer

Seminar November 14 8-12:30 at the Holiday Inn St. Cloud – Managing Obsolescence and the 10 Principles of Operations Management.

Cycle Count Workshop November 16 – 8am-3pm at New Flyer.

For more information and to register for classes visit:

www.apicscmn.org ("Calendar of Events" page)

or Contact Dave Gerhardson VP-Education at VPEducation@apicscmn.org

Central Minnesota APICS Board of Directors

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