



Manufacturers Alliance Seminar **A3 Thinking & Problem Solving**

Practical experiences from peers on how to leverage A3's to unify culture, improve communication, and develop more problem solvers.

Visit: www.mfrall.com

Call: 763-533-8239

Email: ma@mfrall.com

Thomson Reuters

Todd Roth

VP Manufacturing & Distribution



REUTERS/Gary Hershorn

Thomson Reuters- Core Publishing Solutions A3 Strategic Deployment

March 8, 2018

The intelligence, technology and human expertise
you need to find trusted answers.



Thomson Reuters - The Answer Company



Thomson Reuters provides professionals with the intelligence, technology and human expertise they need to find trusted answers.



We enable professionals in the financial and risk, legal, tax and accounting and media markets to make the decisions that matter most.



We're powered by the world's most trusted news organization.

TR Core Publishing Solutions Has Scale to Compete in the Book Market

PRINTING & MANUFACTURING

October 13, 2016

The *Book Business* Top 20 Book Manufacturers 2016



CPS is 7th Largest Book Printer in N.A. by Revenue

Top 20 Book Manufacturers 2016

Company Name	Rank 2016	Rank 2015	Total Revenue (\$M)	Book Sector Revenue (\$M)	Book Sector Revenue (%)	Principal Officer	Number of Employees
Quad/Graphics	1	1	4,678.0	187.1	4%	Joel Quadracci	22,500
The Command Group	2	2	255.0	133.1	51%	Steven Merson	814
Walsworth Publishing	3	4	175.9	94.9	54%	Don Walsworth	1,200
Edwards Brothers Malloy	4	5	95.0	90.3	95%	John J. Edwards	650
TC Transcontinental Printing	5	3	1625.7	81.3	5%	Francois Olivier	8,000
Core Publishing Solutions	6	6	95.4	72.7	76%	Todd Roth	425
Worzalla Publishing	7	7	60.0	60.0	100%	Jim Fetherston	275
Sheridan Group	8	9	196.5	57.0	29%	John A. Saxton	1,050
Friesens Corporation	9	8	68.8	53.0	77%	Curvin Friesen	550
Versa Press	10	11	50.3	50.3	100%	Steven J. Kennell	200

* LSC Communications not listed



Why A3 Strategic Deployment?

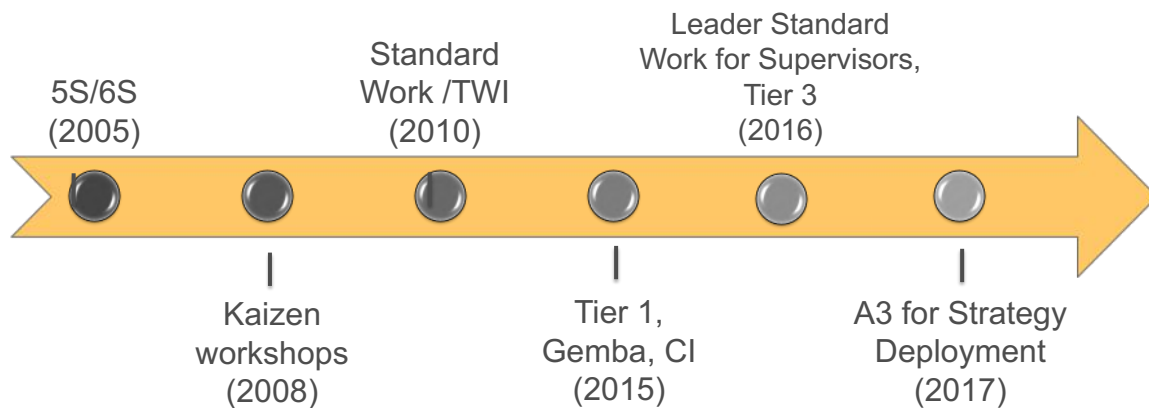


Our Journey to A3 Strategy Deployment

Core Publishing Solutions provides innovative, scalable, flexible solutions for our partners' print & fulfillment needs with exceptional quality & service so that they are best positioned in a changing marketplace

Strategy	Approach
<ul style="list-style-type: none"> • Focus on the Customer • Drive Efficiencies • Leverage the Facility • Develop the Organization • Optimize the Whole 	Position For Future Success <ul style="list-style-type: none"> • Know the Print & Fulfillment Marketplace • Anticipate Trends • Be a Thought Leader • Provide Leading Indicator Metrics
	Strengthen & Enable Our Core <ul style="list-style-type: none"> • Safety • Quality & Service • Productivity & Cost Control • Talent

Our Journey to A3 Strategy Deployment



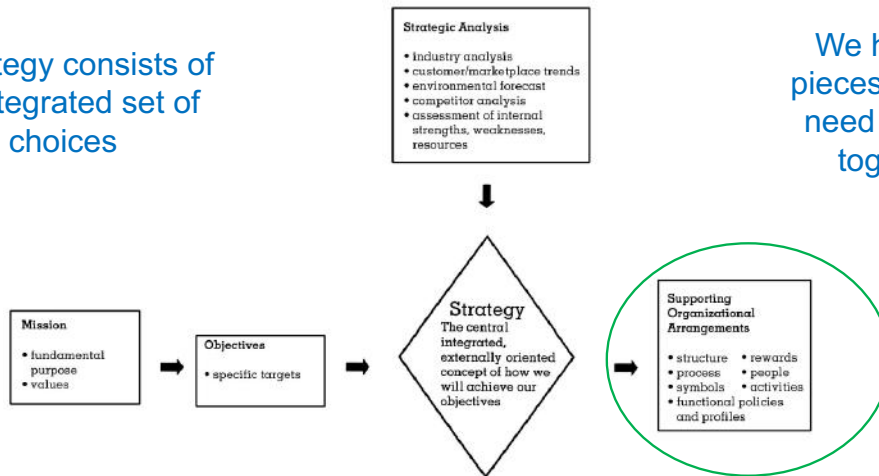
Continuous Improvement – Organic, Bottom Up

Why A3 Strategic Deployment?

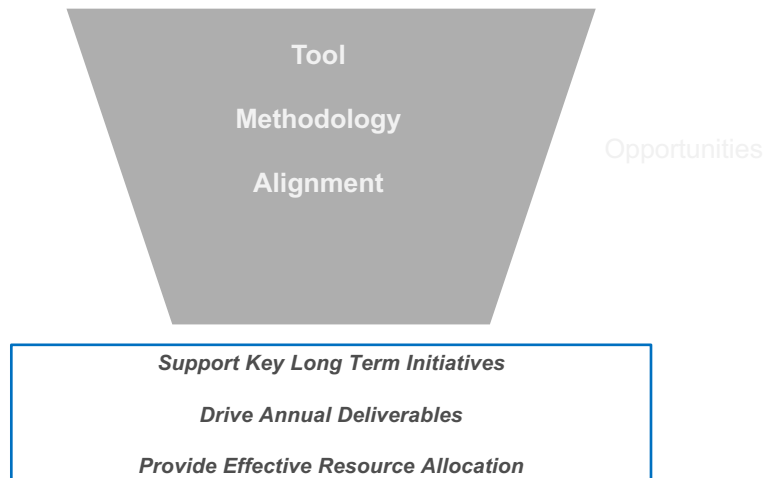
Strategy - Hambrick and Fredrickson

A strategy consists of an integrated set of choices

We had the pieces- we just need to put it together



A Way to a Means



What Were Our Steps & How Did it Go?

11

A3 Strategy Deployment Process in CPS

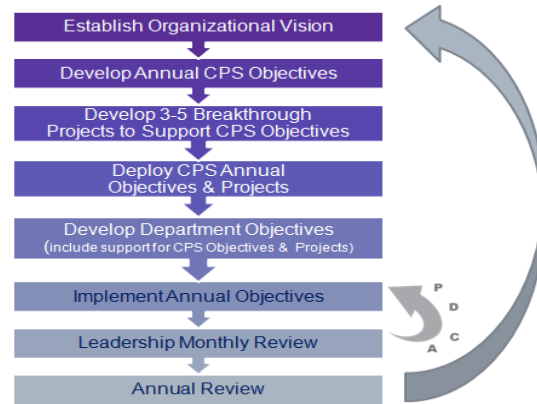
1. Sent 5 leaders to Manufactures Alliance Strategy Deployment with A3s (July '16) - **Good Call-support, team lead & common vision out of the gate**
2. Aligned Previous CPS goals to A3 format for Strategic Objectives and Pillars – **Confusing time as we worked to fit our “world” into the format**



12

A3 Strategy Deployment Process in CPS

- Created the CPS A3 level strategic objectives after reviewing the Force Field Analysis, SWOT, 5 year plan, and Marketplace Trends– **Built Team Ownership/Vision**
- Created Individual A3s for each Strategic Objective with full discussion of past year’s learnings, this year’s focus, projects, and watch metrics (5 sessions, 2 hrs each, Sept/Oct) - **PAINFUL – 15 voices - Learned how to jump start the discussions – ½ the time in 2018!**



13

A3 Strategy Deployment Process in CPS

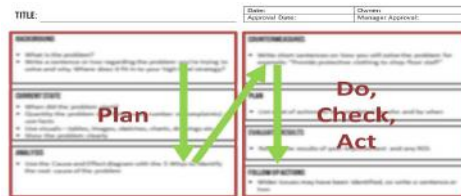
- Directors chose top Breakthrough Projects to focus on for 2017 **It worked**
- Leadership reviewed BP and assigned leaders and resources **Homerun - top projects allocated**



14 Thomson Reuters

A3 Tool Is Really a PDCA Model

- Focus/Purpose Statement
- Reflection:
 - Past Year's Scorecard: what did we learn?
 - Past Year's Projects: what else could we do?
- Analysis: What else do we need to consider for next yr
- Action Plan: This Year's Objectives, Key Projects
- Contingency Plans/Unresolved Issues



17

Outcome - CPS Level A3 Projects

Tier 4 CPS Breakthrough Projects

Aligned to strategic objectives

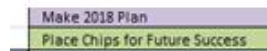
Resourced 1st from across the business

Prioritized & Sequenced

Made it Work for Us

Suggestion is 3-5 Projects
We have 13!

Wanted to Emphasize

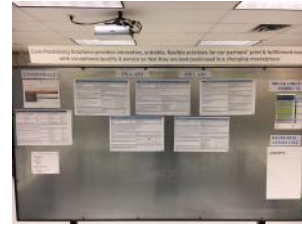


CPS ORGANIZATION STRATEGY DEPLOYMENT BREAKTHROUGH PROJECTS 2018	Owner	Make 2018 Plan Place Chips for Future Success													
		January	February	March	April	May	June	July	August	September	October	November	December		
SAFETY															
Execute two Safety Kaizens events quarterly to reduce pain, strain, and sprain hazards.	Sandra														
FOCUS ON THE CUSTOMER															
Proposal to formalize Capacity Planning Review-Load Levelling (short/long term, includes scheduling software consideration). Explore model changes to achieve effective labor and machine planning - include understand capacity while maintaining core commitment to Legal	Pete Chris														
DRIVE CONTINUOUS IMPROVEMENT EFFICIENCIES															
Finalize install and ramp up of Alegro	Rocky														
Optimize Muller Alegro Blender through scheduling of work and utilization of the asset	Chris														
Value Stream Evolution: Investigate Digital Stamping & Embellishment technology and propose migration pathway	Rocky														
Value Stream Evolution: Evaluate options for 10" and 11" heaviest offset web press	Rocky														
Value Stream Evolution: Evaluate options for 10K line replacement due to 12/31/18 end of life	Rocky														
Value Stream Evolution: inline/hearline softcover production cell proposal	Rocky														
Value Stream Evolution: Digital Leaseleaf production cell (print-to-ship)	Brandon														
LEVERAGE THE FACILITY															
Customer Analysis/Strategy & Warehouse Pricing - Refine Go To Market - Next step in evolution from Precise Pricing/Differentiation Strategy - Investigate where to fill capacity looking 3-5 years out	Laurie Tim														
Continue Perform to Plan Project w/Material Usage and Distribution Labor Focus/profitability for pricing	Laurie														
16 freight/postage separation 3rd party from TR - DEPT	JCN														
Create playbook for new customers to onboard into Print & Bind, and Warehouse fulfillment - standardize and streamline	Stefanie														
DEVELOP THE ORGANIZATION															
Talent: Attract and Retain	mark														

Outcome - CPS Tier 4 Board For Project Execution

When Third Thursday Every Month – 75 Minutes

Who Leadership Team & Project Owners – approx 16



What

Project Report Out Guidelines

5 - 7 minutes
Is it on track?
Is it on budget?
Help needed?
Milestones completed & upcoming
Expected outcomes

How much structure or creativity?
What's the purpose of the meeting?
Dropped CPS operation metrics at this meeting

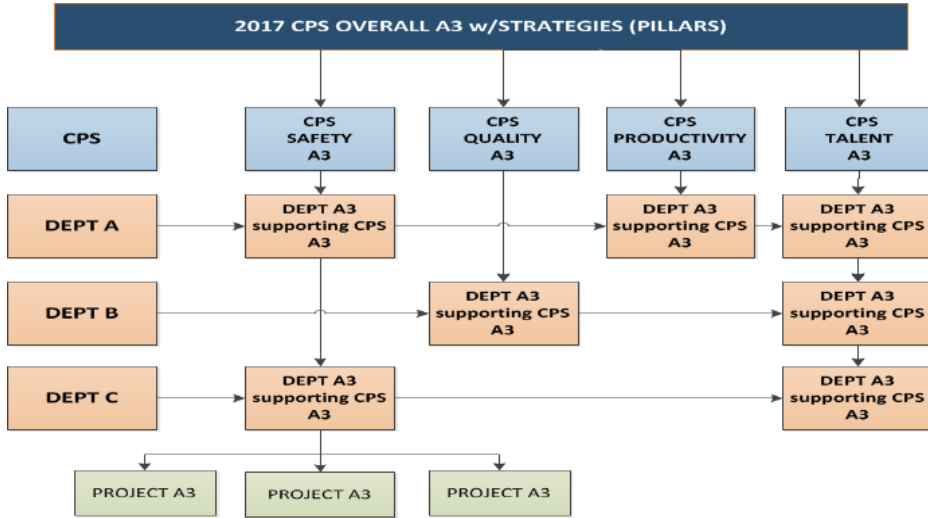
Project Closure Summary

Objectives
Outcomes
Value
Next Steps
Appreciate - Celebrate

Momentum, alignment, ownership and communication are wonderful things.....

Outcome - Execution At Tiers 1-3

A3 Structure

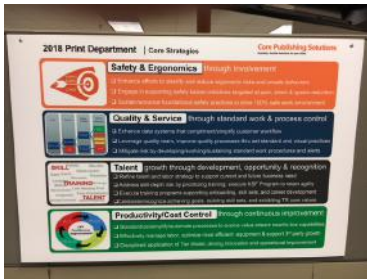


21

the answer company™
THOMSON REUTERS®

Outcome – Integrated A3 Structure in CPS

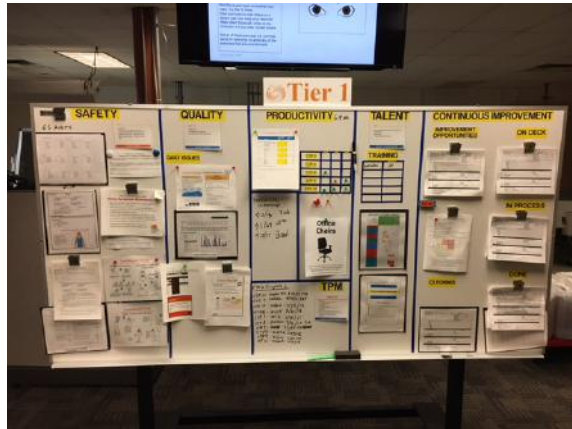
4 Pillars Consistent But Specific for Dept



Tier 3 Boards Across Each Dept



Tier 1 Boards Across Plant



Cadence/
Leads

Daily Tier 1 meetings – Lead Operator or Supervisor
Monthly Tier 1 Continuous Improvement meetings – Supervisor
1 or 2 times a month Tier 3 – Manager or Director
Quarterly department meetings on department goals – Director
Quarterly all employee meetings at CPS level – VP

the answer company™
THOMSON REUTERS®

Final Thoughts on A3 Strategic Deployment

Learnings

- Clear priority from top leadership helped buy during early stages
- At start lengthy process and time commitment for leadership team
- Take liberty to adjust the model to fit your culture
- Priorities change – unique opportunity came up so we adjusted project priorities in Feb this year

Growth

- Leadership clarity of purpose with understandings of non negotiables and blue chips
- Use of tools & participants in SWOT, Force Field Analysis & Anticipate the Marketplace – expanding key contributors and rising leaders in our discussions
- Holistic view of project prioritization & resource allocation

Final Thoughts on A3 Strategic Deployment

Value

- Alignment across the business vertically and horizontally – We have an integrated set of objectives
- Visual, we were doing many of these things, but the A3 process gives us visibility at all levels
- Ownership with team approach and support – resource allocation is not always fair...
- Great structure for involvement & development



Manufacturers Alliance
Sharing Education & Resources Peer-to-Peer

Visit: www.mfrall.com

Call: 763-533-8239

Email: ma@mfrall.com