

CADDi AI Data Platform for Manufacturing

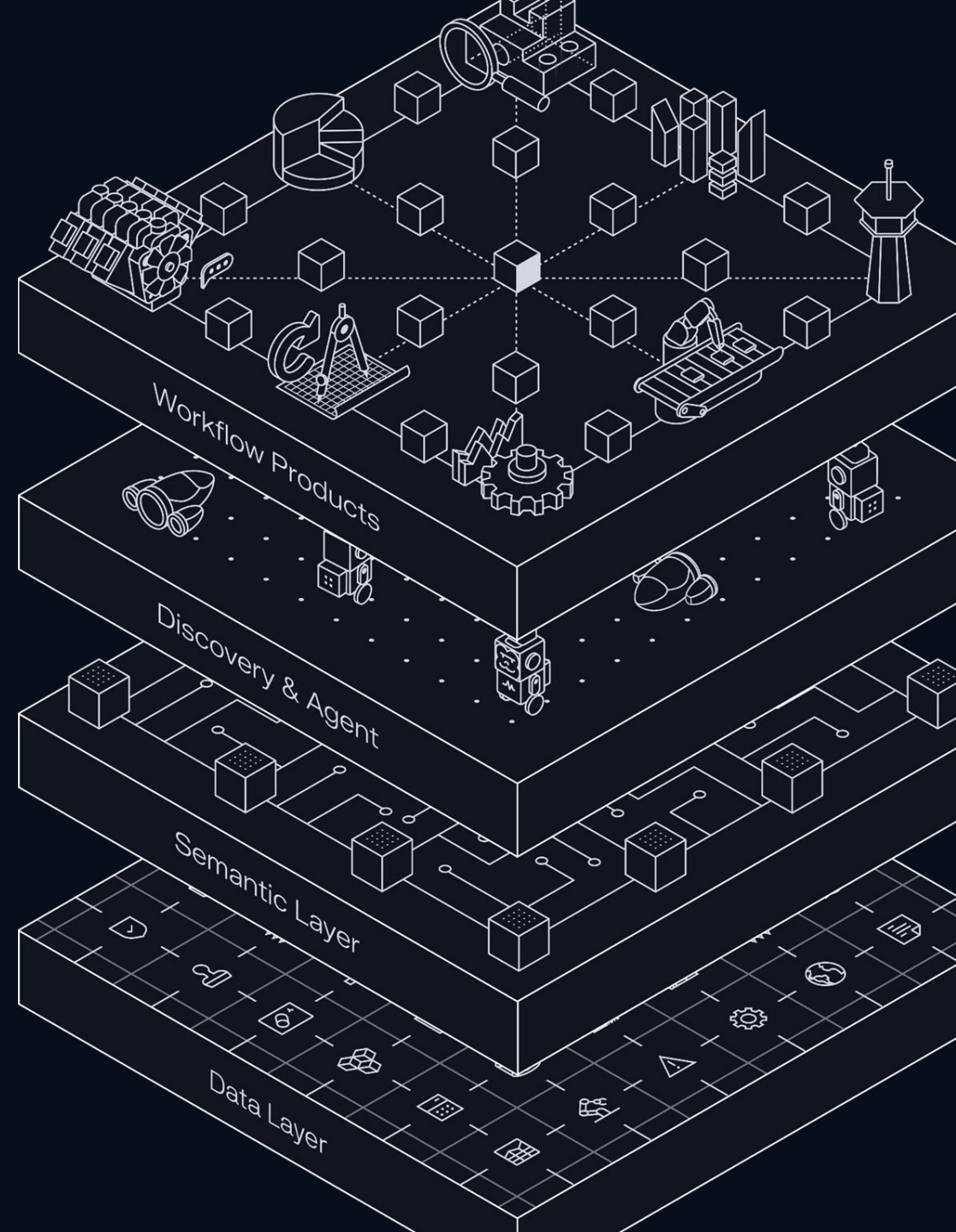
A vertically integrated platform that structures
and connects fragmented manufacturing data.

Founded:
2017

Employees:
900

Customers:
22 countries

Valuation:
\$1.2B



5S Success with AI

Jeff Weber

Director of Operational Excellence | Graco Inc.

OBJECTIVE

What do you want to get from today's session?

What questions do you want answered?

What ideas can you bring back to your organization?

Action: Write down 1-3 questions or objectives for today!

Technology

People and adoption

Leadership

Data and governance

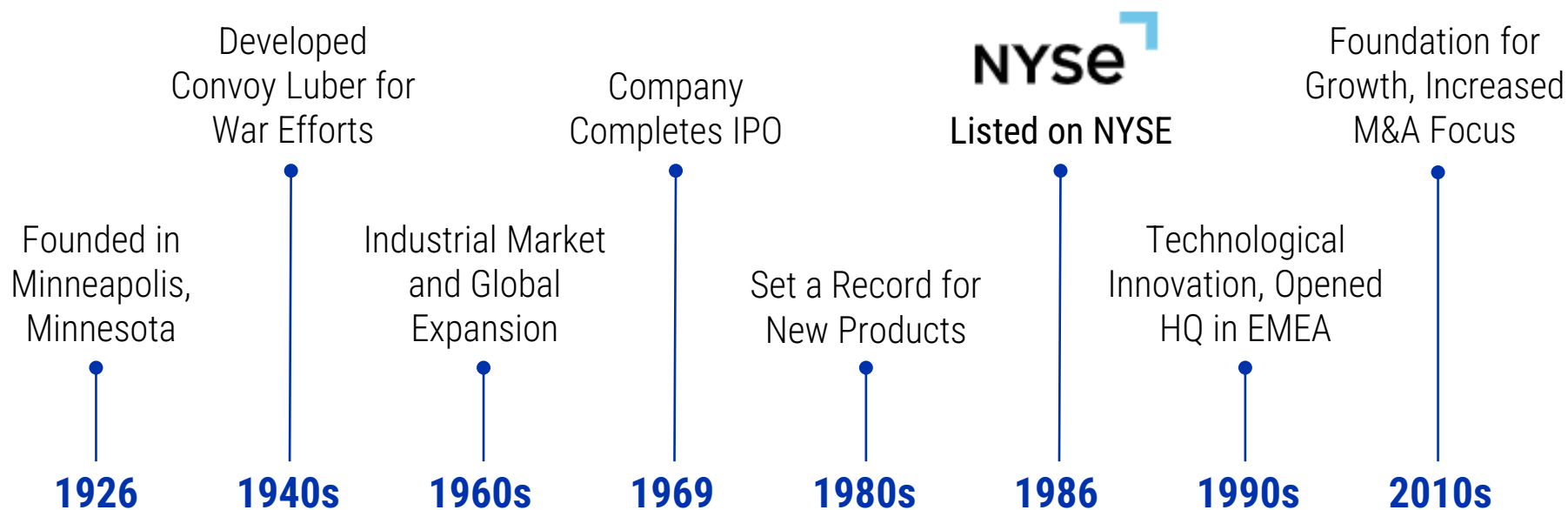
Scaling

AGENDA

1. Graco Background
2. Operational Excellence Strategy
3. How we view AI
4. Graco's 5S Journey
5. Two Practical Examples
6. Looking Forward



CELEBRATING 100 YEARS IN 2026



Global Reach

- Surpassed \$1B in revenue in 2012; \$2B in revenue in 2022
- Expanded global scale through targeted acquisitions and new product innovations
- Used M&A to add specialized capabilities and deepen exposure to attractive end markets
- Continued disciplined investment in global operations and advanced automation to support long-term growth

Graco Today: Diversified Material Handling

\$2.2B

2025 revenue

4,400

global employees

100+

countries with customers

15+

countries with facilities

30,000+

outlets and distributors

>75%

Products made in the USA

**ISO 9001:2015**

Certified quality management systems across multiple Graco sites

Global Reach, Specialized Products, Deep Manufacturing Capability

Industries

- Construction
- Automotive and transportation
- Aerospace and gen manufacturing
- Packaging and food and beverage
- Chemical, oil and natural gas
- Vehicle service and public works

Products and solutions

- Paint sprayers and finishing
- Pumps and fluid transfer
- Metering, mixing, and dispensing
- Sealants, adhesives, and lubrication
- Protective coatings and foam
- Spray guns, tips, and accessories

How we make it

- Design and engineering
- Precision machining
- Injection molding
- Assembly and test
- Process and quality control
- Technical service and support



OPERATIONAL EXCELLENCE



Quality and Continuous Improvement Mission



We build manufacturing systems and leadership capability that make cost, quality, and delivery performance predictable, scalable, and sustainable across Graco.

Development	Training	Governance	Communication
Develop scalable, consistent processes that improves throughput and reduces reliance on firefighting.	Train leaders and teams to build problem-solving capability that eliminates root causes and waste.	Govern quality standards through a unified system that ensures consistent execution.	Communicate clear process intent (“how” and “why”) to enable informed and consistent decisions that reduces risk.

We succeed when leaders own their outcomes and the operating system prevents issue recurrence and sustains performance.

BUILDING OPERATIONS CAPABILITIES

Quality

Quality Assurance

Proactive systems to prevent defects and ensure process capability.

Quality Control

Reactive systems to detect defects before reaching the customer.

Continuous Improvement

Operational Improvements

The system of **initiatives** that improve cost and delivery performance.

Manufacturing Standards and Capabilities

The system that **defines** how work is done and sustained.

How We View AI

USE AI TO

- Find and gather information
- Summarize large amounts of content
- Generate first drafts and options
- Offer an opinion or recommendation
- Accelerate development and analysis
- Reduce administrative effort

DO NOT DELEGATE

- Business ownership
- Leadership judgment
- Safety and quality decisions
- Strategy and priorities
- Final approval
- Accountability for results

Think of AI as your intern, not your manager.

G4 OUR BRANDED 5S PROGRAM

The continuing challenge to sustain execution at a high level



The G4 Journey

From a workplace organization initiative to an enterprise management system



What Is G4?

Graco's program for creating a safe and productive work environment

G1

Organize

Remove what is not needed
and place work at point of
use

G2

Clean

Create a clean and safe
working condition

G3

Standardize

Define visual controls and
clear expectations

G4

Maintain

Sustain through ownership,
audits, and leadership

The goal is to standardize work and eliminate waste while fitting Graco's culture.

G4 Governance: Central Consistency, Local Ownership

Central G4 Governance Team

- Own the G4 standard
- Manage reporting and metrics
- Develop training and the playbook
- Coordinate enterprise changes
- Share best practices across factories



Factory G4 Champions

- Gather feedback from users
- Champion G4 locally
- Communicate updates and changes
- Support implementation
- Serve as the local point of contact

Central governance creates consistency. Factory Champions drive adoption.

Visibility at Scale

PowerBI turns a large deployment into a manageable operating rhythm



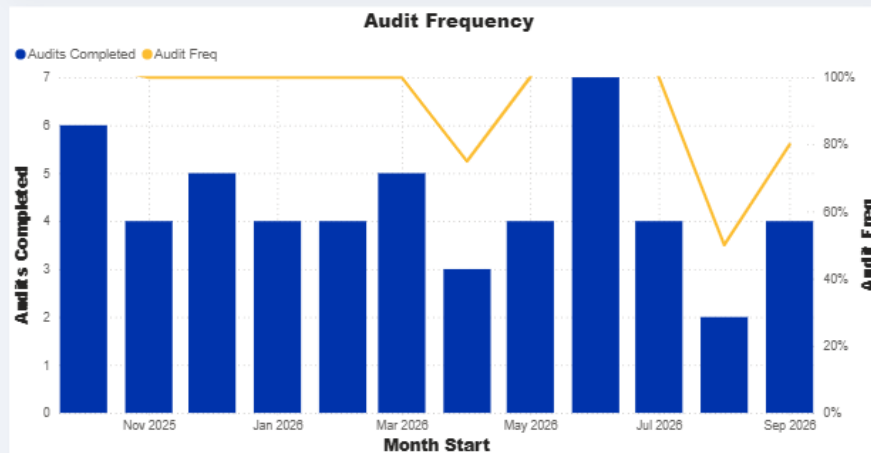
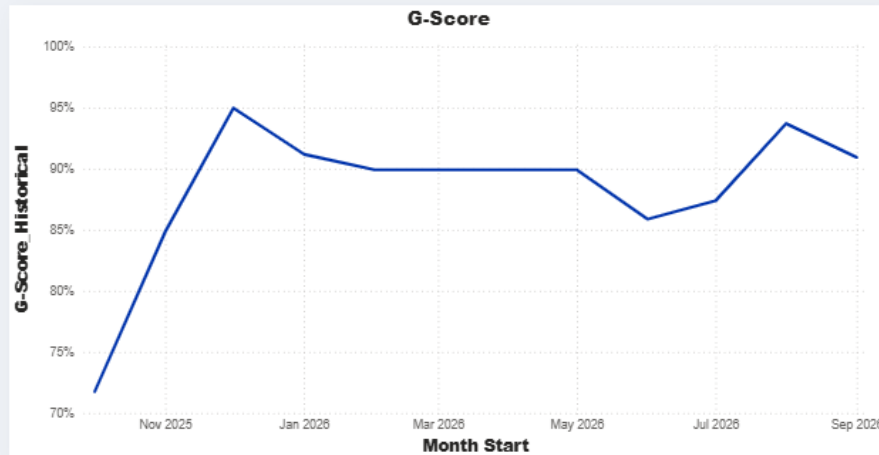
OPERATIONS

G4 Overview

Overview

Detail

Print



Location	Footprint	Audit Freq	G-Score	Month Change
IMTEC - Fremont	18K	0%	97%	49%
1304 Assembly Cell 4	18K	0%	97%	49%
Graco Distribution Center	463K	66%	90%	-3%
1373 Returned Goods	3K	100%	100%	0%
1384 Graco US / GDC Support/R...	233K	40%	99%	-1%
1388 Graco US / GDC Packing/S...	152K	50%	85%	-9%
1387 Graco US / GDC Picking	48K	92%	77%	0%
1365 Traffic Warehouse Administr...	26K	100%	60%	0%
North Canton	68K	21%	89%	14%
8901 Graco US / Canton Ohio Ma...	17K	40%	93%	21%
8902 Graco US / Canton Ohio Ma...	15K	12%	89%	16%
8903 Graco US / Canton Ohio Ass...	36K	23%	87%	10%
Rogers	505K	43%	71%	-9%
Dayton - French Lake	272K	71%	54%	-10%
1207 HPCF Foam and Polyurea A...	27K	200%	100%	2%
1277 HPCF Hose	15K	200%	100%	0%
1289 Graco US / PTE Plastic Inje...	9K	100%	100%	0%
8921 Dayton Shipping & Receiving	23K	72%	86%	11%
1229 PRO Process Machining	19K	71%	75%	-3%
1230 PRO Process Assembly	25K	65%	66%	-7%
1209 HPCF Protective Coatings A...	41K	132%	60%	-21%
1208 HPCF Protective Coatings ...	19K	133%	57%	4%
1206 HPCF Foam and Polyurea ...	18K	100%	40%	31%
1241 Surface Preparation	8K	103%	20%	-33%
	0K	0%	0%	0%
1219 Graco US / PTE Welding	2K	0%	0%	-40%
1271 ID Accessories Assembly	23K	0%	0%	-1%
1273 ID Accessories Machining	21K	0%	0%	-60%
1285 PTE Motor Assembly	6K	0%	0%	-87%
Total	1,961K	28%	55%	-8%

G4 Audits: Standard, Simple, and Visible

PowerBI provides the current result, historical record, and reason an area missed expectations

Simple

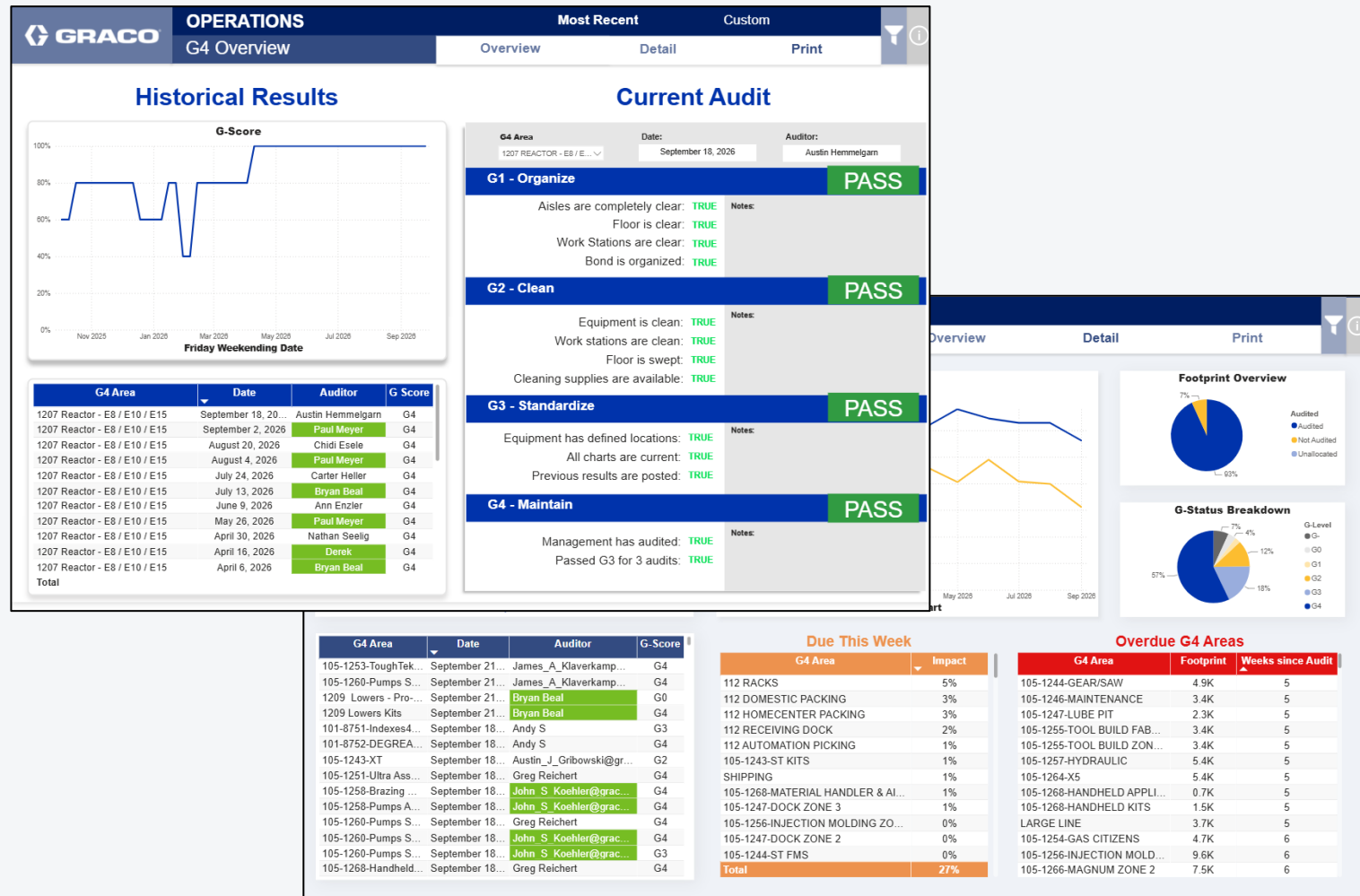
Standard questions • Quick to complete •
Consistent expectations

Traceable

Auditor • Date • Current result • Historical trend

Communicated

Posted at each area • Explains why an area failed



The Tools Were in Place. Sustainment Remained Difficult.

FOUNDATION IN PLACE

- Central governance
- Factory champions
- Standard audit questions
- Digital records and history
- Power BI dashboards
- Due and overdue visibility
- Posted results at every area

FRICTION REMAINED

- Administrative effort
- Complex scheduling
- Consistent execution
- Timely follow-up
- Creating visual standards
- Sustaining performance
- Scaling without added overhead

The challenge was making G4 easier to administer and sustain at a high level.

PRACTICAL EXAMPLES

AI in CI: 5S Audit Scheduling

Case Example: Creating complex tools with the assistance of AI

WHAT WE DID

Used AI across the full development cycle:

- Brainstorming
- App structure
- Minimum requirements
- Coding and troubleshooting
- Functional testing

HOW AI HELPED

- Generated outline for the app and its functionality before building it
- Made advanced tool building accessible with minimal training and coding experience
- Saved time writing code for the app
- Recommended enhancements for the app

CHALLENGES OVERCOME

- Translated complex scheduling requirements into working logic
- Accommodated for different operating preferences
- Simplified a complex process into a clean interface for users with different levels of technical experience

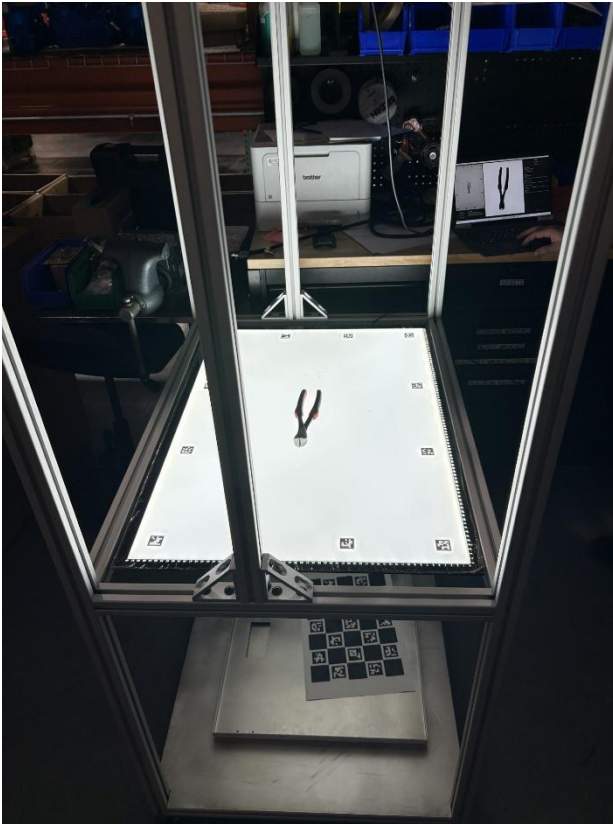
Schedule Preview						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18 Controls Jeffrey J. Webster Erick Kyle M. Peterson Paula Paula	19
20	21	22	23	24	25	26
27	28	29	30	1	2 Controls Kyle M. Peterson Erick Jeffrey J. Webster Paula Paula	3
4	5	6	7	8	9	10

WHAT THE APP DELIVERS

- Adjustable schedules for each manufacturing cell
- Audit-frequency requirements built into the logic
- Automated Outlook calendar invitations and reminders
- Excel schedule copy and end of schedule reminder

AI in CI: Tool Scanning for Shadow Boards

Case Example: AI-assisted software converts physical tools into digital shapes



SCANNING FIXTURE

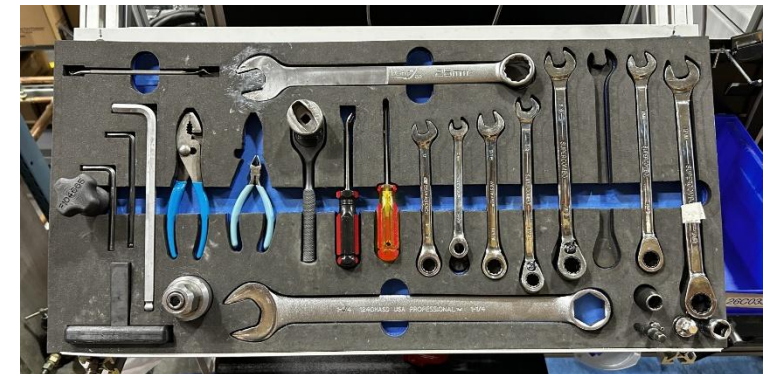
HOW THE PROCESS WORKS



HOW AI HELPED

- Supported development of the custom scanning software
- Enabled contrast-based edge detection and shape creation
- Reduced the technical barrier to creating a repeatable scanning process

AI helped turn a manual design challenge into a repeatable digital workflow.



COMPLETED SHADOW BOARD

Where We See AI Supporting Operational Excellence

G4 and CI

- ✓ Audit scheduling
- Visual standard creation
- Trend summaries
- Training and documentation

Quality

- ✓ Navigate multiple ISO standards
- ✓ Search requirements and procedures
- ✓ Review transaction history
- Support investigation preparation

Manufacturing

- Work instruction drafts
- Process documentation
- Training content
- ✓ Problem-solving support

Business systems

- ✓ Knowledge retrieval
- ✓ Data summarization
- Report preparation
- ✓ Administrative task reduction

The opportunity is increasing people's capacity, not transferring accountability to AI.

Key Takeaways

1**Sustainment is harder than launch****2****Governance and local ownership create the foundation****3****Visibility makes the system manageable****4****AI should solve a clearly defined source of friction****5****Use AI as an intern, not the person running the business**

**Operational Excellence remains about people.
AI gives those people more capacity to improve the business.**

CHECKUP TIME!

What do you want to get from today's session? **Did you get it?**

What questions do you want answered? **What is left unanswered?**

What ideas can you bring back to your organization? **What are they?**

Action: Write down 1-3 questions or objectives for today!

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Leadership

Data and governance

Scaling

Q & A



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MOVING MATERIALS THAT MATTER[™]