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New

Tufco growing operations while keeping safety in focus

Company records 2 million-plus hours without lost-time injury

By [Richard Ryman](#)

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ASHWAUBENON – Over the past two years, Tufco Technologies Inc. significantly expanded and upgraded its operations while recording more than 2 million hours without a lost-time injury.

Lou LeCalsey, Tufco president and chief executive officer, said sales have doubled to more than \$110 million annually, and the number of employees has doubled as well. Eighty percent of production is non-woven wet wipes produced under contract for other companies.

“It’s growth that’s solid,” he said.

Tufco’s earnings have been slower to follow — it reported a 1 cent per share profit for the second quarter — but LeCalsey expects the company’s focus on productivity to make its mark.

“It is easy to downsize. Growth is difficult,” LeCalsey said. “There are so many draw-offs of profitability in growth.”

The company has adopted the Six Sigma and Lean processes and more than doubled annual wipes capacity in four months, LeCalsey said. He said Tufco has five times less waste than before implementing Lean.



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You Lee Lor packages table covers recently at Tufco Technologies. The factory has logged 2 million hours without a lost-time accident. Photo by Corey Wilson/Press-Gazette

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Tufco Technologies Inc.

Headquarters: 3161 S. Ridge Road, Ashwaubenon. The company has manufacturing operations in Ashwaubenon and Newton, N.C.

- Annual sales: \$100.2 million for fiscal 2006; \$54.6 million for first six months of 2007.
- Net income: \$563,000, or 12 cents per share for 2006; \$178,000 or 4 cents per share for first six months of 2007.
- Ashwaubenon employees: 385 permanent, 100 temporary.
- Stock: TFCO on the Nasdaq stock exchange.

“We think we can get another 50 percent on that same equipment,” he said. It was not an easy transition.

“We went through a period here that was pure hell, last May, June and July. We had 150 temps and volumes way larger than we were told,” he said.

LeCalsey said the company anticipates expansion at its South Ridge Road site within three years. The company has about 7 acres available for new construction. It has 280,000 square feet of production and warehousing in two buildings at present, and contracts warehousing around the metro area.

“We are running out of room fast,” and would have done so already if not for the Lean implementation, LeCalsey said.

Tufco achieved its gains — and safety record — with a work force that is about 45 percent Hmong and Hispanic workers, many of them with only a basic understanding of English.

“It’s really worked out,” LeCalsey said. “It’s fun to work with them all. They bring a different perspective, and they are great workers.”

Safety is first among Tufco’s operating principles, LeCalsey said.

“The belief is, if you are doing the right thing safetywise, you are doing the right thing in production and quality,” he said.

Throughout the plant, workers with red T-shirts or coats stand by to train, guide or assist co-workers with safety issues. They are volunteers, called line safety leaders, who hold regular jobs. They are the first line of defense against behavior and actions that lead to accidents.

Because Tufco’s growth has been so fast, the company has had to rely on a lot of temporary help. In a plant full of moving equipment, they are the most vulnerable to accidents.

Dawn Guetschow-Bitter, environmental health and safety manager, said the safety leaders receive nine hours of formalized safety training.

“We drilled them pretty hard, pretty good,” she said. “Their job includes helping train employees on safety issues, tornado safety, evacuation plans and confidentiality.” Language problems complicate communication.

“It can be hard,” said Dulce Gutierrez, a quality technician and line safety leader. “We just don’t give up. We physically show them and keep going and going.”

Safety at Tufco isn’t just a job for the red shirts, said Guetschow-Bitter. She said line

employees are not afraid to tell anyone — LeCalsey included — about safety lapses.

“They will come to you when they see something wrong,” she said.

Evidence of that was apparent during a tour of the plant, when a Tufco employee stuck his head in the door to a clean-room and whispered something to Gutierrez. She relayed the message to a Press-Gazette photographer.

“You have to take your hat off,” she said.

Jo Ann Hecker, a machine operator, line safety leader and line quality leader, said they learn to read whether a trainee is understanding the message. When someone who doesn’t speak English well responds with a series of “OK, OK,” she knows to try a different approach.

“A lot is show and tell. You can always grab someone from the other line to help explain,” she said.

Guetschow-Bitter said that in addition to having no lost-work injuries in more than 2 million hours, Tufco has less than one-third the industry average of OSHA-reportable injuries.

“The biggest struggle we have is with people working directly on conveyor belts. It looks innocent, but it’s the biggest source of injuries,” she said.