

Focused VIEW



Vista Bakery's Bill Hayman manages operations through empowered teamwork and clear communications.

BY LAURIE GORTON

No manufacturing facility runs by itself. Certainly not a bakery, and especially not a cookie and cracker plant that must satisfy not only its own brand requirements but also those of hundreds of contract customers. It takes teamwork — lots of teamwork! — to succeed, according to Bill Hayman, vice-president of manufacturing for Vista Bakery, Inc., Burlington, IA.

"We've had a team approach in place for the past 10 years," Mr. Hayman said. "This enables us to sustain growth at a profitable level."

Two years ago, Vista was humming along, well-equipped to provide superior service to its many private-label and contract customers as well as handle the in-house needs of its parent company, Lance, Inc., based at Charlotte, NC. Although Vista managers were considering another expansion for the Burlington plant, they looked at it more as a future project than anything immediate. The bakery's management team was about to face its ultimate test.

In January 2004, a major but financially beleaguered competitor simply shut its doors, completely cutting off customer supply. "That closure dropped \$120 million in business into the private-label bakery community," Mr. Hayman explained. "Many of those customers went looking for capacity, and the result was extremely tight conditions." Those customers threw a great deal of new demand at Vista, challenging the company's production capacity and management capability.

Vista's vice-president of sales, Tyler Cook, told the story of the past two years from the inside. Faced with rising demand, the company encountered an over-capacity situation. "We were shorting our customers," Mr. Cook noted

with regret. One part of the solution was to install two new oven lines during 2004 and 2005. Then, in October 2005, Lance bought Tom's Foods, a snack company based at Columbus, GA. "With the bakery facilities of Tom's acting as additional capacity combined with the two new ovens, we are now in a situation in which we have a lot of excess capacity," he continued.

"Over the last 18 months, Bill Hayman has demonstrated outstanding leadership within our company," Mr. Cook said. "Despite [the overcapacity] situation, he led his team through a very difficult time and completed these projects as planned. Now, with idle capacity in 2006, Bill has managed to lead a cost-cutting effort to continue to hit our goals despite less-than-expected volume. Facing almost the complete opposite of 2005, Bill and his team have continued to perform terrifically."

He added, "Bill has a reputation of being a champion for his people. He is seen as an honest, caring and respectable manager."

For these reasons and more, *Baking & Snack* named Bill Hayman its 2006 Operations Executive of the year.

UP THROUGH THE RANKS. "Mine was a practical education," Mr. Hayman said with a laugh. Baking was not in his original career plans. After high school, he attended University of Illinois and another small liberal arts college. He also married his wife Mary and started a family.

Mr. Hayman's early working experience was with a transpor-





tation company that handled food-grade products such as flour, sugar and similar materials. Vista Bakery, then operating as Midwest Biscuit, was one of his accounts. When he decided to change jobs in 1990, Midwest was the first company he considered.

"I selected Midwest Biscuit because I knew the company and its managers," Mr. Hayman recalled. "I knew the president, Gary Martin, quite well. Midwest Biscuit was a local company with lots of opportunity and stability.

"My transportation job took me to a lot of bakeries, flour mills and oil processors," he continued. "I was able to see the whole aspect of the food industry from supplier to customer, and I became familiar with the food business, in general.

"I find baking a challenging industry," Mr. Hayman observed. "It involves continuous-flow processes as well as batch methods, and all components have to work well all the time. That's different from other types of manufacturing. If one of the processes is not working, then the line is usually down. That's a challenge!"

Mr. Hayman entered Midwest's trainee program and worked in various jobs throughout the Burlington plant.

The trainee program was intended to be a 2-year venture, but just six months later, the company made him the second-shift plant superintendent. He held that position for a couple years and was then transferred to Columbia, SC, where Lance opened a new Vista Bakery plant. Mr. Hayman became the production manager for the 3-line plant.

Vista transferred Mr. Hayman back to Burlington four years later as plant manager. When Lance shut the Columbia site, he oversaw the transfer and reinstallation of two of those lines at Burlington.

"I've been here ever since," Mr. Hayman said. "My title has changed over the years, but basically, it's the same job with increasing bottom-line responsibilities." Those duties

were increased to include facilities manager — a title that carries with it logistics and distribution oversight — when Dean Fields, Vista's president, transferred from Burlington to corporate headquarters at Charlotte.

Mr. Hayman reports directly to Mr. Fields. "As vice-president of manufacturing, I am in charge of operations, beginning to end, in this facility," he said. "I also function as the facilities manager. As such, I support HR, purchasing and the other manufacturing teams."

Although the Columbia plant operated for a relatively short time, it played a pivotal role in Mr. Hayman's career. It was there that he met and worked with Rob Tyson, the Columbia plant manager, and Mr. Fields, who handled the facility's finance and accounting functions. Mr. Hayman named both men as his mentors.

"Rob had both great organizational skills and great people skills," Mr. Hayman recalled. "And Dean, who has great business management abilities, taught me how to see the big picture. Working with people of that quality really reinforces your ability to think about the business."

Managing a bakery business today requires not only a good level of technical expertise but also an under-

◀ It takes teamwork to operate a busy baking plant successfully, and at Vista Bakery, the management team includes (from left, front row) Diana Gerhardt, sandwich department manager; Bill Hayman, vice-president of manufacturing; and Jim Hartschuh, production coordinator; (second row) Nancy Tripp, human resources manager; and Rick Black, saltine department manager; (third row) Tom Pilcher, industrial engineer; Ron Pepperdine, quality assurance director; and Dennis Gillett, packaging technical engineer; (back row) Roger Bruns, wire-cut department manager; Larry Estes, project engineer; and Brad Weiss, logistics manager.

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standing of the various roles the business plays within its community, in the larger food industry and for its shareholders, according to Mr. Hayman. “And as a manager, an important part of my role is to help others be successful,” he said. “It’s good for them, and it’s good for the business. It’s the right thing to do. My role, and that of other managers, is to identify the company’s goals and communicate them to others.”

TEAM WORK STRATEGY. During the past decade, Vista Bakery has become a major player in the private-label arena. Roughly 85% of the Burlington plant’s output leaves the facility under a private label. The company supplements the 360,000-sq-ft plant with another 170,000 sq ft of outside warehouse space, and the latest addition opened up another 55,000 sq ft of production floor.

Vista organizes its bakery and 700-member staff using a line management focus for its work teams. In other words, line managers and their teams have specific responsibility for the entire process, from receiving the dough to packaging the product. “Previously, the bakery operated as two distinct disciplines: bakery processing and packaging,” Mr. Hayman explained. “Now, department managers are in charge of the process, with a mixing department that considers the bakery operation as its customer. This gives the same individuals control over the whole process, and it makes it easier to fix problems as they occur.”

Diane Gerhardt, the sandwich department manager, provided additional detail and said, “A few years ago, we split sandwiching, wire-cut and saltine operations into separate departments. Each department runs one type of product, but packaging differs, from 6-oz to 2-lb packs. So, the individual team’s responsibility runs from the front of the line right to the robotic palletizer.”

At 10 a.m. every work day, the management team meets to go over the previous day’s results. “We communicate what else is going on with products, QA, R&D, maintenance — all the departments,” said Jim Hartschuh, the production coordinator. “All managers and their team members are highly involved in this.”

A big part of the team’s assignment is to “keep the focus” as Ron Pepperdine, director of quality assurance, put it. And that focus is aided by the deep experience within the group. While he is relatively new to the organization, joining Vista during the past year, others have been on the job for many years. Ms. Gerhardt, for example, joined Vista 20 years ago as a packer on the line. Rick Black, the saltine department manager, has 16 years and Mr. Hartschuh 10 years. “That



▲ Vista’s Burlington, IA, bakery now operates 10 production lines, which run the gamut from saltines and oyster crackers to wire-cut and sandwich cookies.

says something about continuity of the business,” Mr. Black observed. “We’re always growing.”

What the bakery went through during the past two years made an indelible mark on its management team. “All this put big demands on people, and most stepped up to the plate to deliver above and beyond,” Mr. Hayman said.

IN-PLANT TACTICS. Team management is backed up at Vista by programs using straight-forward communications tactics. “We use Visual Factory Management and 5S systems,” Mr. Hayman said. “We are big proponents of these.”

Visual Factory Management is a system that visually communicates information to users. For example, the visual boards posted around the plant track case counts, safety figures, output by shift and other variables. Quality Index visual boards are used to post quality scored throughout the day’s production. “It makes people aware of communications and situations,” Mr. Hayman said. (See “Assuring Quality” on Page 42.)

“The QI statistics are our scoreboard,” Mr. Hartschuh said. “And the numbers can be driven down to the production floor.”

Mr. Hayman explained that 5S originated in the Japanese auto industry. A lean manufacturing system, it organizes the plant visually for inventory and efficiency purposes. It stands for sort (remove all unneeded items), set in order (set limits and create location indicators), shine (clean everything), standardize (implement visual displays and controls) and sustain (keep in place through training and total employee involvement).

“It’s simple and easy to understand, so it works for that reason,” Mr. Hayman said. “For example, we are tight on space in this plant, and we have to organize ourselves, our machines and our supplies. You’ll see boxes painted on the floor to designate placement of ingredients, bins, auxiliary equipment, etc.”



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These practices were added to the Burlington bakery in 1999, and the company has since put the same approach into effect at subsidiaries Tamm and Tom's Foods and is moving it into other Lance plants.

Another change in operating approach was the recent decision to alter how statistical process control (SPC) charting methods are used. Most SPC charts depict upper and lower range limits, and operators are directed to keep operating variables within those two lines. "Now, we run to the midpoint," Mr. Pepperdine said. This is only possible in a plant that has demonstrated its ability to work within set ranges, and Vista passed that test.

INTEGRATING TOM'S. While Mr. Hayman assisted with the integration of Tom's Foods into the Lance group of companies, he is basically an advisor. Oversight of manufacturing operations at Tom's falls under Mr. Fields' responsibilities. Nonetheless, bringing Tom's into the business has been an important part of overall corporate operations.

The challenge was different. In Tom's Foods, Lance acquired a branded company that had just started to produce private label products.

"Various teams from Vista and Lance were involved to make that integration work," Mr. Hayman observed. "For example, we provided

Assuring Quality

Vista Bakery, Inc., Burlington, IA, has a goal of quality assurance, and that goal comes in the form of a score equal to or greater than 92. The score, which is displayed throughout the plant on a Quality Index or QI board, serves as a communication tool for plant workers and a method of raising awareness about the quality of product going out the door.

The bakery uses a line management system to place department managers in charge of the entire process from assessing raw materials and mixing to baking, quality control and final packaging. This method provides teams from the bakery's wire-cut, saltine and sandwich lines ownership of the process from beginning to end. The plant also has found this method makes it easier to spot problems and, if necessary, interchange jobs.

Each half-hour, lead operation employees from each line collect a 10-cookie or 10-cracker sample for testing inside the quality assurance lab. Operators pass the product through the QualiVision machine, which tests for consistency in diameter, roundness, percent of icing coverage and height. Employed since 2001, the QualiVision machine turns the analysis into science by providing a numerical value to a quality attribute.

After scoring the product in the QualiVision machine, operators continue with a visual analysis of the top and bottom half of the product looking for consistency of color and further test the product's texture by grinding the cookies or breaking the saltine or oyster crackers. Operators finally choose two product examples, one displaying the top half of the cookie and also a bottom half, to display on the slotted board inside the lab for an hour-by-hour visual comparison of the day's production. Because consumers generally "eat" first with their eyes, it's impor-



▲ Quality assurance functions are the responsibility of (from left) Ron Pepperdine, quality assurance director; Julie Chapin, QA technician; Karrie McCleary, QA technician; and Camay Gerhardt, raw material inspector.

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tant that the product not only be consistent in appearance but also visually appealing to eat. Operators focus on the midpoint of consistency rather than the range.

Each line showcases a QI board with hour-to-hour and daily scores. The scores from the hourly runs in the QualiVision machine are displayed at each line. Because of the prominent placement, each worker can see the quality of product produced by their own line as well as other lines. Each line receives an average of its hourly scores at the end of the shift. The line earning a consistent score of 100 over the course of their shift receives a plaque, which is prominently displayed by the time clock and in the window of the QA lab. The plaque focuses quality assurance on the people directly producing the product. The display also contributes to healthy competition between the employees working on the various lines, and instills a sense of pride in each employee.

Variations in product can occur not only with ingredient or temperature changes but also with a change of human eyes and perspective, so the bakery routinely rotates inspectors to different lines so product is reviewed by a "fresh" set of eyes.

"Quality is not a personal opinion or something that can be subjective; quality is based on established parameters," said Ron Pepperdine, director of quality assurance, Vista Bakery.

— Jennifer Barnett Fox



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► Only a small portion of the day's production is held on-site. To optimize production floor use, Vista Bakery sends most to an outside 200,000-sq-ft warehouse for distribution.

the engineering assistance to convert one of Tom's lines for wire-cut production and start it up, thus expanding its capabilities.

With the Tom's Foods acquisition, company product line offerings increased. It added potato chips, pretzels, peanut-butter cracker sandwiches and other items. This means new packaging options. Tamming brought sugar wafers into the mix. Today, Vista Bakery has a unique blend of product capabilities within its facilities.

RESTORING SUPERIOR SERVICE. "Our customers expect stellar customer service," Mr. Hayman said. "Yet for two years, we found it difficult to meet customer needs. That put a lot of stress on the plant, and most existing lines here were running 24/7 to get product out the door. We didn't always feel that we were meeting our standards." Even when the expansion was completed in 2005, the extra hiring and training continued to strain the system.

"Those two years created a lot of stress, and the management team and hourly people put in a lot of effort," he continued. "But as of the end of 2005 and now into 2006,



we have been able to bring our services back to the high level to which we strive. We regained our momentum early this year, and that includes our ability to be efficient, too.

"For that 2-year block of time, we focused on bringing capacity up," he continued. "Now, our efficiency, our customer services, programs and processes have all come full circle. For the past 11 years, Vista has experienced continual growth, but the past two years represented a real spurt."

Assisting the management team reach the company's service standard once again is a real source of pride to the 2006 Operations Executive of the Year. ■



Integrated Growth

Vista Bakery adds another 55,000 sq ft — and two oven lines — to its Burlington, IA, plant.

BY LAURIE GORTON

To describe the past two years at the Burlington, IA, plant of Vista Bakery, Inc. as "tumultuous" would be an understatement. The demands placed on the facility, its processing lines and its people were tremendous, taxing staff and equipment alike. Yet the organization achieved its goal of additional capacity and also accomplished a return to its high standard of customer service. Led by Vice-President of Manufacturing Bill Hayman, *Baking & Snack's* 2006 Operations Executive of the Year, the teams that manage the cookie and cracker bakery reached within themselves to make things happen.

"In 2003, we were close to capacity at Burlington and contemplating expansion," Mr. Hayman said. That need turned urgent when, in January 2004, a major competitor in the private-label bakery business shut down.

"Its customers were completely without supply," he continued, noting that \$120 million in business dropped

into the private-label bakery community from that closing. That's when Vista Bakery decided to go forward with the expansion, putting it on a fast track.

The first line was completed at the end of 2004. The expansion with the second line was finished in 2005. And the bakery grew from eight lines to 10 and in overall capacity by 50%.

After two years of 24/7 operation, Burlington's bakery schedule is returning to normal. This means three 8-hour shifts five to six days a week. Sanitation and maintenance operate on a 7-day schedule. "We produced seven days a week during the hectic years and are now able to get it back to a more comfortable level," Mr. Hayman said.

THE PROJECT. Ten years ago, the Burlington plant operated six lines. When Vista shut down its site at Columbia, SC, the company brought two of its three lines to the

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► On one of Vista Bakery's two new lines, a divided hopper feeds chocolate and white doughs into the rotary dies that shape the basecakes for the company's popular duplex sandwich cookies.

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Iowa location. "And the two lines we just installed are the largest yet, giving us a 50% increase in plant capacity," Mr. Hayman said. "Actually, we added two lines and expanded a third, so you might say we put in 2½ lines!"

One new line was for sandwich cookies, with a 68-in.-wide oven, which is among the biggest yet built by T.L. Green, a part of Reading Bakery Systems. The second was a saltine line with a 50-in. oven band, and the expansion of the third line was to add automated packaging for wire-cut cookies. The overall increase was significant.

"We also expanded the building by moving into part of the existing warehouse, adding to the receiving area and the 3-story mixing facility as well as space for packaging," Mr. Hayman said. This year, Vista also finished the robotics part of its original automated palletizing project. The total expansion was 55,000 sq ft and involved retrofitting packaging plus installation of two ovens and two packaging areas.

An essential part of this latest expansion was its advanced degree of automation. "As we have grown, we have also invested in automation," Mr. Hayman said. Most high-capacity manufacturing systems are set up to run without changes, he observed. But this wouldn't meet Vista's needs. With private label products accounting for 85% of the Burlington bakery's output, flexibility is mandatory. "A lot of effort was put forth to make our systems adaptable to change," he stated.

Automation changes staffing requirements: It requires operators with higher skills. "We upped our skill levels as the plant became more automated," Mr. Hayman noted. The company tapped the resources of local community colleges for training of mechanics, for example, and such outside programs allow individuals to test up into higher-skilled positions — a benefit all around.

Quality assurance activities also had to step up. "With more automation, we have to watch the specifics of the finished product's height and width," Mr. Hayman observed.

TEAM ROLES. Vista practices teamwork in managing its manufacturing operations, and this eased the difficulties always posed by construction and installation activities. Jim Hartschuh served as production coordinator for the expansion. He not only worked with the vendors but also coordinated with department managers and teams.

"Everything with the installation went fairly smoothly," observed Diana Gerhardt, the sandwich department manager. "Jim broke the project down into chunks." Notices of planned work were put up on a weekly basis.

"Even pictures of the new equipment were posted," said

Rick Black, the saltine department manager.

Daily meetings allowed the team leaders to work to-



gether with the expansion team and the sales group, facilitating construction while also getting product out the door to satisfy customers. "We created a core team with sub-teams and communications teams and relied heavily for support from the hourly staff," Mr. Black said.

"Every time you start a new process, you have debugging," Mr. Hayman observed, "and our team members were integral to that part of the recent installation."

The management team also appointed check-out teams to look at equipment in sites all over the world, according to Ms. Gerhardt. "We saw the equipment at the vendor, too, for safety and operational inspections," Mr. Hartschuh added.

"We involved our hourly people in the check-out process, to talk with vendors and to inspect the systems at the factories before approval," Mr. Black said.

"And a few times, we held up something to do fixes before we would allow the system into the plant," Mr. Hartschuh said. "We did so because our tight capacity situation required that we would be able to run it as soon as it got here."

IN ACTION. The latest addition added 55,000 sq ft to the Burlington plant, now at 360,000 sq ft under roof. This includes a modest-sized warehouse wing, but the company also uses another 170,000 sq ft of outside warehouse space. The expansion allowed Vista to add space on three floors: the first-floor area where new cookie tray-loading and wrapping takes place and where the front ends of the two new oven lines are located, plus the second and third floors, which accommodate mixing and ingredient storage and handling. Construction also converted part



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► Three new horizontal mixers supply cookie doughs through in-floor chutes to the processing lines below on the plant's main production floor.

of the existing warehouse to provide additional packaging and robotic palletizing capacity.

Ingredient storage and handling on the third floor employs Reimelt technology, increased in capacity to supply the two new lines. The scale-up system automatically delivers bulk ingredients to the mixers located on the second floor. The ingredient room operators portion hand-adds and send them through a chute serving the mixers.

Because of the tight storage situation at the plant, most ingredients are stored off site and delivered to the plant two or three times a day. "Some supplies such as packaging materials come directly from vendors with warehousing in town," Mr. Hayman explained.

Packaging and ingredient supplies to be used at-line are moved to "parking spaces" painted on the floor in specific locations. This is a Visual Factory technique that enables visual verification that raw materials are ready for use or ready for transfer back to storage.

A system of Pfening sifters safeguards flour quality, while the Spangler water meters mix hot and cold water to the required temperature. The bakery substitutes ice for some formula water only on the hottest days of summer, and it can control the temperature of ingredient oils, too.

The second floor houses both the saltine proofing room and the several mixers that supply the process lines on the floor below. Three Shaffer horizontal mixers were added as part of the latest expansion. Doughs move by gravity through the chutes in the floor to the makeup systems below.

HIGH-TECH STACKER. Vista selected its new lines with state-of-the-art technology in mind. The sandwich cookie line, for example, allows deposit of 32 rows of base-cakes, the biggest APV Baker (now Baker Perkins) has yet made. The wire-cut line also uses a 50-in.-wide oven, and this represents the new industry standard for wire-cut cookies, according to Mr. Hayman.

▼ A pair of new-tech cookie stackers can load 1,000 wire-cut cookies per minute into plastic trays for packaging. Vision systems eliminate doubles and broken cookies.



When installing the new lines, Vista expanded the sandwiching area by using a part of the plant originally devoted to rail-car unloading. The company selected Houdjik stacker/counters, two systems in total, to manage loading of wire-cut cookies into trays for packaging. Each machine handles 1,000 cookies per minute, and the line includes a vision system to remove doubles and broken cookies. All packaging operations employ metal detectors and checkweighers for product protection.

Expansion also allowed Vista to install another robotic case palletizer to handle output from the two new lines, thus raising its count to five such systems.

After packaging, case-packing and palletizing, products move into the on-site warehouse. "We have a 'home grown' warehouse system," Mr. Hayman said. "Each pallet carries a 'license plate' with the codes describing its contents and manufacturing data."

This information is scanned into the warehouse's computer control system. Fork lifts have scanners, too, to record the location of the pallet when the operator inserts or removes it from storage. The computer tracks what products are stored and where.

RENEWAL. The high level of activity during the past two years on occasions taxed Vista's standards for customer service. It certainly overloaded staff schedules. With the installation, commissioning and startup now well behind them, the company's teams have worked hard to re-establish service levels.

"As we completed the engineering installation of the new lines, we went back to review the overall process, looking at old lines as well as the new ones," Mr. Hayman explained. "We created teams and set up groups to look at how we could regain control. It was a difficult time for the people side of things, too."

The teams developed a game plan that enabled the bakery to regain its momentum early in 2006, according to Mr. Hayman. "That includes our ability to be efficient as well as effective," he said. The renewed facility is now gearing up for an even better year in 2007. ■

