OPERATIONAL APPROACHES TO ADDING VALUE
Business Objective

- To develop the **best** consumer driven solution that affords the opportunity to build a meaningful and sustainable category share

- **Current Metrics**
  - Household Penetration
  - Buyers repeating
  - Purchase Frequency (days)
Operational Objective

- To produce and deliver products in specification to specific customer needs:
  - **Current Metrics**
    - Packaging Format
    - Meat appearance
    - Meat presentation
    - Flavor / Thickness
Operational Added Value Priorities

- People
  - Food Safety
  - Worker Safety
  - Environmental Safety
  - Employee Training

- Quality

- Customer Service

- Relentless Continuous Improvement
Operations Top Priority is to Produce Safe Food

- Annual Foodborne Illness Statistics
  - 1 in 6 Americans (or 48 million people) gets sick
  - 128,000 are hospitalized
  - 3,000 die of foodborne diseases

Center for Disease Control, 2011
Food Safety Guiding Principles

- We will never compromise food safety.
- Pathogens are an ever present enemy
  - “Listeria Hunters” should be encouraged to find pathogens
- Never forget - we cook meat for a living.
  - We have to do it right every time.
- Eating is not an elective!
Alexander Thomas Donley

Born - January 28, 1987
Died - July 18, 1993
Food Safety Guiding Principles

Would you take our products home and feed them to your loved ones?
Operational Added Value Priorities

Quality
Quality – Packaging Innovations

Perforated portion packs provide consumers Smithfield bacon in two easy peel pouches, maintaining product freshness and reducing waste.
Quality - Packaging Innovations

Self-venting cook-in-the-bag technology increases the convenience of meal preparation, enhances the end result, and reduces clean-up messiness and time.
Quality - Packaging Innovations

Re-sealable, gas-flushed, shingle packaging delivers Deli quality and freshness in a ready-to-go format
Quality - Convenience

Convenient on-the-go packaging provides meal and snack solutions any time, any place.
Quality - Convenience

Right-sized portions in a variety of cuts, pre-cooked and ready to heat and eat in minutes
Quality - Convenience

Convenient solutions for customizing the meal via a pre-cooked, heat-and-eat format
Quality - Convenience

Minimally processed pre-marinated pork tenderloins, filets and sirloins deliver quality, variety, and convenience.
Operational Objectives & Priorities

Customer Service

“The next step or process is the customer. The preceding process must always do what the subsequent process says”.

Edward Deming
Choices

All-natural sodium replacer provides the function and taste of salt without the nutritional implications of high sodium levels.
Choices

All natural and minimally processed Spiral Sliced Ham, uncured and made with no added hormones or steroids, free of antibiotics.
Flavor Choices

Real bacon combined with quality deli meat for a totally new taste experience
Flavor Choices

Sweet and indulgent flavors like Pecan Praline and Caramel Apple for new and unique tastes for holiday or any day meals
Flavor Choices

Bold and spicy taste combined with the smoky deliciousness of smoked sausage
Operational Added Value Priorities

Continuous Improvement
The Toyota Way

“All we are doing is looking at the timeline from the moment the customer gives us an order to the point we collect the cash. And we are reducing the timeline by removing non-value-added waste.”

Taiichi Ohno
Determine Value or Non-Value Added Activities

Process Step

Necessary To Produce Output?

YES

Contributes To Customer Demands?

YES

Value Added

• Trimming
• Blending
• Packaging

NO

Contributes To Business Demands?

YES

Essential Non-value Added

• Financials
• Scheduling
• Minimal Material Handling

NO

Non-essential Non-value Added

• Movement
• Rework
• Storage
Coextrusion
Machine Vision

- Imaging – taking an image
- Analysis – analyzing the image to obtain a result
- Communication – sending the results to the control system and
- Action – taking action based on result.
Automation
Robotics
Integration
Waste Reduction

- Operations challenged to reduce carbon footprint.
  - Package Design
  - Amount of packaging
  - New and innovative ways to recycle packaging materials
Waste Reduction

- Creating bags on line
  - Fit product instead of unnecessary waste
- Re-usable “supersacks” to transfer products to reduce paper usage
- Right sizing packages across all products
- Reusing cardboard combo bins within plants
- “Zero Landfill” plant goals
“Those who don’t set the pace for change…. Become the victims of change”

Anonymous Innovator
Questions
Thanks to Our Sponsor

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