All Bearing Plants Smell the Same

In early 2010, Rollon added more than twenty years of linear motion experience to its roster by bringing Rick Wood on board as managing director.

Chem.Info's sister publication PD&D [1] sat down with Wood to discuss bearing jokes, one-piece flow, silly ways to make money and the further weakening of the dollar — among other things.

PD&D: How did you get your start in the Industry?

Rick Wood: In 1975 I toured the Timken bearing factory in Canton, OH with my local Junior Achievement class. That was my first visit to a bearing plant, at the age of 14. Since then I have been in bearing plants on three continents. (They all smell the same.)

In 1990, I was hired by RHP bearings to manage their Anti Dumping response to the U.S. Department of Commerce — my job there eventually lead me into sales. Through my experience with some amazing people and mentors at RHP and then Bosch Rexroth (Star Linear), I was able to improve my sales skills, test marketing principles and gain a strong understanding of business.

PD&D: What has been your most odd experience or interesting project in your 20 years in the industry?

Wood: In this industry I have seen many weird and wonderful things, but one that stands out is my first sales meeting with a bunch of bearing salesmen. We were standing around the bar and one guy told a joke with a bearing part number as the punch line. Everyone got the joke but me, and I started to question who I was hanging around with.

The other happened on my first sales call. I had made an appointment with the branch manager of a distributor for 9:30 am for 30 minutes. I arrived on time for my appointment, but sitting in the office, with his feet up on the manager’s desk, was a

salesman from another bearing manufacturer and they talked about 25 minutes into my appointment time.

The manager then came out to call me in and told me that he only had a few minutes, since he was late for another meeting. I made my introduction and quick sales pitch, then went three blocks down the road to this distributor's competitor, and sold a lot of product over the next three years.

PD&D: Where do you see linear motion products in the next 10 years?

Wood: Whether we like it or not, all manufacturing in the U.S. will become "lean" over the next 10 years or will not exist at the end of this coming period.

The companies (our customers) that consume linear guides need to become leaner in their design, supply chains and manufacturing environments.

Linear motion companies that can react to that requirement will survive and those which cannot will struggle. This does not mean that we will be flooding our inventories to meet the immediate pull demands of our customers, but offering a fast design cycle for our products, rapid delivery of prototypes and pull demand and short lead time "one-piece flow" for our production.

Recently I sat in a meeting with a supply chain manager and he reached across the table, tapped his finger against my forehead repeatedly and chanted "one-piece flow, one-piece flow, one-piece flow…"

It was a good lesson and a warning as well that companies who don't get this, won't be in that supply chain.

As the production system of companies becomes more global (production in North America, Asia and Europe) and companies produce in a region for the particular region's demand, we will all need to be able to meet a global demand competitively — without the international boundary restrictions we now face.

This lean demand will also challenge consumers of linear products (actuators, guides, screws, etc) to re-think and re-work their design strategies as well, since lean implementation starts on the drawing board, not on the shop floor or purchasing office.

PD&D: In a recession should a company hold back or aggressively move forward?

Wood: We all hate recessions, but recessions offer all of us a chance to re-evaluate and re-address our priorities.

In times of good business, we often grow into things which are not healthy or profitable and a squeeze on budgets forces management to consider which projects, products and resources are necessary for the true mission of the organization and which are not.

Honestly, it is an activity that all companies should be doing continuously, but since the budget pressure is not there, they tend to grow in silly ways. Every company has the need to “eat now” as well as build and prepare for the future, so a balance always needs to be maintained.

The crisis of this recession caused many companies to get serious about cash flow and lean principles. It is my experience that there are way too few managers who know anything about cash flow and truly organize their lives around maximizing that variable.

Managers and businesses who adhere to this principle in my estimation will be ruling the world over the next 10 years.

PD&D Given the current state of the economy, what keeps you up at night?

Wood: The state of the general economy and the current level of thinking in Washington are concerning me the most. Since August 2008, there has been a massive increase in the money supply through the TARP bailouts and the Federal Reserve injecting cash into the system in order to prevent a massive contraction in the money supply.

If this injection is not somehow recalled out of the banking system and allowed to come back to historical levels, then I fear of a further weakening of the dollar, leading to inflation and stagflation as we have never experienced before in the US.

The current suggestions of using the TARP paybacks as some sort of “found money” is concerning as the only legitimate use of this money should be for debt retirement since the TARP fund was created out of thin air.

Also, the future of this country’s tax policy (one needs to look at both State and Federal since unfunded mandates from the Federal Government onto the states will require tax increases due to the State balanced budget constraints), being in a state of flux right now is a concern.

Businesses who don’t know what the tax implications for the future will have a difficult time in valuing and planning for CAPEX and investments in technology. This instability is not unlike the uncertainty in countries where industries are nationalized at the dictator’s whim.

We must return to a long term approach to tax policy so that the business environment stabilizes. The financial markets and credit limitations are still a concern and the regulators are causing banks to hold back in lending, while the policy makers are encouraging banks to lend more.

This cannot continue if we are to see any kind of sustained expansion. I am forecasting a good economy for 2010 and 2011, I would like this to continue into 2012, but I have my doubts about the staying power of this recovery and am

hedging for 2012.

PD&D: What would you say is your specialty?

Wood: Understanding problems in unique ways. This brings a fresh perspective to my customers and work associates.

PD&D: What do you hope to bring to Rollon?

Wood: I am experienced in both marketing and sales management as well as sales team development.

I hope that we will be able to position Rollon effectively and present well the strengths of our product and its unique value to our customers. My association with many international companies, and extensive travel, helps me to communicate the opportunities and challenges we face in the US market.

PD&D: What attracted you to the company?

Wood: Rollon has three areas of interest to me. First, the company offers a unique product with a very strong reputation for quality and performance. I like being able to walk in the door of a company and be able to say, “We make high quality products that will out-perform much of the competition.”

Second, it has recently developed a strong management team which I would be privileged to join. Third, Rollon presents an opportunity not unlike the linear motion environment of the early 1990’s when linear guides were first being introduced to the market and the acceptance of the product was growing exponentially.

The value proposition is unique in that we have products which allow our customers to successfully function with less than perfect mounting or operating environments.

For more information on Rollon, visit www.rolloncorp.com *[2].*

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