

July / August 2010

Inside:

Page 2

- President's Message - Swap Insights Trading Places

Page 3

- Ask the Business Doctor
- Reduce Costs & Conserve Energy with NYSERDA Programs

Page 4

- WNY Companies Receive \$4.7 Million for Innovative R&D

Page 5

- SBIR/STTR Awards 2009 - Buffalo/WNY

Page 6

- One Foot in Front
Achieve Your Wish



Need Help with Energy Costs — see page 3

Strategic Business Support Brings Results for United Bio

United Biochemicals has had a successful relationship with Insyte Consulting since early 2005. Learn how this partnership led to multiple projects, all designed to assist the company to meet the challenges associated with growth.

United Biochemicals, located in Sanborn, NY is a leading manufacturer and bulk distributor of high quality biochemicals, reagents and custom solutions serving many of the most innovative companies within the life sciences industry. Originally founded as Farmis, Inc. in 1996, the company has grown from a modest 5,000 square foot plant in Niagara Falls to its current 43,000 square foot state-of-the-art facilities in Sanborn. The company currently employs 31 people.

ISO 9001:2000 Training

Insyte and United Biochemicals began their relationship with a project designed to help United Biochemicals achieve ISO 9001:2000 certification. The project began with a thorough gap analysis of United Biochemicals' existing Quality Management System to identify additions or enhancements needed to comply with the ISO standard. United Biochemicals and Insyte consultants then worked together to develop or enhance the required procedures and work instructions. Insyte provided training that would allow United Biochemicals to effectively implement the Quality Management System, including Overview Training for all company personnel and Internal Auditor Training.

As United Biochemicals began to use its updated Quality Management System, Insyte provided guidance during the required Management Review meetings and Internal



QC lab technician performs USP sterility testing at United Biochemicals.

Audits and provided a mock audit of the entire system to identify any final gaps and prepare United Biochemicals for its Certification audit.

The Results - Certification successfully achieved in June, 2006.

The certification allowed United Biochemicals to initiate a marketing campaign which contributed to a 20% sales increase in the first year of implementation. Also, the company experienced a 5% site-wide quality improvement.

Productivity Improvement Project

Insyte Consulting conducted an assessment of United Biochemicals' overall operations. Based on this Operational Assessment, United Biochemicals successfully applied for a grant through Empire State Development's Industrial Effectiveness Program to implement two of the key recommendations - selection and implementation of a new ERP system and implementation of Lean Manufacturing practices to improve production capabilities and throughput.

United Biochemicals continued on page 7



Swap Insights Trading Places

by Benjamin Rand

Recently, Jeff Kryszak of K-TECHnologies and Joe McMahon of Audubon Machinery switched places and ran each other's businesses for a week. This generated a lot of publicity focusing on the uniqueness and creativity of their

idea. However, I found it instructive, less because of its uniqueness than because it illustrated and reinforced some timeless truths.

The first lesson is that a fresh set of eyes can see things that those most familiar with a business cannot. That was the whole idea behind switching places. Joe and Jeff recognized what many experienced managers know; that after years of running a business, it can be difficult to see what should be changed or to identify improvement opportunities. How can that happen? Well, the CEO's role is to focus on the future, to look outside the business at clients, competitors and the market, so the CEO will rarely see internal improvement opportunities. The role of managers and employees is to execute day-to-day business as efficiently as possible, which often means putting a process in place, then always following that process. Obviously, it is very difficult to follow directions efficiently while always asking, "Why?" Many employees are reluctant to offer their improvement ideas fearing that they will be ignored or criticized. So over time the business gets into a rut and stops seeing opportunities for improvement.

There are several ways to avoid this trap. Many large companies hire someone—Continuous Improvement Manager or Lean Champion are typical titles—whose job it is to look for improvement opportunities everywhere, all the time. These resources can be expensive, but they should pay for themselves every year with the savings they generate. Another approach is to ask your employees for their ideas. The critical caveat here is that you **MUST** be willing to listen and put their best suggestions into place or you will quickly discourage them. Alternatively, you can look for experienced busi-

ness advisors who can look at your business and identify opportunities for you.

The second lesson from Jeff and Joe's swap is that good, experienced management transcends company and market specifics. Many readers probably wondered how Joe and Jeff could contribute anything to unfamiliar companies selling unfamiliar products in unfamiliar markets with unfamiliar personnel. We all have a tendency to focus on the things that are unique about our businesses, so it is easy to lose sight of the fact that the vast majority of what most manufacturing companies do every day is the same: planning, manufacturing, selling, distributing, collecting, paying and, above all, working with people. Experienced leaders and managers focus on those fundamentals because they understand that those fundamentals are critical to making any business better. It is the same as a good football coach moving to a different team with different personnel running a different scheme in a different conference. No matter how much is different, good blocking is still good blocking and good tackling is still good tackling. So when order delays and employee issues arose during the swap, they were addressed quickly and appropriately because that is what good managers do. When K-TECHnologies ran into production delays for NASA, Joe "stayed calm and asked the right questions," according to one employee, and resolved the situation.

You can improve your management expertise any number of ways. UB's Center for Entrepreneurial Leadership (CEL) program is a good source for developing and sharing management experience. Organizations like Vistage and the Young Presidents Organization (YPO) are designed to help leaders improve. Creating a Board of Advisors or Directors is a common strategy to get the help of experienced business leaders to improve yourself and your company. Business advisors and coaches are widely accepted options. If all else fails, you could always call Jeff or Joe...

A handwritten signature in black ink that reads 'Ben Rand'.

Reduce Costs & Conserve Energy with NYSERDA

How much do you spend on gas and electric to run your business? Are your energy costs out of control? Did you know that you can dramatically save?

The New York Energy Research & Development Authority (NYSERDA) has a wide range of programs and related incentives to help Western New York manufacturing companies conserve energy and realize substantial savings in utility costs. Assistance is available for both new construction and existing facilities. Eligibility is generally available to companies whose combined electric and gas utilities exceed \$75,000 annually and who pay the system benefit charge (this is an amount charged by public utilities and is a line item on the billing statement).

Some of the key programs and benefits available for existing facilities through NYSERDA include:

NYSERDA continued on page 4

NYSERDA Funding Workshop for Manufacturers



Thursday, July 29, 2010

8:30 am - 11:00 am



Site: LCo Building, 6th Floor Barton Room, 726 Exchange Street, Buffalo NY 14210

NYSERDA has a variety of lucrative programs to help manufacturers with:

Funding of Lean and six sigma projects—since NYSERDA measures energy savings on a per unit basis, lean manufacturing and six sigma programs can easily qualify for funding. Productivity increases, scrap reduction, and process efficiency improvements all result in decreased energy per unit.

Funding for facilities investments—NYSERDA has generous incentives for investment in equipment and infrastructure improvements that will save energy. Lighting, pumps, exhaust systems, condensers, insulation, compressed air, HVAC and much more are included.

Join us for an interactive presentation of NYSERDA programs including:

Description of programs • How to access funding • Eligibility criteria
How to estimate investments required • How to calculate potential savings & ROI
Resources for identifying the most lucrative projects • Deadlines & applications

Registration: Free, pre-registration required on-line at:

www.insyte-consulting.com or call 716.636.3626



Question: "Six Sigma" is the "TQM" of the 2000's. What's the big deal? Is it really different from other methodologies? *Dan T., Cheektowaga, NY*

Answer provided by Steve Diloia, Insyte Consultant & Six Sigma Master Black Belt:

We could also ask what is the difference between Six Sigma, TQM, CQI (Continuous Quality Improvement), QFD (Quality Function Deployment), and the list goes on.

Ask the Business Doctor

Ask anyone who is not a quality specialist or professional and they will say that they are all the same. Ask a group of quality professionals and you will most likely start arguments as to what are the differences between these approaches—especially since most quality professionals have a personal favorite.

The short answer is that they are different but complementary. TQM, based on Dr. Deming's 14 Points (see www.asq.org), aims to influence an organization on a system-wide basis, comparable to implementing ISO 9000 or other quality management systems. It is a way of doing business and a cultural philosophy involving the whole organization in an effort to improve quality. Six Sigma should be part of the culture of

the organization too. The difference is that Six Sigma utilizes powerful statistical tools requiring specially trained personnel and supported by the organization while TQM should involve everyone.

Like other methodologies, Six Sigma and TQM are simply tool sets that are best suited to certain problems. Don't be fooled by the "one-size-fits-all" fanatics who claim that their methodology is the one "true" answer to all your problems. In the final analysis, you want to maximize your business performance and profitability rather than championing one methodology over another.

Have a question for the Business Doctor? Submit questions to kdelius@insyte-consulting.com. ❖

WNY Companies Receive \$4.7 Million for Innovative R&D

Small businesses in the WNY region received almost \$4.7 million in 2009 through the U.S. Small Business Innovation Research (SBIR) and Small Business Technology Transfer Research (STTR) programs.

As detailed on the table on page 5, thirteen local companies received twenty-one SBIR/STTR awards in 2009. Award amounts ranged from \$89,978 to \$750,000 and covered a wide range of technologies. The data in the table were compiled by Insyte Consulting from the websites of the eleven federal agencies that participate in SBIR/STTR.

The SBIR and STTR programs provide grants and contracts to U.S. businesses with 500 or fewer employees to conduct innovative research and development with strong commercialization potential. These programs awarded over \$2 billion nationwide in 2009. Small Business Administration has recently raised the award threshold amounts for SBIR to \$150,000 for phase I, and \$1,000,000 for phase II.

Agencies that participate in the program issue solicitations for proposals throughout the year on a wide variety of research topics. Proposals are evaluated based on their fit with the solicitation,

degree of innovation, technical merit and capabilities, and commercialization potential.

Insyte Consulting is the NYSTAR-designated SBIR/STTR specialist for the Western New York and Finger Lakes regions. Insyte provides information and assistance to local companies, including help identifying appropriate solicitations, coaching about proposal development, and commercialization assistance. Because of NYSTAR's financial support, there is no charge for this assistance. Contact us at 716.636.3626 for more information or to be added to our SBIR email information list. ❖

Three Phases of SBIR/STTR

Phase	Typical Funding	Work Period	Objectives
Phase I	Up to \$150,000	Six Months	Proof of Feasibility
Phase II	Up to \$1,000,000	18-24 Months	Primary R&D / Develop to Pre-Production
Phase III	No SBIR Funding	Ongoing	Commercialization

NYSERDA continued from page 3

Flexible Technical (FlexTech) Program: This is a comprehensive, customized energy study intended to identify specific opportunities to reduce energy usage and expense.

Pre-Qualified Incentives: This program provides incentives up to \$30,000 for specific energy efficient upgrades like lighting, HVAC, chillers, motors, refrigeration, etc.

Performance Based Incentives: These tend to be larger investments in compressors, furnaces, boilers, water heaters and other heating equipment. The minimum project incentive is \$10,000 and can be as high as 50% of the project cost up to a maximum of \$5 million per project site within a two year period.

Similar incentives are also available for new building construction and facility expansions. For new facilities the maximum incentive can be up to \$5 million per site. Types of investments eligible include process improvement, waste reduction,

cycle time reduction, compressors, motors, lighting and other productivity improvements.

Many of the NYSERDA programs may complement and be compatible with other productivity activities pursued through Lean Manufacturing or Six Sigma. In general energy is embedded in every part, all scrap has an energy component and both rework and overtime demand additional energy usage.

NYSERDA programs are funded by the System Benefits Charge (SBC) you pay with each utility bill. Make the SBC charges you pay work for your company! These NYSERDA programs are not competitive like the NYSERDA PON programs you may be familiar with. If you meet the eligibility requirements while the funding is available, you will qualify. Join us on July 29 and get started!

For further information on this event or to discuss your specific energy situation and opportunity, give us a call at 716.636.3626. ❖

SBIR/STTR Awards FY 2009 - Buffalo/WNY

Company	Topic	Agency
AndroBioSys, Inc.	Primary Xenografts of Human Tissue as Surrogates of Cancer in Situ	NIH
	Vascular Targeting for Imaging and Treatment of Benign Prostatic Hyperplasia	NIH
Buffalo Biolabs, LLC	Generation of a Monoclonal Antibody Agonist to Toll-Like Receptor 5	NIH
	Targeting MLL as Anticancer Therapy for Infant Acute Lymphoblastic Leukemia	NIH
	Safety/Efficacy of Liposomal Reversan, a Novel MRPI Modulator for Cancer	NIH
Calspan Corporation	Unmanned Operation of Fly-by-Wire Testbed Aircraft	DOD,NAVY
Esensors, Inc.	Time Synchronization of Wireless Sensor Networks	NIST
	High Resolution Tunable Receiver for Remote THz Sensing	NSF
First Wave Technologies, Inc.	Coupled Gene Delivery and Protein Transduction for the Reduction of Atherosclerosis	NIH
Full Circle Studios, LLC	Family Education for Confirmed Newborn Screen	NIH
Imagination Software Corporation	Clinical System for Measurement of Oral Crest Height Change in Dental Radiographs	NIH
Janya Inc.	Exploiting Essential Elements of Information from Significant Activity Reports (SIGACTS) for Forensic Analysis	DOD,AF
Kinex Pharmaceuticals, LLC	Commercial Development of SRC Kinase Inhibitors for Oncology	NIH
Medical Conservation Devices, LLC	Pandemic or Mass Casualty Aseptic Shared Ventilation (Phase I and Phase II awards)	NIH
Mehrdad Soumekh Consultant	Synthetic Aperture Radar Ground Moving Target Indicator (SAR/GMTI) for Detection, ID, and Tracking of Moving Targets from Airborne Radar Systems	DOD,AF
Sensorcon, Inc.	High Power Carbon Ultracapacitor	DOD,AF
United Environment & Energy, LLC	Heterogeneous Catalytic System for Biodiesel Production from Alaska Fish Oil	NSF
	Waste Cooking Oil and Fly Ash Based Bioasphalt	NSF
	Thermochromic Intelligent Roof Coating	DOE
	Structured Catalyst for Biodiesel Production	DOE

DOD = Department of Defense, NIH = National Institutes of Health, NSF = National Science Foundation, DOE = Department of Energy, AF = Air Force, NIST = National Institute of Standards



One Foot in Front *Achieve Your Wish* by Russ Kamis

The last few issues we have explored how to get fear under control

(Cage the Monkey) and how to find passion and purpose (Free Your Mojo). But what do you do with that wish; how do you manifest your desire? As the Winter Warlock sings in the movie *Santa Clause is Coming to Town*, "Just put one foot in front of the other."

Everyone is somewhere in the continuum of finding their wish and achieving it. To go from wanting something to achieving it requires that you believe your wish is attainable. Young children know this intuitively.

Yet as we get older, the vast majority of people spend their lives stuck right here. If you ask them why they aren't pursuing their dream they will tell you something along the following line: "They would pursue it if they only knew how it could be accomplished." Since they can't figure out exactly how they will accomplish their goal, they don't try. They can't see how to do it, so they conclude it must not be possible. People often equate not knowing how they will accomplish something to believing they can't achieve it. They let their lives fill with busyness and distraction instead. The lack of action causes their dreams to wither.

The truth is that every path forward is unclear after only a bend or two in the metaphorical road. No one knows "how" they will ultimately succeed when they set out to achieve great things. Yet "How" is often the very thing that stops

us from starting. To achieve any goal, the process is simple: focus on "what" you want, not "how" you will get it. There are four practical steps you can take to achieve your desire:

- 1 **See It, Feel It:** Make your wish crystal clear. Spend time with it. Know your desire spectacularly well. Take time to paint the perfect image in your mind. Know what it feels like to have it accomplished. Visualize an outcome that emotionally moves you and feel it fully. Use all your senses. The more emotion you place on a wish the faster it happens. This way you will know it when you see it. Desire and motivation speed the process.
- 2 **The "What" Filter:** Use your wish as the filter for all decision making. At each point in your journey, look at the current options and possible next steps. Make each decision and take the best action(s) that best propel you toward your goal. Each journey is simply the culmination of thousands of steps. At age 20, I set a goal to become President & CEO of a business. I did not know how to achieve it. I simply kept making the best decisions and choices I could to get me there – the grades I got, the schools I attended, the jobs I took, the companies I worked for, the relocations I accepted, the hours I worked. I used the vision of what I wanted as the criteria to decide the next best step to take. Over 15 years, I made thousands of near-term "how" decisions and took action using my wish as my guide. As a result, I became CEO at age 35 – some 10 years ahead of plan.
- 3 **Believe in You:** Have faith and confidence in yourself. You can accom-

plish your wish. The place to start is in your thinking. Your thoughts are the only thing in your life that you have absolute control over. Many people see themselves as limited. Know that every limitation you have, you decided on. You heard it somewhere, or thought it yourself. Then you accepted it as true. Every limitation is self-imposed. "I can't," "I never," "I'm not good at" – are all the result of habitual negative thinking. The good news is that since you created your limitations, you get to choose every day whether to keep them or not. They are trash. Throw them out. You control your destiny.

- 4 **Failure is Impossible:** There is no way to fail by pursuing your wish. That is not to say you can't fail on the world's terms – lose money, have the venture go under, etc. – this can happen. However, by following your purpose and passion, you've given yourself the most meaningful opportunity at full expression, creative endeavor and self actualization. There is no higher calling than listening to your heart. You can't come up short. You will learn, grow and mature – all while being true to yourself and your life's journey. Real failure is living your life without pursuing your dream and wondering "what if." Soon after leaving my CEO position the economy turned and I lost all the money I saved during those seven years. I felt terrible. Had I pursued my real interests instead, I would have ended those seven years at peace with my choice, even broke, because I would have honored my spirit and progressed down my path. This is real success.

One Foot in Front continued on page 8

United Biochemicals continued from page 1

The multi-faceted project included facilitation of sessions to identify strategic objectives and define business system requirements. Under Insyte's guidance, United Biochemicals created Value Stream Maps of key business processes and critical information flows within the organization.

The Insyte/United Biochemicals team then determined a short list of business system candidates and created a RFP document to solicit product demonstrations.

Lean improvements in both production and office areas were facilitated using appropriate lean tools, including setup reduction and workplace organization (5S) and the development of a simple production scheduling system.

The Results - Significant improvements in multiple areas

The new ERP system implementation was completed within plan budget and timeline. Specific benefits included:

- A 10% increase in front/back office productivity
- A 15% improvement in business opportunity closure rates
- Improved materials management processes which elevated on-time shipping performance to 98%
- Reduction in manufacturing set-up time that improved the production to schedule performance by 20%
- Site-wide enhanced analytical capability allowing for real time data analysis and 'data-based' decisions

Strategic and Marketing Planning

United Biochemicals contacted Insyte in 2009 to help them develop a Strategic and Marketing Plan to provide a proactive focus and alignment to guide the company's growth. The project began with a series of meetings with company leadership to devel-

op the company's vision, including its mission, core values, and a description of its envisioned future. Insyte then facilitated analysis and information gathering, including S.W.O.T. and most valued customer analysis, that would be used to identify key issues and develop Strategic Goals and Objectives. The plan culminated with a set of specific, meas-



United Biochemicals Manufacturing technician performs pH adjustment of product.

urable Action Plans with assigned responsibilities and due dates to provide a clear path and accountability to achieve the plan's goals and objectives. United Biochemicals also developed a process to execute, track and periodically update the plan and

communicate the plan and its status to all employees.

The Results - An actionable plan to achieve strategic goals

The management operating culture changed to think more strategically and to include cross-functional participation on key continuous improvement initiatives. YTD key indicators are:

- 32% increase in sales and 5% increase in new product introduction
- 6% reduction in operating expenses to plan
- 38% site-wide productivity improvement
- 50% improvement in first time right quality
- 100% customer satisfaction on key accounts
- 5% investment in organization skill development
- 100% increase in operating profit

According to Paul Parwulski, United Biochemical's Chief Operating Officer, "Insyte's team has become an extension of our team. They have participated in our quest for improved quality, improved productivity and continued growth within the Life Sciences market. They have also assisted our leadership team in preparing a long-term roadmap to strategically build the foundation for future success." ❖

Multiple Project Benefits

ISO 9001:2000 Training

- Certification - June 2006
- 20% sales increase in the first year of implementation
- 5% site-wide quality improvement

Productivity Improvement Project

- New ERP system implementation completed within plan budget and timeline
- 10% increase in front/back office productivity
- 15% improvement in business opportunity closure rates
- Improved materials management processes which elevated on-time shipping performance to 98%
- 20% improved production to schedule performance
- Site-wide enhanced analytical capability allowing for real time data analysis and "data-based" decisions

Strategic and Marketing Planning

- 32% increase in sales and 5% increase in new product introduction
- 6% reduction in operating expenses to plan
- 38% site-wide productivity improvement
- 50% improvement in "first time right" quality
- 100% customer satisfaction on key accounts
- 5% investment in organization skill development
- 100% increase in operating profit



726 Exchange Street
 Suite 812
 Buffalo, New York 14210
 web: insyte-consulting.com

Nonprofit Org.
 U.S. Postage
PAID
 Permit No. 1745
 BUFFALO, N.Y.

a NIST | Network
 MEP | Affiliate
 &



Affiliates News

Insyte Directory

726 Exchange Street, Suite 812
 Buffalo, New York 14210
 Phone: 716.636.3626
 Email: info@insyte-consulting.com
 Web: insyte-consulting.com

Karen A. Delius | Editor, Affiliates News

Benjamin L. Rand | President

For information contact

Erie, Chautauqua, Cattaraugus Counties
 John W. Murray
 716.864.8675

Niagara, Allegany Counties
 Bill Shepard
 716.984.7949

Insyte Consulting is a Western New York
 Technology Development Center, Inc. company.

This publication is funded in whole or in part by
 NYSTAR. Any opinions, findings, conclusions or
 recommendations expressed in this publication
 are those of the author(s) and do not necessari-
 ly reflect the views of NYSTAR.

One Foot in Front continued from page 6

To achieve your wish, decide "what" you want. Hold the image clearly in your mind's eye. Make decisions and take action that will best get you there. Be open to every path, insight, intuition, circumstance and serendipity. Don't worry about how it will happen. Know that your journey's details can only be known after the fact. These details are more generally known in aggregate as "life." Don't let the fact that you don't know how your life will play out keep you from living it to the fullest and pursuing your dreams. Head out. Start your journey. Simply take the next step or two by putting one foot in front of the other.

Russ Kamis is the Founder and Principal of the Kamis Group, LLC. Russ specializes in helping Presidents, CEOs and their leadership teams create a winning atmosphere ideal for success. To learn more about Russ visit:

www.thekamisgroup.com or contact him at
russ@thekamisgroup.com.

© 2010 by Russ Kamis. All Rights Reserved. Reproduction allowed only with permission

Editor's Note: This is the fourth in a series of articles written by Russ Kamis being offered to our readers. Future articles will deal with achieving success both professionally and personally. We are interested in your feedback. ❖

Need Content for your Company Newsletter or a Good Speaker for Your Next Meeting?

Many of the articles in the *Affiliates News* are available for reprint. In addition, Insyte can provide speakers, versed in a variety of topics, for your audience. Contact Karen Delius at 716.636.3626 ext. 301 for information. ❖

WNY's Leading Consulting Firm