General Offices TO

January 29, 1965

OBJECTIVES - 1965

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Plant Managers -
Guest Superintendents

Attached are the objectives, goals and actions for the manufacturing technical group in 1965, for your use and information.

Also attached is an abstracted summary of the proposed objectives, goals and actions of each member of the group. The summary was used as a basis for the development of the over-all objectives.

D. B. Hosmer

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Attachments

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OBJECTIVES, GOALS AND ACTIONS

MANUFACTURING TECHNICAL GROUP

1965

[illegible]TION CAPACITY

1. All department expansions and new production departments covered by a project summary will be started in strict accordance with the revised Organic Division Guide for Plant Start-Ups. (Goal)

   The Manufacturing representative for all start-ups covered by a project summary will be appointed before definitive design begins. (Action)

   At least three months before operations begin, a written start-up and correction expense budget will be submitted and approved for all major projects. (Action)

   a. A monthly report analyzing actual expenses versus budget will be issued until project premises are met. (Action)

   Incremental expansions and optimization of existing operations will be completed in advance of forecasted requirements. (Goal)

   All 1964 project completions covered by a project summary will be analyzed with results compared to project premises. (3/65) (Action)

   A written program designed to attain project premises will be developed wherever premises have not been attained. (Action) (Continuing)

   Plans will be developed to insure maximum economic recovery of by-products. (Action) (Report 6/65)

2. Performance variance analyses will be made monthly to identify problem areas. (Action)

   Allocations of charges for manufacturing research will be plotted monthly with controls applied to avoid overexpenditure. (Action)

   [illegible] performance variances and cost improvement [illegible] quarterly to appraise performance improvement [illegible]trated. (Action) (Report quarterly)

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QUALITY

1. Issue a quarterly report which specifies areas where Monsanto quality is not equal to competition, both better and poorer. (Action)

2. All significant quality improvements achieved by competitors in 1965 will be identified before the improved product is freely available on the market. (Goal)

3. Achieve significant quality improvements for at least 20 raw materials or finished products. (Goal)

4. Implement at least three improved quality control procedures which have over-all applicability. (Action) (10/65)

5. All specifications for raw materials and finished goods over three years old to be reviewed statistically and revised as needed. (Action). (Report 9/65)

STANDARDS

1. All standard manufacturing processes to be reviewed within two years and revised as needed. (Goal)

   a. Report status July and October. (Action)

CAPITAL EXPENDITURES

1. Approval rates to be controlled within budget for the division. (Goal)

   a. The informal budget for each plant to be continued in 1965 to develop information. (Action)

2. Pre-tax earnings and savings on all projects approved at division level to be increased from 45% to 55%. (Goal)

3. Method for calculating savings on capital projects to be defined in writing by February, 1965. (Action)

TECHNICAL GUIDANCE

1. Conduct 12 process reviews on major products during 1965 (three each, DBH, JAM, PWE, REB). (Action) (9/65)

2. Written improvement plans in existence for all major products or facilities by December, 1965. (Goal)

   a. Status report to be published June, 1965, and December, 1965. (Action)

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3. Survey all commodity plasticizer operations, compare and outline preferred process for best quality and cost. (Action) (5/65)

FOREIGN OPERATIONS

1. Compare operating efficiencies between MCL-MCAL-MOCAN-MARG-MC for all common products and agree upon areas for possible improvement. (Goal) (9/65)

   a. At least three process improvement plans to be completed during 1965. ; (Action) (12/65)

2. Evaluate possible addition of Organic products or groups of products for overseas manufacture. (Action) (12/65

3. Handle the S-160 Department at Antwerp in the same manner as a domestic operation. (Continuing)

4. Develop improved information concerning production capacity versus demand on an international basis during the year. (Action) (Continuing)

5. Arrange for exchange of cost performance information with overseas operations by June, 1965. (Action)

GENERAL STAFF

1. Revise and re-issue plant start-up guide during January, 1965. (Action)

2. Prepare a guide for cost standard preparation and review by June, 1965. (Action)

3. Insure smooth flow of information on common products during 1965. (Action)

4. Revise Bulletins O-7, O-18 and O-9. (Action) (6/65)

5. Present nine quality control or EVOP workshops to sales trainees, customers and plants. (Action) (Continuing)

6. Participate in ad hoc-IBG's as required. (Action)

7. Prepare a divisional procedure for preparation of specifications. (Action) (6/65)

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OBJECTIVES, GOALS AND ACTIONS

SUMMARY

From Lists Submitted by the
Technical Production Managers,
Manager of Foreign Manufacturing,
Manager of Quality Control

PRODUCTION: PLANT CAPACITY

	1.	4-NDPA, S-13 - from 3 M to 10 M pounds per year by July, 1965.	E
	2.	Santocure-Santocure NS - from 11 M to 14 M pounds per year by March, 1965.	E
Foreign	3.	Identify capacity versus demand on international basis.	
	4.	S-907 - demonstrate premises before January 1, 1966.	E
	5.	S-203-C - continue Ba Sulfonate.	E
	6.	Ca Sulfonate - manufacture when process available.	E
Foreign	7.	Oil additives manufacture world market plan - follow this.	E
	8.	Paper chemicals - capacity exists when needed.	E
	9.	Interim production made for SS-1000, PC 152, vinyl acetate copolymer, ethylene vinyl chloride copolymer.	E
	10.	Locate manufacturing equipment for TPSA and DCHP.	B
	11.	Plan and guide work to produce 52.4 M pounds adipic in 1965.	B
Foreign	12.	Evaluate new phthalic plant for MARG and initiate project if justified.	B
Foreign	13.	Transfer A-9 catalyst manufacturing effort to MCL.	B
	14.	Follow EV-Cl and sweetener acidulator developments and coordinate manufacturing role in commercialization.	B

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15. Define basis for expansion ONCB-PNCB resolution facilities, February, 1965. M

16. Develop program to maximize recovery of [illegible] able muriatic acid on a division basis. [illegible] 1965.

17. Demonstrate [illegible] design [illegible] rate by July, 1965. [illegible]

18. Demonstrate 1964 production standard [illegible] on NaPNP at WCK. [illegible]

19. Convince division management that more information than that contained in a sales forecast is required for planning product expansions. [illegible]

COSTS

1. No performance variance $60 M per year. E

2. Review variances production-TSD personnel by March 15 and July 1. E

3. Cost improvement plans completed for $1.2 M -- rubber, $600 M; oil, $300 M; paper, $300 M; by February 1, 1965 -- quarterly reports. E

4. TSD to determine personnel needed for (3) and allocate by March 1, 1965. E

5. Costs compared and analyzed for various locations, domestic and overseas. Target, $200 M. E

6. Select five prime targets for reduction work to assist, mechanical expense, process downtime. Target $30 M. E

7. Determine optimum grade and cost for cresylic acid for fluids, plasticizers, oil additive TCP-CDP. B

8. Pilot a "performance variance" analysis to replace a "cost variance" analysis. B

Foreign 9. Arrange exchange of cost standards and cost reports with MOCAN-MARG by June, 1965. D

Foreign 10. Arrange exchange operating efficiencies with MCL-MCAL by October, 1965. D

	11. Attain comprehensive cost improvement targets for all products and have savings basis clearly defined.	M
	12. No worthwhile cost improvement project delayed by lack of technical manpower.	M
	13. Demonstrate lactic acid project costs by December, 1965.	M
	14. Develop integrated plan to regain and hold manufacturing costs in Anniston Cl_2-NaOH-KOH Department; Plan, April, 1965; Results, July, 1965.	M

QUALITY

	1. Improve Santocure-Santocure NS, antidegradants, Santovar A, foreign particle contaminations and Rheometer failures in Rubber Chemicals.	E
	2. Improve Mersize by six specifications.	E
	3. Improve Penta (color and insols), Santobrite (insols), tall oil products and make new products with reliable quality.	E
	4. Improve Santopoid S, replace S-203C with 203B for fuel oil, S-393 (odor, foam).	E
	5. Demonstrate quality S-900 and 907 in new plant.	E
	6. Improve DCHP product form.	B
	7. Chocolate Bayou acetone to be suitable for JFQ bisphenol A and all other customers, April, 1965.	M
	8. Guide WGK practices for inspecting and filling electrical grade Aroclor tank cars to guarantee uncontaminated product.	M
	9. Eliminate benzene quality as a source for off-color phenol.	M
Staff	10. Review quality control procedures with three or more other divisions and companies and advise Organic plants of improvements available.	HOH
Staff	11. Revise and issue competitive product examination procedure.	HOH

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12. Establish competitive product examination schedule for the year and assist plants in completion; 90% done by January 1, 1966. HOH

13. Evaluate value of analytical tests with plants and research. HOH

14. Assist plants in preparing and issuing quality comparison report that results in appropriate action. HOH

15. Establish system for obtaining and evaluating materials and reporting quickly. HOH

16. Review quality status with each sales product manager quarterly. HOH

17. Establish procedure for review of call reports to detect quality deficiencies. HOH

18. Report quality problems and recommendation monthly to each Technical Production Manager and the Manager of Manufacturing Technology. HOH

19. Assist (encourage) plants to statistically review so that specifications on 95% of both raw materials and finished goods are less than three years old. HOH

STANDARDS

1. No standard manufacturing process over two years old. Review March, October. E

2. Review operating instructions, log sheets, for three products in detail. E

3. Introduce "cost control center concept" for 1965-1966 standards at JFQ. B

CAPITAL EXPENDITURES

1. Pre-tax earnings on capital projects to be maintained above 55%. E

TECHNICAL GUIDANCE

1. Develop list of products to be covered by process improvement plans by February 15, 1965, with 50 completed by November 15, 1965. E

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	2. Review TSD projects generated which were completed and closed in 1964. Average ± of estimates within 5%. Annual savings of earnings at least 200% of TSD budget.	E
Foreign	3. Compare cost and efficiency MCL-MOCAN with MC.	E
	4. Survey all phthalate plasticizer operations, compare and outline preference process.	B
	5. Evaluate project for new facility for TEA-TEA/glycolate esters.	B
Quality	6. Define plasticizer process to manufacture product acceptable to Goodrich.	B
Quality	7. Follow research work on odorless S-160 for food grade use.	B
Quality	8. Know more about Zienty food chemical research program.	B
	9. Coordinate and participate in planning of JFQ plant start-ups.	B
	10. Meet quarterly with TSD groups at JFQ to supplement Engineering Planning Meetings and to introduce process improvement plan thinking.	B
Foreign	11. Determine action needed to optimize efficiencies and costs on common products.	D
	12. Process improvement plans in effect for all products by June 1, 1965.	M
	13. Evaluate modifications to sulfonation phenol process, including possible elimination of salt cake by-product. May, 1965.	M

GENERAL - STAFF

	1. Revise and re-issue start-up guide in January.	B
	2. Advise each plant of common products and insure continuing smooth flow of information; May, 1965.	D
	3. Revise O-18.	D

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4. Develop a list of Do's/Don'ts when licensing technology outside USA. D

5. Outline an alternate method for measuring improvement in manufacturing cost on new and existing products. M

6. Revise 0-7. HOH

7. Present quality control orientation seminar to division marketing trainees two times. HOH

8. Present EVOP workshops at five customer plants. HOH

9. Prepare guide for cost standard preparation. DBH

RELATIONSHIPS

1. Summarize information and plans and discuss with Manager of Manufacturing Technology once/month for 30 minutes. E

2. Undertake at least two special assignments in 1965. E

3. Improve acquaintance with Directors. E

4. Participate in IBG Rubber, Paper, Oil. E

5. All-out effort to provide constructive feedback to Production-PTS Superintendents on performance of individual engineer. M

OBJECTIVES

1. Complete by January 15, 1965. E

2. Review quarterly. E

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