



FOSECO, INC.
MANUFACTURING DIVISION
MONTHLY REPORT - AUGUST, 1973

Att. file

Cleveland Plant

Steel Mill Products Division

ABSENTEEISM, TURNOVER AND NEW RECIPE "DEBUGGING" CAUSED SERIOUS PRODUCTIVITY PROBLEMS IN PROFAX DEPARTMENTS.

PROFAX tonnage production increased from 1188 tons in July to 1607 tons in August due to some increase in sales demand. Finished goods stock levels increased by 12%, however, for the third straight month in a row due to sales being lower than forecast and production being geared to the sales level. Productivity improved slightly from 10.0 man hours per ton in July to 9.1 man hours per ton in August; however, this still remains a good 15% off the mark.

Absenteeism at 7.1% and labor turnover at 25% continue to be major problems. Added to the problems, however, are the forced rapid introduction of recipe changes; first for the substitution of a new binder to replace PF resin which has gone on worldwide allocation, and secondly, because of the demand from many steel mill customers to produce non asbestos recipes.

Major difficulties encountered have been in the area of high shrinkage and longer curing times causing substantial reduction in oven productivity. At present we are faced with an oven capacity reduction of approximately 20% due to these recipe changes. Work is being continued by the Technical Department in cooperation with Engineering, Quality Control and Production to improve this situation as rapidly as possible.

Foundry Products Division

CORRECTION OF EFFICIENCY PROBLEMS IS GOAL OF FOUNDRY PRODUCTS DIVISION OPERATING DEPARTMENTS.

Efficiency of Foundry Products Division departments appears to be most drastically affected in 1973 by several occurrences:

- A. The rapid unforecasted buildup in sales in first quarter of 1973 requiring addition of new crews and supervision over too short a span of time.
- B. A substantial dropoff in productivity in anticipation of the end of the labor contract in July especially in Foundry Products Division departments where turnover has historically been high along with a higher level of employee dissatisfaction due to the unpleasantness of some of the jobs.