

AMERICAN MANUFACTURING

'They are salt-of-the-earth folks who believe in fixing what's broken.'



A resurgent brand

Mansfield embraces mission of building quality product in America

BY MARY JO MARTIN
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It's not often that our industry's companies are profiled on the front page of the Business section in the venerable *Wall Street Journal*. But on September 25, Mansfield Plumbing Products was one of several U.S.-based manufacturers featured in an article titled "America's Toilet Turnaround." The article revealed enlightening statistics on the investments these



Jim Morando, President

companies are making to increase capacity at their domestic facilities — a comeback that appears to be a microcosm of U.S. manufacturing in general.

Mansfield, a long-respected brand that dates back to 1929, went through a series of acquisitions in the 1980s by private equity and investors. That led to a very rough

period for about 20 years during which not much was done to update the company's facilities to allow Mansfield to compete with an increasing number of import products.

Then Organization Corona acquired Mansfield Plumbing in 2004. They wanted to expand their reach into North America, and the U.S. market offered the highest per capita consumption and selling price. Corona is one of the largest sanitaryware producers in this hemisphere with a total



Charles Scott, VP of Marketing

capacity of more than 10 million pieces a year. Headquartered in Bogota, Colombia, they have established a stellar reputation in producing ceramics and other products — including dishes, tile, electric insulators, flatware, paint, cement, faucets, fittings and sanitaryware. They are highly recognized in Colombia as one of the top companies to

work for because of the value they place on employees.

President Jim Morando, who came on board in 2006 shortly after Organization Corona acquired Mansfield, elaborated: "For a number of years, this country saw a lot of manufacturing move overseas chasing low cost products. But recently, that is shifting, and many companies are realizing that they can produce just as effectively here. Companies that invest in manufacturing facilities in this country are helping their employees achieve the American Dream. Mansfield never left, even after many of their competitors shut their U.S. facilities."

A matter of consistency

So in today's ever-more-competitive market place, how does this relatively small company — with approximately 500 employees — continue to grow and find success? Morando credits Mansfield's strategy of consistent availability, quality and flexibility.

"When we developed our strategy in 2006, we pressure-tested it by saying that it needs to serve us in good times and bad," Morando noted. "Our strategy was good when the market was good, and it turned out to be great when the market was terrible. Many of our customers were having difficulty meeting their obligations because lead times for product had gotten so long, so our pitch to them was to get rid of all their excess inventory and let us supply their needs on an as-needed basis with almost immediate turnaround. That way they could use their excess capital on other things their company needed."

"Our success comes down to a pretty simple equation: consistent quality and consistent availability. Think about turn and earn. In most businesses, customers want

to turn their inventory a minimum of four times a year and they want to make money doing it. Our customers can realize 8-12 turns a year and they can have far more cash in their pocket at the end of the year because their money isn't tied up in inventory. Our ROI is the best there is, so they can use those dollars for other investments in their organization. Much of our

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customer satisfaction comes from our consistent availability."

Chuck York, Vice President of Wholesale Sales and Demand Management, added, "Every month, we're literally adjusting our production schedule to accommodate orders. Also, we are small enough that we can really turn on a dime here. If a customer's needs change, we can adapt and handle it. If someone is importing from overseas, they are



Chuck York, V.P. of Wholesale Sales and Demand Management for Mansfield

stuck with what they ordered 45 to 90 days ago. We'll jump through hoops to get product to customers when they need it, typically in 5-9 days. We've earned the trust of our customers."

Thanks to their quick turnaround capabilities, 24/7 production, and a 230,000-square-foot warehouse in Ohio, Mansfield has achieved a 97% fill rate for the past four years.

They also operate extremely lean. As (*Turn to Positive Evolution... page 34*)



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Morando described, "Our management team is short and deep. We restructured the business to eliminate any unnecessary expenses. We don't have a single full-time secretary in the building. We believe in keeping our operating expenses and costs low, employee morale high, and product availability consistently."

People

"The engagement among our people

create more than 150 jobs. You get back what you put in and more," said Morando.

York added, "Mansfield has introduced more products in recent years than ever before. We've listened to our customers who wanted more commercial product from us, and so we've rolled out some major commercial as well as showroom offerings, as well as enhancements to our popular Summit line. We're working closely with wholesaler showrooms to get good product placement by designing a product

year's survey, they are the group that is the most concerned with it. Why?

Because they are the ones starting their careers and they realize that jobs aren't available. Unfortunately, it sometimes takes a crisis to get people to change their views. I believe that the productivity of an engaged U.S. workforce is still the best in the world."

Morando is exceptionally proud of the quality of product that the Mansfield workforce produces, and the commitment the company has made to manufacturing in America.

"We've been approached by more than half a dozen companies to make private label products for them," he said.



Mansfield's "American Muscle" campaign promotes its toilets' powerful flush performance and that they are U.S.-made. Clockwise from top are displays in Ihrie Supply's Rocky Mountain facility, Wolff Bros.' Sandusky showroom and Southeastern Plumbing in North Carolina.

continues to improve," Morando said. "When I joined the company, we were on the ropes and companies in that situation often suffer from morale problems. In the past few years, we've really tried to improve the climate and make sure our people understand we're here for long term. We want people to want to come to work for us."

Vice President of Marketing Charles Scott said the response to Mansfield's commitment not only from employees, but from the community, has been remarkable. "We are in the middle of the rural Heartland, surrounded by farmland," he said. "Perryville — the home of our headquarters — has one stoplight. It's not unusual to see Amish buggies on the road. It's an area where the people have a strong values system and work ethic; they are salt-of-the-earth folks who believe in fixing what's broken."

"That culture is what makes our workforce so valuable, and also what drives their deep loyalty to Mansfield and its success. We are one of the largest employers in the area. There have been multiple generations employed in our plant. They view us as an extended part of their family. It means a lot to the people in this area that we have stuck with them through the hard times and continued to provide jobs and security for their families. Many towns in the Midwest have suffered because of factories closing, so it's reassuring to them to see a company actually investing in growth. As a result, we've gotten incredible community support."

The expansion

According to Morando, in the last 10 years, there has been more money invested in Mansfield's operations than in the previous 40 years. "You can really see the significant improvements," he said. "The equipment we replaced had a much larger footprint than what we've added, so we've been able to expand our capacity without having to increase our roofline. We went into the recession weak and came out stronger. We earned the right to grow and are proud that we are in the middle of a \$9-million expansion — the largest such expansion in the U.S. since the 1990s. It will

that has both style and value. We offer a wide variety of designs and price them competitively so that our wholesale showroom partners are able to make a good margin on them."

In addition to its Perryville headquarters and plant, Mansfield has plants in Big Prairie, Ohio and Henderson, Texas. They produce a broad range of bathware for both the residential and commercial segments, including:

- One- and two-piece toilets, including HET units • Bidets • Urinals
- Manual flush valves • Pedestals
- Lavs • Vessels
- Whirlpools • Tubs
- Hospitality, healthcare and commercial fixtures
- Walk-in tubs.

It takes approximately three days for most of Mansfield's vitreous china product to get from the kiln to packaging. While the company has a good amount of automation along the line, it is still very physically demanding work in the plant. "A lot of our product is very heavy, which is physically demanding to work with," Scott noted. "But there is still a lot of artistry involved, especially by the people in the mold shop. There is quite a bit of hand work that has to be done. And the plant itself is always very hot because of the drying process needed for the product. Our kilns reach 2300°F."

Scott added, "We started a campaign a few years ago called American Muscle. It promoted the powerful flush performance of our toilets and that they are made here in America. As we struggled through the recession, we got a lot of support from customers. Our wholesalers really promote our message to their contractors."

"It's ironic that if you look at a results of a multi-year survey published by a leading national consulting firm, the people in the U.S. who cared the least about 'Made in the U.S.A.' prior to the recession were those under the age of 35. However, in this

"Our employees put their blood, sweat and tears into every piece we make, so we're not going to treat it like a commodity. It's an unmatched value proposition. The problem with treating your product like a commodity is that your customers are obligated to do the same thing."

A bright future

Mansfield has built long-term relationships with its reps, wholesalers and the trade, which Morando describes as "the people at the core of our business. They

stood by us when we were having a very difficult time. We value those relationships and

we're very appreciative of the fact that people gave us enough oxygen during the rough years to be able to move the business forward."

Going forward, Mansfield wants to continue to earn more of its existing customers' business and launch new products effectively, attract new customers, and continue to earn the right to grow. The company's enhanced marketing efforts will undoubtedly be at the core of that growth.

"We are using all forms of communication to establish a network with our customers," described Scott. "Our website visits have grown 18% year to date compared to last year, which we're very pleased about. We have a very accurate dealer locator list that is a valuable tool in driving consumers to our customers. And this fall, we started a social media campaign, which is providing an added level of support. We're trying to cater to our trade partners, but it's useful for the consumer as well."

"We compile the feedback we receive and then try to reflect it back through targeted informational posts. Mansfield now has a Youtube channel that includes installation videos and others that will help viewers better understand our products and features. We went from 0 to 700 followers in just the first month. It's been great to see the interest. We hope to continue with that and have a direct link with our customers to get the word out on everything that is going on at Mansfield."

Morando is very pleased with the accomplishments Mansfield has realized since he came on board, and be-

lieves there is a bright future ahead. "We want to continue our positive evolution," he commented. "By the early part of the second quarter of 2014, we'll have our newest expansion coming on stream that will allow us to keep providing good quality, consistency and availability as the U.S. construction market continues to rebound."

"At one point some years back, a lot of people were saying 'Stick a fork in Mansfield, they're done.' But we believed that strategy is not about doing what everyone else is doing, it is about coming up with a unique collection of ideas about how to win. It's a testament to the skill and commitment of our employees who pulled it off — and the loyalty of our customers who stood by us during very trying times." ■

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