

THE KSA OBSERVER

PUBLISHED BY AND FOR THE EMPLOYEES OF KURT SALMON ASSOCIATES

Fruit of the Loom's Mexican Adventure with KSA

by Matthew Howson
and Alan Seelye-James

- Two KSA USA consultants, a KSA Americas consultant, and a KSA UK consultant, dressed in suits, ties and dress shoes, help pull a Toyota Camry that is axle-deep in mud, out of a Mexican farmer's field.
- Two Miami office consultants, who needed to reach the border before closing, help an elderly woman and her two children free their car from a muddy road in the middle of a dark and rainy night.
- KSA consultants brave cactus-infested shrubbery, and a muddy ravine to rescue two other vehicles.

No, KSA consultants have not become involved in the wrecker business on the side. These are just a few of the typical events that have happened on the daily commute to Villahermosa, Mexico, the City of Three Lies, wherein lies the biggest and boldest plant start-up that KSA has ever undertaken.

KSA is helping Fruit of the Loom develop a 150,000 square foot plant that will eventually employ 1000 operators and over 1300 people. This plant will have an expected capacity of 63,200 dozens per week of girls' panties, set-in sweatshirts, sweatpants, hooded sweatshirts, and shorts. The plant has state-of-the-art equipment and innovations including: automatic sweatshirt cuff machines, automatic sweatshirt close-sleeve machines, sweatshirt join-shoulder and attach-collar operations combined into one, and sweatshirt join-shoulder and set-hood operations combined.

The first groups of supervisors, instructors, and trainers that started the first production units were trained at the sister plant in Miguel Aleman, Mexico by *Alan Seelye-James* and *Lisandro Sagastume* from October, 1993 to March, 1994. The construction of the plant was completed in March and the first operators entered the plant in the last week of March. Since then, *Matthew Howson* and *Alan Seelye-James*, ably managed by *Lisandro Sagastume*, *Sergio Cruz*, and *Bill Reed*, and assisted by *Ricardo Umaña*, *Juan de Dios Villareal*, and *Andrew Gueterbock*, have helped Fruit of the Loom build to over 900 operators and a weekly production level of 40,000 dozen per week, or 63% of full capacity. In terms of full capacity, this plant is at the same level as its sister plant, but has gotten there two years quicker. By hiring from 60 to 80 operators per week, 1000 operators are expected in the plant by mid-May of this year, all in just under 14 months.

Currently, there are four panty units, nine set-in sweatshirt units, two hooded sweatshirt units, four sweatpant units, two shorts units, four

automatic units (two in the day and two in the night), a packaging unit, and a quality audit department. The first panty units are now pushing past 95% global efficiency and the quality results from KSA's plant corporate audits have averaged 0.0% fabric defects, 0.5% sewing defects, and 0.0% specification defects. Fruit of the Loom is shipping between 12 and 15 trailers to the U.S. every week.

Needless to say, this has not happened without a few problems. Lack of cut-work in virtually all of the products has happened more than once over the year. Also, turnover of manufacturing supervisors and operators needed to be aggressively managed. However, AAMT (Advanced Analytical Method of Training), a strong training program for all leaders on the production floor, and a constant focus on excellent quality have been the foundation of this build-up and the keys to success.

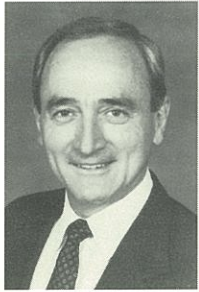
As the project begins to wind down, the management team of Fruit of the Loom and KSA are on the verge of filling the last production units, continuing to improve production and productivity, and finalizing the management awareness of the production floor leadership. The continuing success of this project led to a second plant start-up in El Salvador and a flourishing relationship with Fruit of the Loom. Also, Fruit of the Loom is so pleased with KSA's incentive system that the company has already taken steps to implement it in the sister plant. If you are ever in the City of Three Lies, be sure to take a look at this marvelous facility — and don't forget your shovel and tow-rope.

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From the Chairman

The challenges of success, or... should we be concerned?



Our revenues worldwide are up 49% for the first quarter for 1995, versus a year ago. Asia-Pacific is up 84%, North America 51%, and Europe 36%. Profitability worldwide is well ahead of plan.

These are extraordinary increases due to a number of factors, led by quality of work.

In North America, the evaluation of services questionnaires received from all clients who provided feedback for projects started in 1994, contain answers for two summary questions:

- Would you use KSA again?
- Would you recommend KSA?

For three of our major groups, 100% of all returned questionnaires answered "yes" for both questions.

In the fourth group, 97% answered "yes" to both questions. The one or two cases that did not have received senior follow up.

This evaluation of services procedure is in the early stages of implementation in Europe and Asia/Pacific, and we should have a meaningful sample by this time next year.

These results follow a great year in 1994, in which we exceeded revenue, earnings, and capacity targets. High quality work yielded the repeat, high impact engagements we have with leadership clients.

Clearly, as we look forward to the rest of this year, we are well on the way to meet or beat our 24% growth target.

Our current results may be unprecedented in a consulting firm our size. They are a result of a series of actions taken over a number of years, by a number of colleagues, a lot of hard work, a strong market in North America and Asia, solid strategic positioning, and talented colleagues firm-wide. Congratulations to all.

With results like these... What are the challenges of success, and should we be concerned?

The landscape is littered with firms large and small who became blinded by their success.

Success can breed arrogance and unwillingness to continue to strive for positive change. Periods of high success are the true test of character. Do we have the will to continue to implement change and pursue our vision and mission? Will we recruit only the best in the face of capacity constraints?

Will we continue to put the extra mile into client projects when another client or prospect requests a new project? Will we take the time for coaching and mentoring colleagues, and will we all take the physical and mental breaks needed to keep perspective?

We know we can make hard decisions in tough times, and have the commitment and force of will to see them through. Can we make the bold and innovative decisions in good times?

When things are going exceptionally well, it

is easy to be lulled into complacency. If you are doing well, why change?"

I by no means wish to posit that we have no problems. I can assure you that we have many.

As market conditions, competitive needs and colleague needs change, and tactics must evolve. However, we are grounded in our core values. They were established at a February principals meeting... client interests first, diversity, innovation, mutual support, respect for individual. They stand the test of time.

We have an advantage in that we have a favorable playing field for new initiatives to momentum and confidence in our performance.

Let us not forget that success always carries risk. High success breeds high risk. It is important to keep the risks and distractions in perspective.

It has been said that good is the enemy of the best, and best is the enemy of better. We are the best at what we do.

In closing, although I am confident we will continue to sleep well, as we know that the majority of us recognize the risks and have the will to use our collective strength to continually become better.



KSA families take a physical and mental break at the Atlanta office picnic in May. Left, Bernice Irastorza

Shoe company makes "Rite Stride" toward Total Customer Service

Paraphrased from Stride Riter Magazine, January, February, 1995 with additional input by Jay Mabe.

Major changes are taking place at The Stride Rite Corp. The changes are part of a project called the Total Customer Service (TCS) initiative, which is just one of the strategic objectives, or cornerstones, of the foundation for the future vision of Stride Rite. That vision is to "build a world class company of powerful, casual lifestyle brands."

Right now, Stride Rite's methods and operations are outdated. (The same is true for most of the footwear industry.) The objective of the TCS project is to migrate the company to a Quick Response organization. The project's mission statement says that Stride Rite will achieve "pre-eminent customer service by exceeding our customers' and consumers' expectations through value-added products and services." Stride Rite wants to set the benchmark for customer service and business processes, not only in the footwear industry, but in the World.

One-hundred-ten people from Stride Rite and KSA are involved in the TCS Project. *Jay Mabe* is KSA project manager.

In addition, each member of Stride Rite's Senior Operating Team heads up one of six sub-teams that handles different elements of the project. Each sub-team also has a Team Leader, who's responsible for the day-to-day operations of his or her team.

Up to this point, Stride Rite has been working with antiquated computer systems and out-of-date business processes. By becoming a Quick Response company, it will streamline and standardize the business processes. Stride Rite will work together as one Company, not several divisions.

There are three key elements in helping Stride Rite become a true QR company:

1. Strategic Business Relationships

Stride Rite is looking at all the relationships and processes that go into its business applications — from product concepts to inventory

management to merchandising to retailers and its own vendors.

2. Electronic Commerce (EDI/Email)

Stride Rite's ability to use electronic commerce more effectively (internally and externally) will provide it with information about inventory levels and product replenishment, as well as more open and direct communication among the field, the home office and its factory partners.

3. Internal Changes (information technology/business processes)

With the appropriate I.T. tools and new standard business processes in place, Stride Rite's goal is to provide better service, become better informed about its retailers' business, develop better and more accurate reporting systems, build better relationships with its customers and vendors, have better inventory management, and set the benchmark for doing business in the footwear industry.

The KSA Stride Rite Team

Robin Athey, Mike Barnes,
Peter Brown, Dave Cole,
Kenneth Coons, Dave Denny (KSA
Associate), Chuck Easley,
Michael Gordon, Dennis Hill,
Detlef Kamps, Jay Mabe,
Elisa Martinez, Helen Mountney,
Rob Oglesby, Bruce Seeber,
Randy Unger, Ken Walker,
Dana Winingder.

There are several key strategic elements necessary to the overall success of the project. They are:

1. Customer Service

KSA is working with the Senior Operating Team to assess Stride Rite's customers' needs and market trends in customer service.

Each division's customer service department was interviewed to determine current customer service policies. External customers, including

key retailers such as Dillards and Dayton Hudson have been targeted for personal interviews. These interviews will focus on customer service requirements and value-added services they would like The Stride Rite Corp. to provide, such as information on sales trends or shipment arrivals.

Companies known for superior customer service outside the footwear industry, such as Federal Express and L.L. Bean, will be examined to discover what the customer service benchmarks of best practices are for these companies and industries.

2. Business Planning

Standardized corporate-wide processes must be in place to create and plan customer and supplier relationships for the whole corporation. This will help Stride Rite create flexible planning systems, analyze time series and causal data to determine demographics, gather point-of-sale information, utilize integrated EDI for all divisions, and create a corporate database. Ad hoc queries of the database will enable associates to retrieve consistent, accurate and timely information about anything from a retailer's sales analysis to inventory levels.

3. Product Life Cycle

It currently takes 416 days (from design concept to warehouse delivery) to make a pair of shoes. The goal is to reduce the lead time to 167 days. Reducing the product life cycle involves many new technological tools, including: computer aided design (CAD), improved forecasting (using focus groups and other testing), new material scheduling and procurement processes, better factory/supplier capacity planning, improved production status planning/scheduling, integrated supply and demand management, increased visibility, utilizing modular manufacturing, and integrated EDI.

4. Order Fulfillment

Stride Rite is restructuring its order fulfillment processes and reducing the order time cycle.

cont'd on page 7

In any language, KSA knows customer service

by Bryan O'Malley

Question: Who says?:

Ohayou Gozaimasu (Japanese)

Zao Aun (Mandarin)

Joh Sun (Cantonese)

Selemat Pagi (Malay)

Ham Sanyo (Korean)

Selamat Datang (Philippine)

Good Morning (Singapore)

G'Day, Mate! (Australian)

Answer: The 15 KSA members of Levi Strauss & Co.'s Asia Pacific Division (APD) Customer Service Initiative as they scramble to remember where they are and to properly greet their affiliate hosts while visiting the region.

The project that is stirring so much cultural and language study for our intrepid consultants is LS&Co.'s Asia Pacific Division Customer Service Initiative (CSI), constructed to redesign certain parts of APD's business. This project is not a full scale reengineering project, (e.g., start everything from scratch with a blank sheet of paper), but rather a targeted effort to quickly identify and address those areas that need the most improvement based on APD's customer service targets. The APD CSI effort is one of four that LS&Co. is undertaking as part of its global customer service program. (The others are in North America, Europe, and Brazil.) The initial data gathering, design, and implementation planning phase of the project is scheduled to be completed by the end of 1995, with a fee budget of \$2.4 million. Implementation is scheduled to begin in 1996.

As a whole, APD is currently a \$500 million division of Levi Strauss International, consisting of many loosely-held affiliates in the region. The division headquarters is currently in San Francisco. The affiliates that comprise the division are: Japan, Australia, New Zealand, Korea, Hong Kong, the Philippines, Malaysia, Taiwan, and India. A regional headquarters is located in Singapore, where the design team spends about half its time when not vis-

iting the affiliates. Not only are the affiliates in the region from different countries and cultures, but the businesses themselves are at various stages of development. For example, both Japan and Australia are more mature businesses that

The KSA participants of the APD CSI Design Team, led by Alan Braithwaite (Hong Kong by way of the U.K.), are Ing Chuan Kau (Associate, Asia Consumer Products Group), Brady Knight (North America, Information Technology), and Bryan O'Malley (North America, Consumer Products Group). They represent a global team with a mix of different service group specialties to support the APD effort. The Levi Strauss & Co. design team members consist of different functional representatives from the affiliates in the region, including Japan, Philippines, Australia/New Zealand, North America, and Singapore.

have been the big bread winners for the division, while younger affiliates like Korea have come on extremely strong in under two years. India and Taiwan are brand new affiliates that face many challenges in establishing themselves, but that have very large potential. New business being considered in the region is from Indonesia, China, etc.

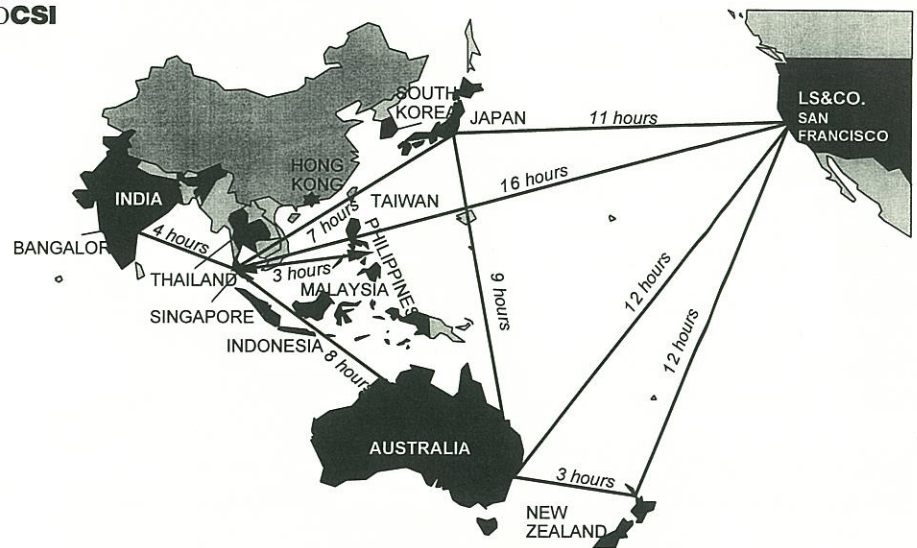
Many challenges face the team, including: getting all the Design Team up to speed on the technology used (laptops/LANs/E-mail/MS office), the huge surface area of the geography to cover (see figure), employing the high involvement concept with the different languages and cultures, different affiliate business climates and business maturities, different communications infrastructures around the region, coordinating activities with Europe and incorporating what has been learned from North America, etc.

Just a few examples of the language challenge: "Ohio"—morning to the Japanese, a state to the Yankee. "Joh San"—good morning in Hong Kong, elephant in Japanese. All Design Team meetings are conducted in English with two full-time interpreters providing instantaneous interpretation for our Japanese teammates.



APDCSI

Logistics



We have to be constantly aware of the need to slow down for interpretation, especially during a lively debate. Design conferences with sizes ranging from 50 to 100 people were held in the local language of the affiliates for two-and-a-half days each. Design team members who do not speak the local language felt like they were watching a foreign movie without the sub-titles!

Every day seems to be a holiday somewhere in the region, so scheduling meetings is a constant challenge. Scheduling for May in Asia is particularly a headache, with the May 1 Labor Day, Children's Day, Adelaide Cup Day, Constitution Day, Hari Raya Jakik Vesak Day and others.

"Local travel" takes on a completely new dimension. The team's "short" journeys are three-and-one-half hours' flight time from Singapore to Hong Kong or the Philippines or four hours from Auckland to Adelaide. A long journey, such as the one from Atlanta to Singapore has a * next to the arrival time in the airline guide — denoting that the flight arrives two days later.

Attending long full-day meetings day after day is a test of perseverance and patience. With the group always packed in the conference room, we get a free flow of germs. The infamous "Brady Virus" once almost knocked out the entire team within a three-week period.

The many challenges to the team continue outside of the office. In the spirit of "partnering" with the client whenever possible, the KSAers have been known to go to extraordinary lengths — attending a LS&Co.-sponsored Rolling Stones concert in Tokyo, for instance. Learning the local festivities (read: drinking games) is always an important part of developing cultural understanding. The Aussies intensely call each other "Darryl!" in a game of the same name, to which "Darryl!" O'Malley can attest. "Rock, Paper, Scissors," becomes a very animated "Dobin! Chabin! Hanachabin!" with Japanese cohorts.

Challenges aside, the extensive travel to the APD affiliates allows for exciting weekend adventures, be it white-water rafting in Rotorua, New Zealand (Bryan) . . . gambling in Kuala Lumpur, Malaysia (Ing Chuan) . . . snorkeling in Tioman Island, Malaysia (Brady and Bryan), the Great Barrier Reef (Bryan) and Sulawesi, Indonesia (Alan) . . . even catching a few days at the

Australian Open Tennis tournament! Of course, ThinkPads accompanied the KSAers on all these trips. Brady and Bryan have become lethally dangerous with squash racquets, playing regularly in Design Team tourneys. Road races have been run by KSAers in Tokyo and Singapore, as the team begins its world racing tour.

And then there's the cuisine. Avoiding Big Macs and Domino's at every turn, members of the team enjoy Singaporean favorites like black pepper crab and fish head curry. But along the way they have also found time to sample Aussie kangaroo and emu; Japanese eel, sushi and

sake; Korean kimichi; Hong Kong dim sum; Filipino ballot (half-hatched egg); and Malaysian "spare parts" beef noodles (use your imagination). Alan is a role model for his willingness to try just about any type of food imaginable, and Ing Chuan has a special touch when ordering at restaurants.

The Asia Pacific region is growing rapidly for KSA. In addition to LS&Co., we have several major upcoming projects. Volunteers and visitors are welcome — Alan, Ing Chuan, Bryan and Brady will have the fish-head curry piping hot and waiting for you upon your arrival!

Female Consultants/Analysts Meet

A national day-long conference for all KSA female consultants and employees categorized as analysts was held in April. More than 50 attendees discussed challenges they face in consulting and explored opportunities for a long-term and successful career with the firm.

A forerunner to the national conference was the Career Paths for Women Task Force, which was appointed in 1992 as part of the Vision 2000 Human Resource Strategy to "recruit, develop, and retain the best consultants in our industries so that in all situations we deploy the strongest people the client could find to serve them." Within this context, the Task Force specifically addressed ways to continue to attract female consultants and retain them throughout their consulting careers.

The Task Force completed its work in mid-1993, with many of its recommendations affecting both men and women.

A major conclusion was that, in total, KSA had a solid track record of recruiting top female candidates, with subsequent similar promotion rates and turnover rates for men and women.

Several key recommendations related to long-term retention, such as further developing opportunities for alternative career paths; guidelines for flexible work arrangements; and policies about maternity leave and benefits.

A subgroup of the original Task Force was asked in mid-1994 to assess the status of female retention. The subgroup interviewed a number of female consultants and NSDs/RSDs and surfaced

a concern by female consultants of matching family objectives with a long-term consulting career with KSA. The subgroup recommended that a national conference be held to broaden discussion of these issues and explore options.

A six-member conference planning committee included *Marian Crandall*, *Sharon Hand*, *Susan Hann*, *Rebecca Howe*, *Natalie Johnson*, and *Shawne Mastronardi*. *Sharon Todd*, AO, managed all logistics for the meeting.

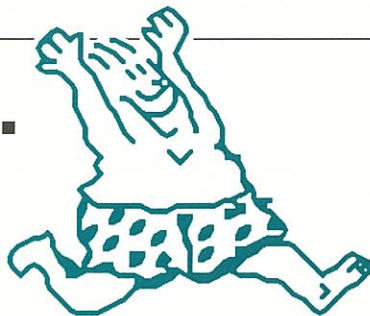
The morning's program focused on identifying key issues related to career development and advancement; the afternoon session addressed creative approaches, both for individuals and for KSA, to respond to the issues.

Laura O'Loughlin, of Catalyst, was featured speaker and facilitator in break-out sessions. Catalyst is a 30-year-old New York-based firm, with the mission of helping business and professional organizations better utilize the talents of their work forces, particularly women. Ms. O'Loughlin identified issues for women in professional firms, and profiled firms' "best practices" including Deloitte & Touche, Bank of Montreal, J.C. Penney, and several law firms. The founder of Catalyst, Felice Schwartz, authored the 1989 "mommy track" article in *The Harvard Business Review*, and was featured in the May 3, 1995 Work & Family column in *The Wall Street Journal*.

Results of the conference will be reviewed and implementation plans shared throughout the firm.

—Susan Hann

In Brief . . .



In Brief is a new feature in the Observer. In it we will include synopses of several projects of interest to KSAers. If you think your project should be included, write several paragraphs, and drop on the J drive (J:\GROUPS\WP50\OBSERVER), or fax a hard copy to Debora Tucker in Atlanta.

VF 2000. KSA is helping **Vanity Fair Corp.** develop a strategy to be a leadership, high performance apparel company by the year 2000. This includes examining VF's portfolio of companies and determining, strategically, core competencies to achieve exceptional performance.

Because VF is a public company, emphasis must be placed on high rates of growth, earnings and Return on Equity. *Peter Harding, Shawne Mastronardi, Michael Rice, David Harrison, and John Wilcox* are spearheading the effort.

—John Wilcox

What's next for one of the country's most advanced managed health care markets? **The Fairlawn Foundation**, a not-for-profit community-based group, has retained Hamilton/KSA to develop the answer. The assignment is to study the Worcester, Massachusetts health care market on behalf of the community—not a particular hospital or provider. In 1987, Worcester had nine hospitals, but the economics of health care have forced all but three to merge, consolidate or close. The community is very concerned that if further consolidations occur they will ultimately lose control of their health care delivery system—and its 14,000 jobs—to the Boston hospitals. *Jim Vogel, Barry Moore and Scot Latimer* have been working with the foundation to understand what the next steps will be in managed care evolution. The findings have been presented and we are helping the foundation work with the three providers remaining to determine how they need to be configured for a scenario that spells success for both the hospitals and Worcester.

—Scot Latimer

VF PLATO® Project in Mexico. Since January, KSA has been involved in the fourth

phase of a Productivity Improvement Program with Form-O-Uth. This VF company manufactures Vassarrette, Gilligan O'Malley (Target), Sears, JC Penney, Victoria's Secret and Vanity Fair brands, all of them women's lingerie.

We are currently working in two different Mexican facilities. One is located in Reinosá (500 operators), which is 20 minutes from McAllen, Texas, and the other one in Arteaga, in the interior. Our KSA team includes *Eduardo Araiza* and *Juan de Dios Villarreal* as "client-based consultants," *Juan Echeverry*, manager and *Don Burkhalter*, principal.

The project consists of developing VF's middle management through KSA's PLATO® Sewing Supervisor course. In it, we cover topics such as Quality, Production Balance, Work Measurement, Human Relations and Production Costs. This methodology requires three one-hour sessions per week plus the implementation of its concepts on the production floor. Also, a computer-based interactive review of the classes is made possible with our PLATO® program.

KSA began this project in September, 1993, in the Matshuala ("the last frontier") Area, and we have extended it practically to all seven Mexican plants. Our engagement will continue with Lagos, the newest plant, in which *Jose Del Angel* will have the opportunity to lead his first project.

—Eduardo Araiza

What's KSA doing at the **Walt Disney Company**? A lot more than riding the Tower of Terror, watching *The Lion King*, or hanging out with Mickey Mouse (although we like to maintain that image)! A team of CPG consultants (*Butch Price, Brad Morrison, Molly Swanson, and Catherine Shim*) helped Disney develop a strategy to source product for its theme parks and retail Disney Stores.

Although it's all Disney in most of our minds, the differences between the parks and the stores

are vast. Examples of this difference include: product (surprisingly, only a very few Disney items are carried at both theme parks and Disney stores) and culture (the stores are young and fast, while the parks are established and traditional).

This project marked the first time the merchandise groups from the two entities have ever worked together. Another key challenge was dealing with recent extensive senior management turnover at Disney (an April *Fortune* article elaborates). More specifically, we lost our key sponsor—president of The Disney Stores—to Disneyland halfway through the project.

Our key recommendation was to form a centralized organization that will source for both entities (parks and stores) and better leverage sourcing knowledge in this high growth phase. Tactically speaking, we recommended Disney source the majority of its hardgoods (ceramic figurines, snowglobes, etc.) through its trading company in Hong Kong, while relying more on full service and direct vendors for its apparel lines.

As we finished our Sourcing Strategy, *John Champion* and team began developing a Logistics Strategy for The Disney Stores, assessing location and types of facilities, and how inventory should flow through the system to the stores. For the time being, we'll lend the Logistics team our Mouse Ears and wish them lots of luck!

—Molly Swanson

An **annual conference** is held for change management practitioners around the world to learn change management skills and confidence. It is **sponsored by ODR**. *Chuck Easley* was a featured presenter in a workshop that demonstrated how the methodology of MOC can be used to change or manage change in a thought-out plan rather than simply to educate people about change.

The KSA Observer

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Sheer Sourcing Indulgence

By Doug Ford

Q: What do you get when you put together one of the sharpest specialty retailers in the world with a concept to provide romantic and indulgent products to women, and fantasies to men?

A: Victoria's Secret Stores, a division of The Limited. VSS is a \$1.2B mall-based retailer of women's fragrances and intimate apparel. (The world-famous catalog is a separate division of The Limited.) Since December of last year a team of KSAers has been learning all about the way VSS Designs, Develops, and Sources (DDS) product. The DDS Team is made up of five middle managers from VSS, two managers from Mast Industries (The Limited's sourcing group), and a wide array of KSAers including: *Peter Brown, Dave Cole, Doug Ford, David Melnick, and Lisandro Sagastume*. The objective of the project is to determine the appropriate Design, Development, and Sourcing processes to support VSS's aggressive five-year growth plan.

The key issues the DDS Team faces include:

- *Dependency on vendors to provide all of the design input for VSS's product.* Given that many of VSS's vendors are also its competitors (Warnaco, VF Mills, Triumph, Natori, etc.) and given VSS's desire to develop into a true intimate apparel brand, exclusivity of design has been identified as being critical going forward. KSA is helping VSS determine the best Design and Development process to provide exclusivity and "fashion-right" product.

- *VSS is using an ever-increasing amount of the world's capacity and quota for intimate apparel production.* KSA is working with VSS to determine its requirements over the next five years. This information will be used to communicate needs to its key vendors to ensure capacity is brought on-line in a timely manner to meet VSS's growth requirements.

- *VSS is requiring its vendors to have greater capabilities than they currently possess.* KSA is working with VSS to identify and prioritize

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Stride Rite

One side stop necessary to help Stride Rite achieve this objective is to stabilize the Louisville, Kentucky Distribution Center (DC).

Other tools necessary to make this stop a success include: globally integrated factory warehouse and order entry systems, visibility of product availability, account-specific services, integrated EDI (again) to track product; and automated replenishment. All of these processes help Stride Rite better track its product and inventory levels, giving more control over areas of the product life cycle in which control can be lost.

5. Replenishment

Improved business practice in this area will give Stride Rite better control over its product. Replenishment tools include an automated, dynamic system that provides information about products at market and how they're selling through. Customer information, especially about sales trends or marketing programs, will let sales representatives provide detailed, accurate data to retailers and assist them with buying.

In the retail area, plannograms effectively create floor plans for retail channels. This is an added service for customers, which is also to Stride Rite's advantage since it gives its brands a consistent look and image regardless of the retail area in which they're sold.

6. Host Retail

Another quick-moving part of the project is development of a host retail system. New software has been implemented and is currently being tested on-site in a computer lab in Cambridge, Mass. This lab setting allows the team to "work the bugs out" before it goes to the field, thereby eliminating an "adjustment period" and letting the system do what it's designed to do—manage all functions and support Stride Rite's retail channels.

Host retail keeps Stride Rite in touch with the field and lets the company see what's really happening while it's happening. When the new software and process tests are complete, the team

cont'd from page 3

will begin converting its corporate retail stores, such as Great Feet!, to the new system.

7. Salesforce Automation

Stride Rite wants to put accurate and useful information at the fingertips of its salesforce. With pressure to work with retailers in more of a partnership role, the salesforce needs to be able to quickly provide information about inventory levels, product availability and shipping, as well as sales trends and projections. How can they most effectively meet the expectations of their retailers? Through readily available technologies such as laptop computers and handheld readers.

A sales rep gains credibility with the retailers, and in their territory, because they are empowered to consult with retailers and dealers, thereby working smarter, not harder. The first step in using this technology will be to ensure all sales reps are comfortable with using personal computers.

"Stride Rite wants to set the benchmark for customer service and business processes, not only in the footwear industry, but in the World."

The Tools

Technology is the most important tool in this project. The project team can discover better and faster ways to develop product and get it to the market. Without the proper tools, however, the job's only half done. Information technology is the other half of the job — the backbone to the project's success.

But tools are only as good as the person using them. That's why the project team is keeping two things in mind: first, not to limit itself (or the project) with any

boundaries, such as capital, manpower or technology. Secondly, to make sure there is a way to measure the performance of the processes it recommends. If there is no tangible evidence that a particular process is working effectively, it's of no use to the project or Stride Rite. There must always be a way to evaluate, and in some cases enhance, the processes once they are put into place.

Up close and personal with Mohsen and Amin

KSA's acquisition of Stanford Business Systems (SBS) was covered extensively in an employee memo and press release in March. To avoid duplicating information, an Observer staffer interviewed SBS founders, Mohsen Moazami and Amin Shahidi in the following article.

Q: How did you two meet each other?

A: Amin: On the first day of graduate school orientation at Stanford University we were all invited to the University president's residence for dinner; I met Mohsen as he wolfed down all the free food.

Mohsen: It was just fruit punch! Seriously, Amin and I had the same major, we accepted an initial job offer with the same company (Excellon Industries), and here we are, almost 15 years later.

Q: How did Stanford Business Systems (SBS) get started?

A: Amin: One day we were at the beach with our wives. Mohsen suggested that we should really start some form of computer-related services. I said, "I'm game, let's do it. What should it be?"

Mohsen: Back in 1986, Apple Computer had a marketing campaign, called "Test Drive a Mac." One could take an Apple Macintosh home, free of charge, for a 24-hour period. I took advantage of it. It was love at first sight — I passionately fell in love with the Macintosh. Having had exposure to the older-style computers throughout my college life, I immediately sensed that the Mac style of doing things was the wave of the future — what computing should be.

Amin: Of course there was no business in Macintosh-related services back then, so we started dealing with clients who had IBM PC type computers. Mohsen arranged for our first engagement at the local offices of Mutual of Omaha.

Mohsen: The evening (a Wednesday night, I remember vividly) we received our first fee for services, (a \$500 check from Mutual of Omaha) we came to

the parking lot and literally hugged each other.

By the end of 1987, Macintosh was beginning to be accepted as a business computer within corporate America. I had enough confidence in the promise of what we were doing, that I quit Excellon and formally started full time work at SBS in early 1988 (out of my one-bedroom apartment). Amin had left Excellon and was working for a French automation company called Centaur. The first six months was a struggle for me. Then, as the volume of business picked up I begged Amin to quit his job and join in. Amin joined SBS full-time eight months later.

Amin: We took a bet and it paid off. We left the safety of a steady paycheck and corporate fringes to pursue our vision. By deciding to focus on custom business application development for the Macintosh, we took a bet on the Graphical User Interface (GUI) as the preferred mode of computing, at a time when accepted thinking

was "real people do not use a mouse." Then Microsoft Windows became a commercial hit by 1990 and the rest is history.

Q: What was SBS's strong point at the time of KSA acquisition?

A: Mohsen: SBS was/is an information technology consulting firm, specializing in the design, development and deployment of custom client server software applications. Client server is a very hot (vogue) computing architecture that has been made possible with the exponential advances in the personal computer hardware and software technologies. We at KSA hear a lot about Reengineering, or Business Process Reengineering (BPR). One of the main enablers of BPR is the client server technology on which SBS focuses.

Amin: The main outcome of the application of this technology in companies worldwide is that more accurate and timely data is made available to all facets of the workforce, empowering each



Stanford Business Systems Staff, Top L to R: Larry Kostmayer, Melissa Fowler, Wing Chiu, David Yox, Cynthia Thomas. Bottom, L to R: Chuck Williams, Mohan Pahlajani, David Harkness, Mohsen Moazami, Jeff Kyser. Inset: Amin Shahidi

member to make better and faster decisions.

In one sense we are fortunate that the cultures and core values of the two organizations are very similar. This has made the task of integration especially easy. We have been able to blend our operations with KSA's in just a matter of a month. We have many projects at this point in which our teams are fully integrated into the KSA teams.

Q: How will SBS operate?

A: Mobsen: SBS is a wholly owned subsidiary of KSA, operating under the Information Technology (IT) service group. We have national scope and responsibility. Today we are serving many KSA projects — Levi Strauss & Co., Stride Rite, Carr Gottstein Foods Company, and FingerHut. We will preserve our efforts in organizations like Microsoft, Stanford University, and 20th Century Fox Corporation.

Meet our new colleagues at Stanford Business Systems

Charles H. (Chuck) Williams. Senior Project Manager, Stanford Business Systems. Education: Princeton University, BS, Engineering and Syracuse University, MS, Engineering. Hometowns: Pittsburgh, Pennsylvania and Phoenix, Arizona. Previous Experience: Stanford Business Systems — FoxPro database application developer; Honeywell — Director of Los Angeles Software Development Center, General Electric — Program Manager in Computer Division and System Engineer in Defense Division.

Daniel Pahljani. Accounting Systems Specialist, Stanford Business Systems. Education: K.P.B. Hinduja College of Commerce & Economics, B. Com. (Major in Accounting). Hometown: Bombay, India. Previous Experience: Programmed Purchase Order Processing system, Controller at Robinson Department Store, and managed own businesses. Interests: Reading computer books, programming, and collecting stamps.

Jeff Kyser. IT. Education: BS Cognitive Science, UCLA. Hometown: Portola Valley, California. Previous experience: Senior Systems Architect at

Smooth Start Class



First row, l to r: Brian Medley, Neysa Colizzi, Michael Barnes, Charlotte Martin, Lisa Eaton, Donna Simmons; second row: Kimberly Zink, Arthur Tsiropoulos; third row: Bob Durej, Amy DePreta, Jonathan Beinke, Frank Pelzer, Jeff Wissink.

SBS, joined in 1990. Interests: technology, music, outdoors.

David Harkness. IT. Education: BS, Applied Mathematics/Computer Science, University of California, Los Angeles. Hometown: Los Gatos, California. Previous experience: Freelance Database and Client/Server Consulting, 1991–1994. Interests: Skiing, SCUBA diving, paintball, puzzles.

Melissa Fowler. IT. Education: Georgia Institute of Technology. Hometown: Sharpsburg, Georgia. Previous experience: Independent Messaging Specialist consultant, 1991–1995. Voice Mail Systems Analyst, 1985–1991. Joined KSA in April, 1995.

Larry Kostmayer. IT. Hometown: New York City. Previous experience: Senior Systems Architect, Stanford Business Systems. Joined SBS in 1990. Interests: basketball, paddleball, music, human/animal rights, history.

Wing Chiu. IT. Education: BS, Computer Science, University of California, Los Angeles. Honors: WLAC Foundation Scholarship for Math-Science; Henry Kubo Memorial Award, 1992. Hometown: Hong Kong. Joined SBS in 1995.

Cynthia Thomas. Office Manager. Education: BA, Applied and Analytical Economics, California State University, Los Angeles. Hometown: Palos

Verdes, California. Interests: horseback riding, gourmet cooking, sports.

Mobsen Moazami. President, Stanford Business Systems. Education: MS, Engineering, Stanford University. Hometown: Tehran, Iran. Previous Experience: founded SBS in 1988. Interests: his daughters, tennis, NBA basketball, politics and computers.

Amin Shabidi. Vice President, Stanford Business Systems. Education: MS, Engineering, Stanford University. Hometown: Tehran, Iran. Previous experience: co-founded SBS in 1988. Interests: Sailing, bicycling, and travel.

Also with SBS: **Sunil Udar** (joined May 15 as Senior Consultant, IT) **Houshang Nayeb Hosseini**, IT; and **Kumar Alwar**, Senior Consultant, IT.

Spellbound

**I have a spelling checker,
It came with my PC;
It plainly marks four my revue
Mistakes I cannot sea.
I've run this poem threw it,
I'm sure your please too no,
Its letter perfect in it's weigh,
My checker tolled me sew.**

KSA Americas Annual Conference

by Dean Vought, retired

In late November of 1994, Sergio Cruz called me. He said that if Susan and I could come to Miami on December 17 and 18, Miriam and he would like us to be their weekend guests. The KSA Americas annual conference would be taking place that weekend, and Sergio felt I would enjoy seeing the progress of that group.

Having been heavily involved with the Caribbean, Central, and South Americas, as well as working with Sergio on KSA Americas concepts, the opportunity to attend was both flattering and interesting.

It turned out that the Vought's annual Christmas party was on Friday night of the same weekend. Attending the conference meant a 6:30 a.m. flight on "the morning after". In any case, with Susan's permission, I headed to Miami. The weekend that followed was extremely gratifying.

Sergio asked if I would write a brief summary of my impressions about the conference as well as the group of consultants making up and/or supporting KSA Americas. I am happy to oblige; however, my desire for its success makes it difficult to be totally objective.

During my last few years with KSA, the Caribbean and Latin American market was starting to open and we were developing services to take advantage of our opportunities. Item 807, the Caribbean Basin Initiative, and NAFTA are just the beginning of a sizable potential for an organization that can effectively and successfully implement needed assistance in all aspects of labor-intensive industries. In addition, the KSA organization knows the territories and the dynamics of both the potential markets and the sourcing countries. It is a very strong combination of advantages, and KSA and KSA Americas have a great developing opportunity.

The Conference and Consultants

The meetings were held in a sunny room in the Biltmore Hotel in Coral Gables, a grand old resort hotel recently re-opened after many years

of restructuring. It was a beautiful setting.

Each of the participating consultants gave a presentation on his current assignment in English, which was not easy for some of the consultants for whom English is a second language. Sergio required English presentations in deference to Peter Brown, whose Spanish is only slightly better than mine.

KSA consultants have learned a lot about new business start-ups. They know how to do them, and they do them well. The presentations clearly demonstrated the cost effectiveness of this unique and valuable service.

The young (two months to two years out of University) and enthusiastic KSA Americas consultants were positive and impressive. There were five at the conference, and I understand that in the subsequent three weeks, that number increased by 60%.

The KSA project managers and principals based in Miami, who are the mentors to the staff consultants, demonstrated their broad experience and depth of understanding of "the industries," and were equally enthusiastic about this practice. They each led informative sessions, and I learned as much about the fiber and cotton spinning segments of the industry as I had in 39 years of KSA exposure!

Peter and Sergio each gave the conference attendees a sense of how the group fits in and is an important part of a successful, growing international consulting group. The attendees had to feel positive, not only about the opportunities in the markets where they are involved, but also that

they are part of a solid, large, successful firm.

It has been a long time since I have observed more enthusiasm. As I observed to a justifiably grinning Sergio, I wish Kurt could have participated.

VSS

cont'd from page 7

the capabilities its vendor-partners must have to support the future business. These include VMI, new production capabilities, and meeting stricter quality standards.

•VSS sources predominantly from the U.S. and the Far East. As VSS continues to grow, it is requiring its vendors to source product in a broader number of countries. We are helping VSS determine what its regional mix of sources should be, including the Middle East, Central and South America, Europe, and Africa.

To address these, and other issues, the DDS Team has:

- Mapped the current DDS Process.
- Created a process map outlining the new DDS Process and what parties will own each piece of the process.
- Developed formats to analyze the current merchandise assortment, estimate market shares, and forecast the year 2000 merchandise assortment by units, dollars, and market shares.
- Used the forecast of units to project sourcing requirements, by product category, in number of operators and number of factory equivalents.
- Analyzed quota ownership and fill-rates in the countries where VSS currently sources product and projected future quota levels to assist in identifying potential capacity limitations.
- Analyzed world sourcing trends, by VSS's product categories, to determine the future mix of source countries.

The team is in the process of completing Phase I of the project and is well positioned to assist with significant Phase II projects, with both VSS and Mast, to do detailed implementation planning. Additional assistance and expert advice have been provided by Mike Barnes, John Champion, Joe Irastorza, and Phil Kowalczyk (making a special guest appearance from across "The Pond").

So, next time you are in your local mall and need a gift for that special occasion, think of the DDS Team and stop by the Victoria's Secret Store. You are sure to be pleased with what you find and our client will appreciate the business.

KSA Americas Annual Conference Participants/Guests

**Eduardo Araiza, Peter Brown,
Juan Corta, Gerson Coto,
Sergio Cruz, Juan Echeverry,
Paul Raines, Lisandro Sagastume,
Alan Seelye-James,
Ricardo Umaña, Juan Villarreal,
Dean Vought**

Meet KSA's Retail Practice

While KSA has a strong consulting history among general merchandise retailers, which includes department, speciality, discount stores, and mass merchants, the firm's work in grocery, and food and drug has developed within the past two years. The landmark Efficient Consumer Response (ECR) study, led by *Peter Harding*, opened the door to many new opportunities. The study, which resulted in creation of *The Black Book*, authored by KSA, is regarded as the ECR Bible among food and grocery retailers and manufacturers. Other projects include: Mitsui Corporation (Food Division) — ECR-POS market tracking data, Japan; SE Frozen Foods Company — ECR Marketing Strategy and Cost/Benefit Analysis Model; Kash 'N Karry Foods — Category Management Review; L. Lauria & Sons — Category Management.

Working around the globe, in addition to *Jerry Black's* forays into Japan (see sidebar),

Don Vehlhaber is working with a VICS committee on 2-D bar codes, and has been assisting clients in Europe with high capacity technologies analysis; *Gary Stephenson* is heading up BPR initiatives at Carr Gottstein Foods, the leading Canadian supermarket chain.

Following are four hot tools for retail service under the ECR offerings: 1) ERA — ECR Readiness Assessment — shows retailers, wholesalers, and manufacturers how they rank compared to industry benchmarks; 2) CATMAN — category management — helps retailers locate product the way a consumer buys it. Example: cheese and crackers located next to each other in the store; 3) Efficient Replenishment — helps the grocery retailer achieve cross-docking, continuous replenishment and DEX-UCS-compliant Direct Store Delivery (DSD); 4) Efficient Promotion — guides the retailer to deliver paperless promotions and coupon processing.



KSA's Retail Services Group. Front row: Dennis Blankenship — Manager, Retail Information Systems; Shawne Mastronardi — Director, Retail Marketing; Sharon Anderson — Administrative Assistant; Cindy Tilson — Administrative Assistant; Jim Horton — Director, Retail; Back Row: Frank Pelzer — Consultant; Andy Dickinson — Consultant; Chris Port — Consultant; Don Vehlhaber — Director, Efficient Consumer Response; Gary Stephenson — Manager, Merchandising.

KSA forms alliance with The Advantage Group

KSA's retail services group has formed an informal alliance with The Advantage Group of Canada to market ECR services.

Well-known among Canadian grocers for its Customer Satisfaction Methodology, The Advantage Group enjoys strong relationships with grocery retailers and manufacturers there.

Headquartered in Toronto, the firm has very strong research and consulting experience.

KSA's ERA (ECR Readiness Assessment), Efficient Promotion, and Efficient Replenishment methodologies complement the Customer Satisfaction Methodology. The Advantage Group and KSA will market our ECR services first to

Canadian grocery retailers, and then to manufacturers.

Working with an established Canadian firm will help KSA build critical mass fast, and instantly provide a marketing presence in the region.

—Don Vehlhaber

KSA in Japan

KSA has begun to penetrate the Japanese market for consulting. I am working in Tokyo full-time and developing projects and strategic partnerships with well-known Japanese companies. KSA has formed strategic partnerships with Mitsubishi Corporation, CSK Corporation — Japan's largest software provider, and JMAC — a Japanese consulting company.

The purpose of the strategic partnerships is to jointly develop ECR projects. The KSA ECR book ("The Black Book") has been translated into Japanese and has been instrumental in establishing KSA as the ECR expert.

In the first three months, KSA has been an active member of the ECR Study Group of 50 companies, and been published in *Nikkei Logistics Magazine*. I have delivered several speeches to seminars and Japanese research companies, as well as made many presentations to Japanese wholesalers and retailers.

In addition, KSA has concluded one project with Levi Strauss & Co. — Japan, and has begun a second project, as well as beginning a project with Mitsui Corporation.

—Jerry Black



25th Anniversary

The 25th anniversary of one of our best-educated colleagues, *Joe Irastorza*, was celebrated in fine fashion in 1994.

A score of KSAers has since been polled for information about Joe's career. Many said the same thing, "I worked *for* Joe, but never *with* him on a project." So exactly what has Joe Irastorza been doing for 25 years... besides becoming famous?

Joe has spent his entire KSA career in Information Technology. He pioneered KSA's approach to forecasting, inventory modeling, and shop loading. He led KSA's work on a number of early comprehensive implementations. He was one of the initial architects of Quick Response and has been working for over a decade with manufacturers and retailers in implementing Quick Response by developing appropriate systems, reengineering internal company processes and establishing inter-company partnerships.

Always on the look-out for companies that could complement KSA's skills, Joe negotiated strategic alliances with Infosys, whose outsourcing programming skills were essential for our work with Springs Industries, Dillard, Time, Inc. and Polo/Ralph Lauren.

Always on the look-out for exceptional people as well, Joe has been instrumental in hiring the cream-of-the-crop for our IT practice.

Joe is an IT leader in every sense. Last winter, during the biggest snowstorm New York has experienced in many years, the IT management group held a meeting in New York. When the meeting adjourned, Joe insisted that the group have dinner at his favorite Spanish restaurant on the East Side. They taxied from the West Side to the East Side with relative ease, but during dinner the storm turned to a blizzard and getting the group back home could have become the subject of a survival film.

And what did Joe do prior to joining KSA? He received a BS in Electrical Engineering at Georgia Tech, where he finished #1 in his class. He joined the Bell System in Princeton, NJ, and while there, got a Master's in Operations Research at Lehigh University. Joe joined the Georgia Tech faculty and started work on a PhD

in Management, which he finished after joining KSA in 1968.

Joe and Berta are quintessential party guests. When they are invited to a party, they always reply promptly, they always attend, and they always contribute to a good time. A feature of the annual Atlanta office IT Holiday Party is the Sock Contest. Last year at *Jana* and *Flavio Barbosa's* house, Joe climbed to the top of the stairs, rolled up his pants legs above the knee, kicked up his leg like a seasoned Rockette, and strutted down the steps showing off socks with little red bows, a plaid border, and reindeer poised nose-to-nose (see picture). *Ken Wilkes* recalls that Joe and Berta were the first participants in the *Ken and Anna Wilkes* Small Winery Tour of the Napa and Sonoma valleys. He said, "After touring eleven wineries, the four of us needed sustenance. While Anna and I opted for burgers and fries, Joe and Berta walked next door for health food."

The parents of three children, and two grandchildren, Joe and Berta annually take a break from career and home responsibilities to travel throughout the world. This year it was Spain. Last year Alaska. Next year...



Irastorza

Milestones

Congratulations to:

Melissa and *John VanArsdel* on the birth of a daughter, *Laura Élan*, February 18.

Gene and *Patti Collett* on the birth of a son, *Schuyler Brooks*, February 25.

Karen and *Damon Shuman* on the birth of a daughter, *Jordan Elaine*, March 9.

Nori Eberly and *Florence Haney*, married March 11.

George Glinsky and *Pam Lipis*, married March 19.

Curt and *Julie Clark* on the birth of a daughter, *Anastasia Josephine*, April 1.

Clay and *Kathleen Parnell* on the birth of a daughter, *Claire Kenner*, born April 4.

Doug and *Leslie Way* on the birth of a daughter, *Kendall Victoria*, April 10.

Jenny and *Mike Gregory* on the birth of a daughter, *Emma Elizabeth*, April 27.

Monica and *Todd Sprouse* on the birth of a son, *Treigh Malik*, May 16.

Ann Hodgens Retires after 30 Years with KSA

Friday, April 14, KSA's Atlanta Office celebrated Ann Hodgens' 30 years with KSA at a Retirement Reception in her honor. Ann has worked in nearly every service group since joining KSA, but her most recent assignment has been administrative assistant to *Bill Beckemeyer*, *Bob Murrach* and Dept T, where she added to the many devoted friends who hate to see her go. Ann could be counted on to do everything from performing her job in a pleasant and professional manner to orchestrating the birthday celebrations for the Department.

A host of KSAers joined the celebration, including *Jack Ullman*, retired president of KSA and current Chairman, *Dave Cole*. Many others who worked with Ann over the years sent their regards by fax and mail, which were presented to her in a scrapbook.

Everyone enjoyed a joke on Ann's good-natured husband, Bill (a.k.a. "Corkey"). It seems, in all these years, few people have actually met Corkey and when it was learned that Corkey actually would be joining Ann at the reception, those mischievous and creative juices just naturally started flowing. Everyone showed up at the reception wearing "I believe in Corkey" buttons. (There are many, however, who are already familiar with Corkey's considerable talents as a jeweler.)

Ann and Corkey are planning to enjoy some traveling, compliments of KSA. Ann was surprised and delighted to be presented with a Caribbean island trip for two. *Fran Preston* and *Libby Morgan* presented her with a wide-brimmed straw hat and a BIG beach bag to make sure she is well-prepared.

For now, Ann is enjoying spending time with her grandchildren after school and travelling with friends. She has also been helping *Helena Johnson* in the Library and we may see her fill-

ing in here and there around the office. But we have a feeling she isn't letting the grass grow under her feet too much. Occasionally, one of her grandchildren calls the office to ask, "Is Ann working today?"

Best of luck, Ann. Your friendly and cheerful presence will be missed.



Ann and Corkey Hodgens (L) chat with Jack Ullman and Dave Cole.



Gathered at Ann Hodgens' retirement celebration are: 1. Jody Register, 2. Linda Broadrick, 3. Gigi Tindle, 4. Nancy Freitas, 5. Cassie Blakey, 6. AnnMarie Eberhardt, 7. Kat Scanlon, 8. Donna Simmons, 9. Bill Beckemeyer, 10. Elisa Martinez, 11. Libby Morgan, 12. Bill "Corkey" Hodgens, 13. Ann Hodgens, 14. Jack Ullman, 15. Judy Whitehead, 16. Wendy Risse, 17. Ruth Marquart, 18. Jon Amsler, 19. Christi Schanefeldt, 20. Denise Trostle, 21. Mary Thomas, 22. Fran Preston, 23. Charlotte Martin, 24. Geraldine Carter, 25. Michel Spencer, 26. Sharon Todd, 27. Nancy Dishinger, 28. Frank McMillan, 29. Dennis Blankenship, 30. Bob Murrach, 31. Jonathan Rix, 32. Helena Johnson, 33. Don Burkhalter, 34. Mike Yearty, 35. Ken Walker, 36. Nort Eberly, 37. Don Richter, 38. Dave Cole, 39. Mac Ryland.



New Principals

Jeff F. Boudreau

Jeff has been a major contributor to our logistics practice with extensive experience in both Base Plus® productivity improvement and facility planning. He has managed and delivered projects for such high profile clients as Lillian Vernon, Dress Barn, Escada, Charming Shoppes, Blair, Sterns, and Crystal Brands. His most recent project work has been coordinating several major projects for Lillian Vernon, including new facility design, distribution center systems design, and implementation of a performance improvement program in its personalization department.

Jeff is very active in marketing and has been a recent speaker at the DMA conference. He has also been involved on an internal professional development project team, coordinating a formal professional development class and on-the-job training for the logistics practice.

Jeff is a graduate of Virginia Tech, where he has been the campus executive for our recruiting efforts over the past four years.

Jeff's extracurricular activities take him to the local tennis courts, and he is also a key member of the KSA Princeton Office softball team. Jeff, his wife, *Susan*, and their new arrival, *Jack*, who is six months old, are preparing to move into their new home soon.

E. Britt Dayton

Britt graduated from Georgia Tech with a degree in Industrial Engineering. He joined KSA after serving as Cluett Peabody's Director of Management Information Systems, a Consultant with Coopers & Lybrand, and as a Project Leader for MSA. The relationships he established during these tenures — a hallmark of Britt's — have contributed to project sales for KSA.

Most recently, Britt was part of the team that sold and managed major projects with DAP and Williams-Sonoma, the latter was credited with implementing systems that helped the company concurrently make major service improvements and easily handle the shipping volumes generated by its biggest peak season ever. Other clients that have recently benefitted from his counsel include Healthtex, Stride Rite, and Nautica.

In addition to his contributions to clients, Britt has enhanced our systems practice by participating in the development of the Floor Ready Merchandise standards adopted by UCC/VICS, fine-tuning early versions of KSAM, development methodology for information systems, to fit our practice, serving as our CASE tool research leader, and coordinating our advertising. Additionally, his work at Williams-Sonoma has expanded our base of hands-on experience in developing client/server applications.

He and his wife, *Lydia*, live in an Atlanta sub-

urb with their two children, *Caroline* and *Rebecca*. In addition to being a devoted father, playing soccer with Torre Crupie's team, and playing golf, he is in the process of building a new house.

Chuck F. Easley

Chuck joined KSA direct from Georgia Tech, bringing with him an Industrial Management Degree, fame as the tailback who scored the winning touchdown over Clemson, and membership in Tech's ANAK Society: the best Tech students/citizens of the year.

Chuck participated in several Base Plus® Projects in retail and vendor DC's, where the mission is to improve productivity 40% to 80% in a six – nine-month period. Early in this process, Chuck showed his very significant people skills in creating supervisory development courses for distribution center management.

Chuck has made solid contributions to KSA's services. He is the recognized expert and advocate of Management of Change (MOC), and his continuous efforts and foresight to have us integrate these techniques into our services is most important to KSA.

He has led the Continuous Performance Improvement service in Logistics and has enthusiastically introduced it to other service groups.

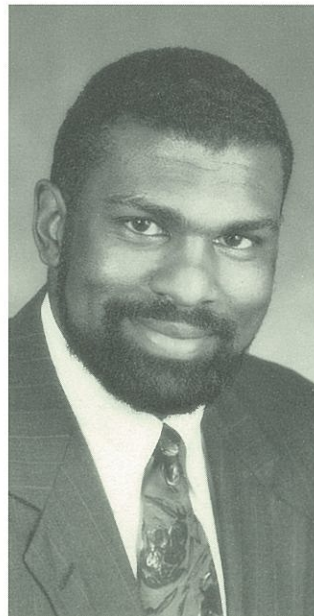
Finally, Chuck is starting his third year as director of KSA's Professional Development and we applaud the many new and revised programs, such as



Boudreau



Dayton



Easley



Mabe

principal and manager orientations, Smooth Start, and KSA Advocate, which he has helped initiate.

Chuck's "external" life ranges from church deacon to Board of Trustees of Georgia Tech, various youth organizations, Unicef, Atlanta Rotary, and others.

Jay Mabe

Jay has made major contributions at Sara Lee and Stride Rite since he has been with KSA. He

made a major contribution to selling the Stride Rite engagement and is currently managing this large multi-function project.

Jay is a recognized expert in the Business Process Reengineering area and in manufacturing systems, including JIT, TQM, and MRP-II applications. He has contributed to our Body of Knowledge in both of these areas.

Jay came to us with extensive consulting experience, having been a manager with Coopers

& Lybrand and a director at Meritus (a joint venture of IBM and C&L).

Jay received a BA in Finance and Management Information Systems from the University of Virginia and an MBA from Drexel University. He is certified in production and inventory management (CPIM) and is a frequent speaker for APICS and ASQC. Jay lives in the Atlanta area with his wife, *Lynn*, and their two sons, *Jason* and *Jeremy*. He enjoys camping and is a Boy Scout leader.

New Managers

George Cresto joined KSA in March, 1990, as the technical team leader for a two-year implementation project with GFT in Italy. After returning from Italy, he transferred into the Information Technology Group in Atlanta. He has been involved in several projects in key business areas, such as Electronic Funds Transfer, EDI, Production Planning & Master Scheduling, and Customer Order Fulfillment. After a successful reengineering effort with Sara Lee, George co-authored the February, 1995, *Bobbin* article titled "Managing the Challenges of BPR."

George received his undergraduate degree in Economics with a concentration in Information Systems from Fairfield University in Connecticut. He is actively pursuing certification in the American Production & Inventory Control Society (APICS).

George and his wife, *Anita*, live in Atlanta with their one-year-old daughter, *Alexandra*. They enjoy many outdoor activities such as tennis and biking. George also enjoys visiting his in-laws in Italy, which gives him ample opportunities to enjoy authentic Italian food.

Mohamed Amer joined KSA after extensive

logistics experience in the military and private industry. Upon his relocation to the Los Angeles area, Mohamed immediately began to contribute to our continued growth through projects for such important clients as Levi Strauss & Co., Contempo Casuals, Zellers, and PETSMART. (In fact, he has become our Body of Knowledge for the logistics pipeline management of live fish and birds!)

Mohamed's well-rounded logistics knowledge, sensitivity to the client culture, and ability to manage process changes have resulted in extensive add-on authorizations and our first Western Region CPI project. In spite of Mohamed's hectic travel schedule, he, his wife, *Paula*, and children, *Omar* and *Nadia* have embraced the California lifestyle with numerous outdoor family activities, including swim meets, soccer, and scouting.

Marcelle DeCuir joined KSA one year ago and transferred into Hamilton/KSA's information technology practice in January. Prior to KSA, Marcelle served as a project manager for First Data Corporation, a health care information systems vendor. During her seven years with FDC, she managed large implementations of clinical and financial information systems.

Using her vendor experience, Marcelle has contributed to the development of integrated delivery systems for several clients, including McLaren Health Care Corporation and St. Joseph Mercy Hospital. She is currently developing strategic plans for University Health Incorporated and St. Luke's Regional Medical Center.

Marcelle received bachelors' degrees from the University of Florida in business administration

and journalism. While at home in Atlanta, she keeps busy with a host of outdoor activities.

Molly Swanson joined KSA after graduating from Northwestern and has become one of the most versatile members of CPG, having worked on projects involving a wide range of our core services — North American Productivity Improvement, Latin American Operations, BPR, and Strategy — both Sourcing and Marketing. She has worked with a variety of clients, including Blair, Disney, Jay Garment, Horace Small and Levi Strauss & Co.

Molly builds strong client relationships which, coupled with high value project results, have led to an excellent track record in follow-on projects.

After her relocating years, Molly settled in New York, but she has since transferred to San Francisco to help CPG build a Western Region practice.

Molly and her fiancé, *Tim Britt* (KSA-IT) enjoy skiing and cycling on their tandem bicycle. They will be married in September.



Dave Cole coordinated a multi-service team at the IMRA Annual Convention in May. *Shawne Mastronardi* set the direction and *John Champion* selected a Harley Davidson to transport the team.



Cresto



DeCuir



Swanson



Amer

New Staff

Kim Barrowclough, word processor, Hamilton/KSA – Minneapolis. Previously, she worked for temporary agencies to refresh her skills and ease back into the workplace. Kim, her fiancé, *Dan*, and her two-year-old daughter, *Naomi*, live in a northern Twin Cities suburb. Kim and Dan will be married in July. She enjoys reading, crocheting, gardening, biking, camping, swimming, and most of all, fishing on an empty lake up north.

Mary Beck, office clerk, Hamilton/KSA — Minneapolis. Mary was previously resident manager of an apartment complex. She enjoys horse-back riding and boating and loves animals.

Charlie Crafts, Equipment Planning/Information Specialist, Hamilton/KSA – Minneapolis. Charlie has a background in nursing, with experience in both civilian and Army settings (including a MASH unit). He and his wife, *Shawnn*, have two daughters — *Ashley*, eight, and *Amanda*, four. He enjoys summer sports, including water skiing.

Lisa Eaton, Recruiting, AO. Lisa helps arrange candidate interviews — which includes administering those wonderful analytical skills tests we all know and love. Prior to joining KSA, Lisa was a Scheduling Assistant for Senator Paul D. Coverdell of Georgia, working in his Washington, DC office. She transferred to Atlanta with the Senator to handle casework involving issues in Education and the Federal Communications Commission. She also coordinated the Senator's program for nominations to the Military Service Academies and ran his internship program. Before joining the Senator's staff, she worked for AMRESKO, a division of NationsBank, as a Property Administrator. Lisa earned her BBA from James Madison University in Virginia and currently spends her free time planning her September wedding! (See Smooth Start Photo.)

Craig Jenneke, Equipment Planning Database Coordinator/Network Coordinator, Hamilton/KSA – Minneapolis. Craig spent five years in the US Navy, where he was a Cryptologic Technician Administrative stationed on an aircraft carrier in Florida and with the Commander-in-Chief of the Pacific in Hawaii. Craig is married and has one daughter, *Courtney*. He and his

wife, *Denise*, are building their first home. His interests include camping, hunting, fishing, golf, snowmobile racing and SCUBA diving.

John Lyons, Floor Coordinator, AO. John is originally from Tuscaloosa, Alabama. Prior to KSA, John worked for Invesco as a mailroom clerk. In his spare time John enjoys basketball, football and jogging. He has an Associates Degree in Business Administration from Shelton State College in Tuscaloosa, Alabama and is a member of the United States Army Reserves.

Ruth Marquart, Department T, Ruth's primary responsibility is the smooth facilitation of our annual audit and federal and state tax filings. In addition, she prepares many local tax and informational returns, researches tax issues, manages other accounting projects and wrestles the Internal Revenue Service as needed. She is a graduate of Northeastern University with a degree in accounting. Previously, Ruth was the accounting manager for National Cable Advertising, LP in Boston, Massachusetts.

She is an exercise enthusiast with two marathons and numerous road races to her credit. Recently, she earned a certificate to teach aerobics. In her spare time, Ruth enjoys traveling, writing, drawing, illustrating and photography.

Nicole Murphy, Marketing Support Services, AO. Nicole recently moved to Atlanta from Connecticut, where she was with ABB Combustion Engineering. She has a degree in Marketing from Bentley College. Her main tasks include the status system, managing the marketing database, and evaluation of services. She enjoys travel, outdoor sports and activities.

Lauren Scheu, word processor, Hamilton/KSA – Minneapolis. Lauren was previously a Marketing Services Analyst and Lead Word Processor with Hartford Steam Boiler Inspection and Insurance Company. In her spare time, she performs with two Irish folk dance groups.

Donna Simmons, Department T. Donna is Accounts Receivable Coordinator and has been in the position since last June. Prior to joining KSA, she spent two years at Buypass Corporation in Atlanta as a Contracts Administration Specialist in the Accounting Department and also did collections for Lazarus Stores, a division of Federated. A native of Cincinnati, Ohio, she has been in Atlanta for two years and she and her

husband, *Doug* recently celebrated their first wedding anniversary. (See Smooth Start photo.)

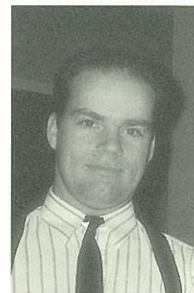
Arthur Tsiropoulos, Analyst/AO. Arthur and Sharon Rogers share the responsibility of supporting all the personal computers, networks, E-mail, WAN, etc. Prior to KSA, Arthur was at The Emory Clinic, where he had similar responsibilities. A graduate of Oglethorpe University, Atlanta, Arthur is active in his fraternity, Delta Sigma Phi and enjoys outdoor activities in his spare time. (See Smooth Start photo.)



Barrowclough



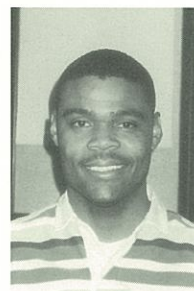
Beck



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