



SEAMLESS STANDARDS

Having completed the long and complex process associated with following through on a commitment that began 14 years ago, every O'Neal Steel location is now ISO-registered.

The International Organization for Standardization (ISO) was founded in 1946. From the beginning, its purpose has been to encourage international trade of goods and services by promoting the development of worldwide standards among business and industry with regard to functions such as design, production, installation, testing, and inspection. These standards help ensure consistency and reliability so that customers can be confident that their expectations will be met whenever dealing with an ISO-designated company – no matter where that company is located.

Recognizing the value of international standardization and the competitive advantage it represented in terms of customer retention and new business development, O'Neal began preparing for its first ISO evaluation in late 1994. By the end of 1995, the Birmingham and Louisville districts, as well as the company's corporate functions, were all successfully registered. Since then, additional O'Neal sites have been steadily added to the ISO list. And in June of this year, a milestone was reached when the Lynchburg District passed its evaluation, and O'Neal achieved companywide ISO 9001:2000 registration.

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ISO 9001:2000 is a process-based certification that links business objectives with operating effectiveness. Registered companies must demonstrate effective implementation of documentation and records management; upper management's commitment to customers; establishment of clear policy, good planning, and effective resource management; efficient process control, measurement, and analysis; and a commitment to continual improvement.

So what's the significance of *companywide* registration? It means that 29 O'Neal sites are now in compliance with the world's most stringent and widely recognized standards for quality management. That's important to – and in many cases mandated by – customers because ISO registration is often their best assurance that a supplier will consistently deliver the caliber of work they require. And, while some customers' work is always done by the same facility, others' work may be spread across a number of locations due to proximity, special equipment, workload, etc. So, in the case of O'Neal, companywide ISO registration assures customers that if one job is done in Waterloo, it will be equivalent to the same job done in Tampa or any other O'Neal Steel facility throughout the nation.

It's also important to note that ISO registration is not limited to warehouse activities or the physical handling of products. It also applies to corporate and administrative functions such as purchasing and sales. The whole thrust of standardization is aimed at achieving thoroughness and consistency in everything you do. So there is literally a "right" way to take a customer order, for example. Making sure the order is correct (inputting it properly, reading it back to the customer, providing documentation, etc.) is crucial to quality assurance, because if the order is wrong from the beginning, everything else down the line will be wrong, too.

"Doing the job right – and doing it right consistently – is the real bottom-line benefit to customers," said **James Price**, O'Neal's Corporate Manager of Quality Assurance, who recently retired but served as the company's



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point-man on ISO registration from the first inspection to the last. James said that during the course of that 14-year process, it became obvious that registered districts were outperforming the others. "Registered or not, all districts have been required to track 'measurables' such as errors and on-time deliveries for years," he said. "The districts that were ISO-registered were more cost-effective and had higher levels of customer satisfaction because they made fewer mistakes and operated more efficiently." So it just made sense to pursue registration for all O'Neal locations.

Prior to 1994, there was limited customer demand for formal standardization. O'Neal's Birmingham District had been following a military-based quality system, which was supervised by **Kevin Cooke**, now Regional Operations Manager, Southern Region. But there was no companywide initiative until **Robert Hood**, retired Vice President of Operations, made it a priority – largely because of O'Neal's increasing focus on metals processing and the need for more strict control of methodologies used from one location to another.

Even though that has remained the basic intent through the years, James and **Mike Payne**, who recently succeeded James as Corporate Manager of Quality Assurance, point out that the standards are in no way intended to diminish the districts' individuality in terms of marketing. "Every operation has its own strengths and customer base. But the processes used at each location are consistent across the board," said Mike.

In spite of the long and winding road O'Neal had to follow to achieve companywide ISO registration, the journey is far from over. Internal audits by company personnel – and surveillance audits by independent, unbiased auditors – of

each site are periodically required to maintain registered status. Designated quality contacts at each location are constantly monitoring systems, tracking performance, and problem solving. So the process of evaluation is never-ending...which leads to the concept of continuous improvement, Lean initiatives, and striving for greater efficiency in every aspect of operations.

In today's competitive marketplace and challenging global economy, it stands to reason that the companies with the greatest commitment to customer value – through quality, consistency, and continuous emphasis on superior cost-effective performance – will be the most successful. Companywide ISO registration is one more signal to customers that O'Neal is focused on them and is striving to be a better supplier in every way. ☺

NEW LEADING ROLES FOR JONES AND HEAD

Effective January 1, 2009, **Bill Jones**, currently President and CEO of O'Neal Steel, will assume responsibilities as Vice Chairman of the holding company O'Neal Industries. In his new role, he will oversee the company's Industrial Metals Group, consisting of O'Neal Steel, Leeco Steel, Metalwest, TAD Metals, and Timberline Steel. At the same time, **Holman Head**, currently Executive Vice President and COO of O'Neal Steel, will become President and CEO of O'Neal Steel. **Craft O'Neal** will remain Chairman and CEO of O'Neal Industries and will oversee the High-Performance Metals Group, consisting of Aerodyne Alloys, Supply Dynamics, TW Metals, and United Performance Metals. Look for details on these changes and plans for future in the spring issue of *O'Neal News*.