

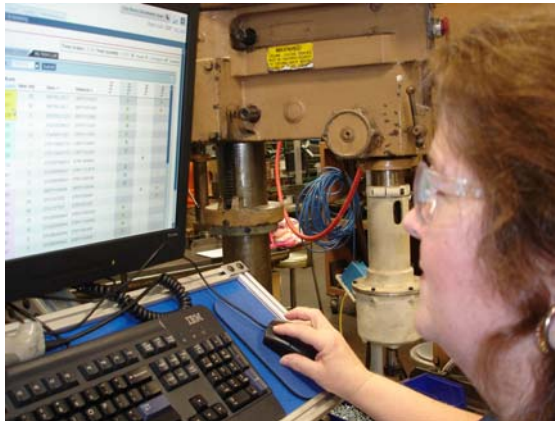
## Concentrated knowledge

### Quality products built using Baldor's Shop Floor Display

The Baldor nameplate stands for quality. It represents the pride and craftsmanship that Baldor employees build into every motor, drive and generator. Baldor has the latest equipment, tools and training to build top quality products.

Today, anyone who walks through the Fort Smith plant will see the newest high-tech tool to manufacture motors. At each operator's workstation is a bright 19-inch flat-panel display monitor, showing layout drawings, material lists, process instructions, quality alerts and other information needed to build a top-quality Baldor product. The new tool is called Baldor Shop Floor Display.

In use since April, 2006, the Baldor Shop Floor Display system is an investment in quality that will payoff for Baldor customers for years to come. It seamlessly connects the production-floor people with the engineers, quality department and others who support them in their drive to build quality products.



#### **Layout drawings, bright and clear**

Paper drawings can get wrinkled and become difficult to read. Now, with Baldor Shop Floor Display, the operator clicks a button and the monitor displays a bright, clear part drawing. The drawing is linked to the operator's current order; it's always the correct drawing. It's pulled directly from the engineering CAD database; it's always the current drawing. And Baldor Shop Floor Display has zoom capability, so the operator can "zoom in" on a drawing to take a closer look. As a result, quality problems that could have been caused by incorrect, out-of-date, difficult-to-read paper drawings have been eliminated.

#### **High-tech value hunt**

Many of Baldor's 3,800 employees have more than 20 years tenure with the company; they know the products well. The "Value Hunt" is their effort to call attention to any mistake that could lead to a quality problem, or to submit an idea that could be an opportunity for improvement. When they see a problem or have an idea, they turn to their Baldor Shop Floor Display screen and enter a Bounty Hunt.

The Value Hunt describes the problem or idea and goes directly to the engineer that can take care of it. On the screen, each operator can see the status of the Bounty Hunt, and communicate with the engineer working on it. As such, it's a complete closed-loop communication link from the plant floor directly to the engineering department. The Value Hunt in Baldor Shop Floor Display helps

everyone at Baldor work together as a team to build quality products.

### **Quality alerts**

Any time a customer reports a problem with a Baldor product, the company works to make sure the problem is fixed and doesn't happen again. The Baldor Quality Department studies every problem reported and determines the corrective action. The corrective action goes in to Baldor Shop Floor Display and becomes a "Quality Alert". In real-time, the next time the product is built, the operator will see the Quality Alert on the screen. It's highlighted in bold red text, alerting the operator that there was a problem and that a corrective action is in place. Quality Alerts are displayed when they're needed, so that a quality problem that happened before won't happen again.

### **On-screen process instructions**

Baldor has achieved ISO 9001:2000 Certification, a global standard for product quality and customer satisfaction. To gain the ISO certification, the steps that go into building Baldor products have been documented with pictures and easy-to-read explanations. The instructions are called "critical parameters". With Baldor Shop Floor Display, the instructions are displayed on-the-screen where the operator can see them. It shows the critical parameters pertaining to the product being built at the time.

### **Empowering people**

Baldor District Sales Managers (DM) saw Baldor Shop Floor display being used for the first time at the Drives Center in April, 2006, during the annual shareholder meeting in Fort Smith. The conversation at the shareholder meeting from the DMs was how excited they are to tell their customers how Baldor Shop Floor Display empowers the people on the shop floor. The DMs said they can see how it helps the people in the manufacturing plants to do the best job that they can do. The DMs know that the manufacturing people take great pride in their work and that they care about Baldor customers.

Baldor Shop Floor Display was designed with the shop-floor person in mind. It's bright and clear, so it's easy to see. It's based on Web technology, so it's easy to use; just like browsing a Web site. Many people in the plant use it immediately, with little training; with some guidance on how to get started, they're off-and-running.

### **A manufacturing breakthrough**

Randy Waltman, Vice President of Operations, has seen many improvements over the years. "We implemented our current Flex-Flow manufacturing process at Baldor 20 years ago," says Waltman. "At the time, Flex-Flow was a real breakthrough for manufacturing. It has and does continue to serve us well. Shop Floor Display is another breakthrough for manufacturing. It allows us to better

manage the variety of products we produce with short lead-times that satisfy our many customers' applications.”

**The future is bright**

Baldor Shop Floor Display was designed and developed by the Baldor BUS Core Team and Information Services department. It extends the Baldor Unified System (BUS) to the shop floor. It's a culmination of the vision of a single, unified system that helps everyone at Baldor work together to take care of the customer and provide the best value in the industry. It has been a ten-year effort to make the total BUS vision a reality. But the effort doesn't stop. Baldor Shop Floor Display will continue to be expanded and enhanced to move Baldor forward, and to be the best.