BEHLEN WORLD OCTOBER 2023

The Behlen World is published annually for our Customers and Behlen Partners in Progress

INVESTING IN OPERATIONAL EXCELLENCE

By Tony Raimondo Jr., Chairman of the Behlen Board • Behlen Mfg. Co.



At Behlen, we strongly believe our focus on Operational Excellence is key to becoming a better, stronger more customer-focused company. In this edition of the Behlen World, we're excited to share our True North initiative and what each of our Business Units and functional areas

Tony Raimondo Jr.

are doing to bring this vision to life.

Driving Operational Excellence requires a combination of talent, teamwork, and significant investment capital. Fortunately, at Behlen, we're proud to have some of the most talented Partners in Progress in the industry. Their skills, combined with our culture of teamwork, give us the ability to drive continuous improvement projects quickly and effectively. However, it's important to acknowledge that successful projects not only take talented people, but it often requires substantial financial investments.

Let's take a closer look at a couple of projects and initiatives where we are channeling significant investments to secure the future of our company.

New ERP System

Our current ERP system, JD Edwards/Oracle, was installed 30 years ago! It was a wonderful, state-ofthe-art system back then and has served us well for over three decades but it's time for an upgrade. After exhaustive evaluations and discussions with software companies, our ERP selection team selected IFS as our

new ERP software provider. This modern system will equip us with the tools needed to execute various process-related improvements in our True North journey.



Behlen Partners in Progress (employees) begin training on the new ERP system.



BPS TEAM: (back row-left to right): Billy Baxter, Jeromy Smith, Brett Halleen, Tyler Bertsch (front row-left to right): Salvador Medina, Kenny Meyer, Dave Slusarski

BPS (Behlen Production System) Team

It's only been about a year since we assembled a group of talented individuals to create our BPS team. Through Kaizen events, Gemba



boards, documented action item lists, and wholistic improvements to our production system this team has become the "heartbeat" of our continuous improvement efforts. Unsurprisingly, this team has also become an incubator of great talent, with members often advancing to new roles.

The IFS system and our BPS Team are two prime examples of the investments required for our True North journey. Like any business, profitability is a crucial component of this initiative. That's why a profit component is included in our True North initiative – profitable growth through operational excellence. Removing waste from our operations helps us create more value for you, our customers, while also funding additional investments in continuous improvement. This process creates the cycle of continuous improvement that never ends.

STRIVING FOR TRUE NORTH AND OPERATONAL EXCELLENCE

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By Tom Boal, President & CEO • Behlen Mfg. Co.



In a world that seems to always be on the move, businesses are constantly striving to find their "True North." For us, True North is **"Profitable Growth Through**



Operational Excellence." But what

exactly does this fancy theme mean, and why should you be excited about it?

Let's start with the star of the show and the foundation of it all: **"Operational Excellence."** It's like our secret sauce, or our guiding compass. True North is all about finding the path that leads to sustainable growth while making customers jump with joy. The clinical definition of True North is simply the direction along Earth's surface towards the geographic North Pole or True North Pole. For astronomers, Polaris (the name commonly referred to as the North Star) is directly in line with True North. The point of all this, no matter what, if you were trying to converge on one point with different starting points, you follow the path to True North and you will be united.

Throughout this edition of the Behlen World, we will take a journey through the different Business Units and highlight their accomplishments as they seek alignment traversing the path on the way to True North and Operational Excellence.

Final Thoughts - Operational Excellence is not just a buzzword but a strategic approach that can transform organizations and benefit customers. It's a journey, one that may take some time to master, but we are excited to be on the path towards our True North. By optimizing processes, fostering a culture of continuous improvement, and remaining customer centric, Behlen can achieve higher efficiency, greater quality, and increased customer satisfaction. Embracing operational excellence is not only a means of staying competitive in today's fast-paced business landscape but also a way to build lasting customer relationships and secure a prosperous future.

THE INGREDIENTS OF TRUE NORTH

Lean Processes: True North is about being lean. We're talking about stripping down processes to only the value-added steps by taking out waste, so they run smoother than a well-trained Indy pit crew.

Data-Driven Magic: True North loves numbers. By diving into data and metrics, True North helps us make informed decisions and find those hidden gems of improvement.

Happy Heroes: Our Partners in Progress are the heroes of the True North story. When they are happy and engaged, they are unstoppable. True North builds upon our culture where everyone is a champion of excellence, a legion of free-thinkers if you will.

Customer Spotlight: The real stars of the show are you, the customers. It's all about understanding what our customers need and making sure we serve it up on a silver platter, with a cherry on top.

Why You Should Be Thrilled:

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Quality and Speed: With True North, you get the best products and services delivered faster than you can say, "I need it now!" It's like a premium express lane to satisfaction.

Oops-Free Zone: Say goodbye to blunders and hiccups. True North ensures that everything runs like clockwork, so you can enjoy smooth sailing.

Consistent Excellence: True North guarantees you get a five-star experience every single time. It's like having your favorite dish cooked to perfection, every visit to your go-to restaurant.

Your Way, Every Day: True North helps us tailor our offerings to suit your unique tastes and preferences. It's like having a personal shopper who always knows what you like.

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FROM INTEGRATION TO EXCELLENCE

By Arlene Campos Guerra, President • Trident Building Systems



Arlene Campos Guerra

In our previous publication, Quintin Prior, General Manager of Trident, discussed the steps that were made in integrating Trident Building Systems into Behlen Building Systems, particularly in the IT arena with the implementation of Behlen's order entry and job tracking systems. With these new systems in place, our focus has shifted toward refining our operations, policies, and procedures to ensure the best possible customer experience, both internally and externally.

Leveraging the expertise within Behlen Mfg. Co., Trident continues its transformative journey. Back-office processes have been seamlessly integrated into the Behlen headquarters, resulting in a harmonization of operations and newfound efficiency. This strategic shift not only ensures consistency but also allows Trident to harness the wealth of resources available within the Behlen network.

Over the past six months, we embarked on a journey to revisit our quote-tocash process by conducting a comprehensive review of completed projects. This exercise led to an extensive list of opportunities and actions that have led to overall efficiency and effectiveness in the day-to-day operations of order management and execution.

Significant improvements have been made in material flow, operations, and quality within our manufacturing facility. Continuous improvement methods have been incorporated into daily operations, such as S.Q.D.I.P boards, a daily management tool used to review daily performance in safety, quality, delivery, inventory, and productivity. These changes optimize our operations and have a positive ripple effect on both our upstream and downstream customers. Our commitment to continuous improvement is stronger than ever, ensuring we provide you, our valued customers, the highest quality products and services.

In conclusion, we extend our heartfelt gratitude to our dedicated Trident team and our Partners in Progress at Behlen. It is their unwavering commitment and loyalty that have brought us this far. We anticipate another year of excellence, innovation, and successful partnerships as we continue to integrate the two companies.





TRIDENT ADDS NEW TEAM MEMBERS

With our improved operations firmly in place, we are embarking on an exciting phase of growth. Trident is proud to introduce two accomplished professionals who are deeply committed to building relationships, both within their team and with you, our valued customers.



Robert Marinella, our newest District Manager, brings over 20 years of experience in

the metal building industry and a deep knowledge of Florida.



In August, we welcomed **Craig Schupp** as our Director of Sales and Marketing, boasting

an impressive 33 years of experience in the metal building industry.

With this robust team, we are poised to expand our business, supported by a strong builder network.

Project Highlight - The PORT 32 Fort Lauderdale will be Florida's largest drystack when completed. It Includes 240 + dry slips for boats up to 55' and the facility designed to withstand up to 175 mph wind loads.

NAVIGATING TOWARDS EXCELLENCE

By Arlene Campos Guerra, President • Behlen Building Systems



It is with great enthusiasm that I address you in my first article for 'Behlen World.' Since joining this remarkable company in November, I've been on a journey to understand our values, strengths, and, most importantly, how we can serve you better. I'm heartened by the consistent theme echoed by our dedicated Behlen

Arlene Campos Guerra

builders-appreciation for our unwavering consistency and integrity. You trust us because you know the product you're receiving, and while we acknowledge our imperfections, we are committed to doing right by you and resolving issues with utmost urgency.

Delivering Results

Over the past six months, we've focused intently on uncovering the root causes behind our performance metrics, including on-time deliveries and backorders. Every week, we engage in discussions to decipher the 'WHY?' This proactive approach has empowered us to identify trends and take swift actions. Although we acknowledge that we haven't yet reached our desired performance levels, we've made substantial year-overyear progress in both on-time and complete deliveries. This progress is a testament to the dedication of our exceptional team.

Investing in Efficiency and Quality

In March, we were presented with an opportunity to invest in a new drafting office in Hastings, NE. We welcomed a group of 11 drafters to our Behlen family, boasting a century of combined experience. This move not only accelerates our ability to expedite lead times without compromising quality but also provides us with fresh perspectives and ideas.



Hastings Drafting Team: Back Row (left to right): Shane Peterson, James Duncan, Ken Andrews, Clinton Roberts, Brandon Jones, Joseph Happold Front Row (left to right): Jessica Reiners, Rachel McKeon, Chris Volk, Matthew Hart, Jorge Carpio

New Purlin Line

Another investment, one you've eagerly anticipated, is the new purlin line. By the end of 2023, this machine will be in full production. It's a game-changer, allowing us to match industry-standard purlin depths, increase production speed, and maintain exceptional quality. Moreover, it equips us to roll additional depth sizes, potentially expanding our product portfolio.

Building Systems



Listening and Adapting

Our commitment to excellence extends beyond technology. Strengthening our relationships with you, our valued customers, remains a top priority. We're in the process of redefining how we collect and act upon your feedback. Changes in some of our processes, such as introducing written communication to report backorders, directly stem from the invaluable feedback received during recent interactions.

I have full confidence that as we persist in investing in our people and technology, combined with our various feedback channels, we will elevate our service to you.

A Bright Future Ahead

Looking ahead, Behlen Buildings is more focused than ever on delivering operational excellence. We are unwavering in our pursuit of enhancing customer service, refining our processes, and expanding our

capabilities. Our journey has just begun, and we eagerly anticipate the milestones we will achieve together. As we evolve, know that our customers remain at the core of everything we do.

Here's to a future filled with excellence, innovation, and world-class service.

2024 BEHLEN NATIONAL BUILDER MEETING

We hope to see many of our customers at our next National Sales Meeting in Tucson, AZ, from February 8th to 11th. It's a chance for us to connect, learn from one another, and further strengthen the bonds that make our partnership so special.



The Building of the Year contest for 2022 once again included some interesting and diversified buildings. Below are the 1st Place winners by category. Congratulations to all our winners and we look forward to the 2023 Builder of the Year Contest which is currently underway.



THE JOURNEY TO ACHIEVING OPERATIONAL Excellence in Manufacturing: A Path to sustainable success



By Jen Miller, President • Behlen Country



Behlen Country, along with our valued customers, has experienced a period of rapid growth over the past few years. However, with the economy slowing down, we recognized the opportunity to start on a transformative journey toward achieving Operational Excellence.

Jen Miller

For our customers, this means maintaining upto-date product assortments, accurate inventory management, and reliable vendor partnerships who meet delivery commitments. For Behlen Country, Operational Excellence is a steadfast commitment to our manufacturing processes driven by three core objectives:

- Elimination of non-value-added activities.
- Effective Process Improvement.
- Growth to a target customer or market.

Our projects must align with one or more of these objectives and be guided by a strategic plan to ensure successful completion.

Where did we begin this journey?

We kicked off in our Mesh and Steel Stock Tank Lines. Each team engaged in a 6S event and created standard operational plans for their respective areas. We reconfigured equipment layouts to streamline processes and eliminate excess steps, and also removed unnecessary or unused items from the area. This provided us with a clear path from start to finish for these processes.



While we continue to make improvements in these areas and throughout all the Behlen Country product lines, we are committed to delivering products of the highest quality, minimizing waste, reducing costs, and consistently meeting or exceeding customer expectations.

PARTNERING TOGETHER

Behlen Country and the BPS Team partnered together to create a transformational change that would not only organize our tubular/welding/painting yard but also create a systematic product flow and storage area that would help eliminate conditional waste. This True North event focused on what waste could be eliminated by 6Sing this area and using the thoughts and ideas of Partners in Progress (employees).

The teams disposed of over 150,000 lbs. of scrap and forgotten equipment. With the goal of eliminating 50+ indirect labor hours per week, staging and storage areas for tubular, welded product, and painted product were created. The event was a great start to a yard wide 6S event and has shown that True North is rocketing in the right direction on our Behlen True North journey.







NEW PRODUCT HIGHLIGHT

Check out a few of our products that launched in 2023!





HILTON SEES RECORD TAB SALES

By Dan Bracciano, President • Hilton International Industries



As discussed in our last Behlen World article, Hilton anticipated an increase in orders due to electrification, resulting in improvements in the global power grid. We also expected a rise in orders from our defense contractor customers. 2023 has certainly seen an

Dan Bracciano

increase in both capacitor winding machine orders and our capacitor tabs orders sales. Machine orders are booked up for the 2024 fiscal year. Tab sales are at all-time record levels.

What are tabs?

Tabs are electrodes inserted into a capacitor winding to connect numerous capacitors in series within a transformer or switching capacitor bank. Hilton has seen a rise in tabs sales this year and has a significant backlog.

Hilton recently designed and built a new state-of-theart tabs machine to meet our customers' demands and instill operational excellence. The machine is fully automated and is capable of a throughput three times faster than our current tab machines. The new tabs machine is servo motor driven and includes an operator interface touch screen.



In addition, the new tabs machine includes a vision system that ensures tab alignment positioning for improved customer quality.

TWO BECOME ONE BUSINESS-ONE BRIGHT FUTURE!



By Roger Townsend, President • International & Diversified Products



Last year's Behlen World article was titled Two Businesses-One Bright Future! The article referenced steps taken starting in 2019 to share sales resources between Behlen Technology & Manufacturing (BTM) and Behlen Custom Fabrication to build closer relationships with existing customers and instill similar processes

Roger Townsend

and culture at both locations.

In 2020, leadership was combined to help further the partnership and help the two business units work closer together to help build a universal winning culture. We evaluated and worked to implement best practices in both operations. Our teamwork improved as we found ways to share and enhance one another's capabilities.

The following year, a new marketing campaign was launched to promote the two businesses working as one, as a core strategy to find the best solution to meet our customers' needs. We learned from each other, grew together, and improved our customer service. As an outcome, we grew our collective business.

As we entered 2023, we continued to evaluate the two businesses further. We took a critical deep dive into the operations, equipment, processes, facilities, and customers. It became increasingly clear that having two separate facilities only 75 miles apart doing the same or similar processes for the same or similar customers was not the most efficient use of facilities, equipment, or workforce. We decided to discontinue the Behlen Technology & Manufacturing (BTM) operations in Omaha, NE and consolidate all operations as the new Behlen Custom Fabrication in Columbus, NE. We made the announcement, internally and externally, in late June. We have formulated a plan to transition customers, equipment, and personnel to Columbus while continuing to operate BTM with an anticipated closure/transition completion by the end of the 2023 calendar year.

We have invested in equipment to replace or add additional capacity, which has already started arriving in Columbus. A team is finalizing the floor plan in Columbus for better flow as we join the two businesses together. The Joiner Division has a new CNC mill installed and operating, and a new CNC mill has arrived and is being installed for Custom Fabrication to help produce products currently produced at BTM. We have a Fiber Laser arriving in late October to improve quality and increase capacity. We will be relocating several pieces of equipment from Omaha to Columbus over the next few months. We have added several new customers over the past year and are confident we will continue to expand our customer base.

Although this has been a difficult decision, we are enthusiastic and genuinely believe we are moving in the right

direction as we strive toward Operational Excellence.



IMPROVEMENTS IN PRODUCTS AND PROCESSES



By James Ryba, General Manager • Behlen Joiners



With Behlen Mfg. Co. focusing on being a world class manufacturer, we are making improvements not only in our product offering – but also our manufacturing processes.

James Ryba

manufacturing processes. The Behlen Joiner business unit

continues to invest in equipment that will foster Operational Excellence. A new CNC vertical machining center was added in 2023. This will greatly reduce the processing steps when making die parts such as punches, spacers, clamps, etc., which in turn will reduce their costs, lead-time and inventory levels while adding capacity.

Visiting Line Builders

To keep current with the growing needs of our customers, our sales team traveled around the U.S., visiting end users, as well as Europe to visit with global line builders. These fruitful visits have provided ideas as to what can be improved to help end customers with safety, quality, and throughput. We will continue to travel in the future and are looking at potential trade shows in 2023 / 2024 that Behlen Joiner can showcase our joiner / die product offering.

We thank you for your business! Please contact us with your coil joining needs. We are confident that Behlen Joiner has the products and technical knowledge that will help you meet your requirements.

NEW PRODUCT BY BEHLEN JOINER

AIR BLOWOFF SYSTEM FOR DOUBLE ROW DIES

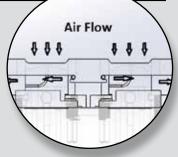
One of the customer requests over the past year was to develop an air blowoff system for double row dies (previously only available on single row dies).

An air blowoff system automatically sends a burst of

air to remove debris from the die. This will not only increase the life of the die, but more importantly decrease the amount of "fines"



that can lead to coil material damage. We have successfully designed / implemented this double row air blowoff and will be available as an option going forward.



To view details of new and existing joiner / die options that Behlen Joiner has developed to meet customer requests, please scan the QR Code.





FOCUS ON THE FUTURE

By Cody Myers, General Manager • Behlen Grain Systems



The Behlen Grain Systems business is set up for a strong finish to fiscal 2023 and a busy start to 2024. The backlog is currently at its highest level in several years. We continue optimizing our products, processes, and procedures within Sales, Manufacturing, and Engineering.

Cody Myers

Building Strong Relationships

The sales team is focusing on building strong relationships with our dealers. We want to make sure our dealers understand that we are big enough to take care of them but small enough to care. We are increasing our presence

at trade shows and visiting current dealers, potential new dealers, and customer job sites. We truly want to understand our customers' needs and do everything possible to meet those demands.



Pictured (I to r): Kirk Nelson, Greg Iburg, Roger Townsend, and Joey Galvin attend the GEAPS show in Kansas City, MO.

Focusing on LEAN Initiatives

The manufacturing team is embracing and running with our company-wide LEAN initiatives. They aren't afraid to ask "Why" and are focused on looking for ways to make things smoother and faster. "Fast is smooth, and smooth is fast". We have installed a larger capacity press on our wall panel line, and part of the manufacturing space was also recently re-arranged to improve product flow.

Prioritizing Action Items

There is an old saying, "If you chase two rabbits at the same time, they will both get away." We are prioritizing our action items in each area and focusing on the highest priority items first. Continuous Improvement is one of our Global Values at Behlen, and the Grain Systems division is really pushing itself to focus on this every day in the pursuit of Operational Excellence.



GRAIN SYSTEMS

The Behlen engineering team is busy looking for ways to improve our products, emphasizing strength, steel utilization, manufacturability, and ease of construction. Redesigning the wall panel connections to optimize the steel and bolt strength was the first phase of the redesign.

The first bin (shown below) utilizing the new wall panel design was erected in March of 2023, and the team continues to work on the subsequent phases of the redesign.



EMBRACING NEW TECHNOLOGY

By Shandy Hand, General Manager • BMC Transportation





Operational Excellence isn't possible without reducing waste and increasing efficiency. Embracing new technology is one vital step in doing so. Unfortunately, the trucking industry has historically been resistant to technology and change. Over time, larger fleets have begun investing

Shandy Hand

heavily in new technology, while Owner-Operators, like those at BMC Transportation, have gotten by doing it the way they have for years.

Embracing New Ways

In recent years, our professional Owner-Operators have really embraced new technologies. While some would initially argue that it was forced upon them, our government-mandated transition to electronic logging wasn't popular; it has been shown to reduce much of the administrative work they must do. Eliminating this manual process allows these Owner-Operators to focus on other aspects of their business. Many now wouldn't go back to the old way because it has been such an improvement. Our Owner-Operators utilize smartphone applications for route optimization, fuel consumption monitoring, quickly finding the cheapest fuel, tires, etc., and tracking expenses. All of this reduces wasted time and operational costs and allows our Owner-Operators to focus on what keeps them and their trucks moving.

Benefits of Improving our Technology

Technology has also improved our management of the fleet. The days of paper maps, legal pads, and blue bar paper weren't that long ago. The technology provided by the electronic log platform offers real-time data to improve customer service, safety compliance, and driver efficiency. New dash camera technology provides a cheap, effective way to protect our drivers and ourselves from potential litigation and soaring insurance costs. Also, safety-wise, technology allows us to train our drivers through their mobile devices. Historically, our training was not flexible or efficient. Trying to route all drivers in for scheduled training was inefficient and cost-prohibitive.

Future of Transportation Technology

The future of transportation is filled with opportunities for new evolving technology. Utilizing this technology, we can optimize routes, comply with ever-changing regulations, streamline tasks, improve financial management, and enhance customer engagement. These technological advancements can empower us and our Owner-Operators to achieve operational excellence and stay competitive in an evolving industry. As technology continues to advance, we must remain vigilant and adapt to new technologies to maintain our competitive edge.





PRIDE QUALITY SYSTEM

QUALITY OPERATIONAL EXCELLENCE

By JR Crosley, Quality Manager • Behlen Mfg. Co.



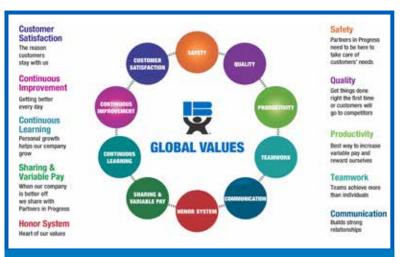
There is not one individual thing that makes a company truly excellent at what they do. Designing a desirable product, developing sales and marketing strategies, maintaining production efficiency, controlling costs, and maintaining customer satisfaction are some things that

JR Crosley

contribute to excellence. However, there is one individual thing that ties it all together - Quality. Quality is the common factor in overall operational excellence. You will find Quality listed near the top in the Behlen Global Values, just under Safety.

At Behlen Mfg. Co., quality is a term that pertains to much more than just product inspections. Quality is a way of life and must be built into every step of our operation. The Behlen PRIDE (Partners Responsible In Demonstrating Excellence) Quality Management System provides us with the foundation on which all our processes are built. The PRIDE System applies a systematic approach to our processes, making our results more predictable, sustainable, consistent, and measurable. With this data, goals are set, and continuous improvement projects can be identified and implemented.

The PRIDE System requires the involvement of every Partner in Progress in the company to be successful. Training and involvement with quality starts on day one and is a constant focus. Our commitment to quality has enabled us to achieve and maintain multiple quality certifications at all our locations.



VISION STATEMENT Behlen, where teamwork and change make customers and employees better off.

We began our quality journey by becoming ISO 9001 certified in 1999 at our corporate location in Columbus, Nebraska. Since then, we have expanded our quality credentials in Columbus and our branch manufacturing locations with additional business unit or customer product-specific accreditations.

We are proud to say that this year, we have passed our ISO 9001 recertification audits in Columbus, Nebraska, and Baker City, Oregon, as well as our surveillance ISO audit in McGregor, Texas. Behlen Building Systems and Trident Building Systems also passed their respective certification audits with IAS and AISC. Behlen Buildings and IDP (International & Diversified Products) Welders passed another round of CWB weld testing as well. Behlen is committed to quality and continuous improvement. This focus continues to enhance our ability to provide you, our customers, with great products and services.