Newsweek

"ISO 9000 IS UNIQUE IN OUR WORLD TODAY. IT'S ABOUT THE ONLY THING MOST COUNTRIES AGREE ON."

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PRESIDENT — ALLEN-BRADLEY COMPANY



"If you want to compete in global markets, you have to play by global rules. That definitely includes ISO 9000."

The handwriting has been on the wall for several years. ISO 9000 will significantly impact world trade in the future. Compliance with this series of international quality system standards is fast becoming a prerequisite for doing business in many global markets.

Because they'll help to facilitate the free flow of trade as the European Community (EC) merges into a single, unified market, ISO 9000 standards are sometimes thought of as strictly European. However, they're true global standards, already adopted as national standards by 55 countries, including the United States and Canada.

Spurred on by anticipation of the removal of trade barriers in the EC, thousands of European companies have had their facilities registered to ISO 9000 standards. American industry has a lot of catching up to do. To date, only about 300 U.S. businesses have had one or more of their facililties registered. Allen-Bradley is pleased to be one of them.

As of right now, 20 Allen-Bradley facilities have earned registration to ISO 9000 standards. Our vision for the year 2000 is to become the world leader in industrial automation. Obviously, we need registration to ISO 9000 quality system standards to realize that vision.

Allen-Bradley has had an effective quality system in place for more than a decade. Over the years, it has evolved into what we now call TQCS, Total Quality for Customer Satisfaction. TQCS extends our quality focus far beyond products to encompass every aspect of the way we do business, both internally and externally. Registration to ISO 9000 standards validates our TQCS efforts, besides greatly enhancing our global marketing capabilities.

If you're considering ISO 9000, I believe you'll find the following pages interesting and useful. From our experience, we've put together some key thoughts that may help you determine whether or not to pursue registration.

Sharing ideas with you is the reason behind this complimentary subscription to Newsweek. We invite you to also share your ideas with us. If there is anything I can do to make Allen-Bradley more responsive to you, call me at 414-382-2000.

PRESIDENT - ALLEN-BRADLEY COMPANY

DOES ISO 9000 MAKE SENSE FOR YOU? A CHECKLIST TO HELP YOU DECIDE.

IN GLOBAL MARKETS?

If you export products anywhere in the world today, the International Organization for Standardization (ISO) affected your business when it introduced the ISO 9000 series of quality system standards in 1987. ISO is a global federation of national standards bodies that works to define and "harmonize" product, service and business practices worldwide.

Today, although the most intense focus is on the European Community (EC), ISO 9000 standards are a top priority with companies and governments worldwide. They've been adopted by 55 countries as their national standards for quality systems. Many others are sure to follow suit. Obviously, companies who are ISO compliant have a tremendous competitive edge in global markets over those who aren't.

DO YOUR NORTH AMERICAN CUSTOMERS COMPETE GLOBALLY?

Even if you don't do business directly outside of North America, some of your customers no doubt do. Or their customers. And the links to global markets are sure to multiply as world trade continues to become more tightly entwined. That's why no company can ignore the importance of ISO 9000 quality system standards.

V DO YOU HAVE A WELL-**DOCUMENTED, QUALITY PROGRAM IN PLACE?**

If you do, the path to registration can be a lot smoother than starting from scratch. ISO 9000 standards require that there's a quality system in place. That every-

thing is well documented. And that personnel companywide know their duties and perform them consistently.

What if you don't have a quality program in place? Then ISO 9000 standards can be a great beginning. They provide a solid foundation for a workable quality system.

WILL THE REGULATORY ENVIRONMENT REQUIRE YOU TO HAVE A REGISTERED **OUALITY SYSTEM?**

In all parts of the world, more and more products are being classified by government bodies as "regulated." If yours fall in this category, you may have no choice but to become registered to ISO 9000 standards.

For example, government procurements in Australia currently give preference to certain products made in facilities that are ISO compliant. In the United States, the Department of Defense and the FDA have declared their intention

to adopt ISO 9000 standards. In the EC, many products — considered potential "risks" to health, safety or the environment — are controlled by "directives" requiring proof of conformity assessments.

is increasingly regarded as signficant verification of an effective quality system. Consequently,

Are your products regulated? Will they be? It's vital to know the answers in every country where you do business.

ARE YOUR CUSTOMERS ISO 9000 COMPLIANT? WOULD THEY LIKE YOU TO BE?

More and more major companies who have attained registration to ISO 9000 are asking their suppliers to do the same. It's predicted that in the next few years, registration to ISO 9000 will become the minimum standard of quality expected by many companies of their suppliers. And this trend is not limited to international companies. It's accelerating throughout North American industry.

✓ WILL REGISTRATION **EARN YOU PREFERRED SUPPLIER STATUS?**

Many major manufacturers are paring down their number of suppliers. ISO compliance could help you to be one of the favored few. It might even be a prerequisite.

it can reduce the red tape and audits that preferred supplier programs impose. That's beneficial for both you and your customers. It simplifies your life and makes it easier to do business with you.

What's more, ISO compliance

ARE ANY OF YOUR COMPETITORS REGISTERED?

If they are, even just one of them, try to determine whether or not it's affecting your business. Are their sales increasing? Is your market share eroding? If so, you probably should be registered too, in order to compete on a level playing field. If none of your competitors are ISO compliant, there may be no strong reason for you to be. On the other hand, registration now may put you on the cutting edge in your field of business and give you a significant competitive advantage.

IS IT A GOOD BUSINESS DECISION?

Registration to ISO 9000 can be a significant investment. The direct cost of an official audit per facility can range from \$10,000 to

\$30,000 (U.S.) or more. Add to that the staff hours needed for preparation which can take 12 to 18 months.

Is it worth it? Can you afford it? On the other hand, considering all we've said so far, can you afford not to become registered? Do you need registration to protect your market share? How much potential business will you lose without it?

There's one more key question. Will ISO 9000 benefit your internal operations? Many companies are pleased to find out that the documented procedures put in place save time and cut costs, in addition to enhancing customer satisfaction.

There's much to consider. But it all boils down to one thing. Is it a good business decision for today as well as the future?

WHICH ISO 9000 STANDARD IS RIGHT FOR **YOUR BUSINESS?**

If you decide that ISO 9000 is a good business decision, you have three choices: 9001, 9002 or 9003. Each is a distinct quality system model written for specific types of business with varying functional and organizational complexity. ISO 9001 is the most comprehensive, covering design, production, servicing and installation. ISO 9002 has no design or servicing requirements. ISO 9003 covers only final inspection and test operations.

ISO 9000 standards provide

guidelines to help you make the right choice. But one of the best guidelines is to simply listen to your customers. Their requirements should be the key to your decision.

✓ WHAT EXACTLY DO YOU NEED REGISTERED?

Registration to ISO 9000 is only awarded to quality systems, not products. You can tailor the scope of your registration to precisely match your business needs.

Should you have all of your facilities registered? Would it be prudent to have certain operations registered now and others in the future? What are the potential benefits versus the required investment? The answers to those questions will make a great difference in the cost of registration and how soon you can enjoy its advantages.

FOR INFORMATION ON ALLEN-BRADLEY'S EXPERIENCE WITH ISO 9000, SEE INSIDE BACK COVER.



20 ALLEN-BRADLEY FACILITIES WORLDWIDE HAVE EARNED REGISTRATION TO ISO 9000 STANDARDS. WE'D LIKE TO SHARE THE EXPERIENCE.

Those 20 facilities are responsible for more than 25 Allen-Bradley product families. Together, they produce one of the world's broadest selections of automation technology, ranging from push buttons to programmable controllers to AC and DC drives.

Already, we see that registration to ISO 9000 is paying dividends. It makes a clear statement to customers about the kind of company we are, and the kind of quality system we have. They have greater confidence in our products and services. It's enhanced their satisfaction. And it's made us a stronger global competitor.

Achieving registration wasn't a simple matter. It required a comprehensive effort involving nearly every employee in our company. But we consider it a very worthwhile experience we'd like to share with you.

We invite you to follow us step-by-step down the path we took to registration. We'll tell you why we decided to do it. How we organized and prepared for it. The investment required. The training involved. Details of the final auditing process. You'll also hear what our employees thought about the experience, comments from leading ISO experts, and who you can turn to for further help in pursuing registration

It's all in a two-hour informational video presentation entitled "Understanding ISO 9000: The Allen-Bradley Experience." To order a copy, call 708-564-0470 or fill out and fax the form below. (There's a \$6.00 charge per videotape to cover duplication and a \$2.50 shipping and handling charge.
VISA or MASTERCARD accepted.)



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