

The Inventory Undertaking

You might be involved in the inventory process that happens annually for ESI clients. Maybe you aren't directly involved but have heard of it. Or maybe you are not even aware it happens. No matter your level of involvement, it is beneficial to know about this important and massive undertaking. The purpose of the inventory process is to validate and verify that the reporting of inventory counts and pricing is correct. It is taken very seriously due to the volume of inventory ESI clients have.

The count itself happens mostly during the last week of each year. In addition to the count, the process includes a third-party walk through for random inventory checks, and pricing of inventory which is done in January. During the inventory process, everything is counted from unprocessed flat metal to fully built but not yet delivered equipment, and everything in between.

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The Race is On: The Referral Incentive

The current referral incentive is active until January 31, 2022.

The details

For every person a current team member of an ESI Client refers to ESI for employment, who is subsequently hired, the referring person will receive \$50. After the new hire is employed for 90 days, the referring person will receive another \$150.

The person who refers the most people who are then hired by an ESI client, by January 31, 2022 will receive an extra \$2,500. The person who refers the second highest number of people who are then hired by an ESI client, by January 31, 2022, will receive an extra \$500. These amounts will be split equally if there is a tie at either level.

With just one month to go in this incentive program, the following is where things stand:

There have been 21 successful referrals so far - that's incredible!

One person is in the lead with two successful referrals.

There is still plenty of time to create a tie for first, or for someone else to take the lead with three (or more) referrals.

There is still time for you to be the recipient of the \$2,500. For questions about the program, please contact Jackie at jackie.krawczak@Kabu.net or 989.358.6175, or ask your leader for the flier.



The Inventory Undertaking, continued...

Although a function of Northwood Solution's Managerial Accounting team, the inventory goals are not achieved by just a few NSI team members. It takes many, including a large number of people from the manufacturing business units. Each business takes on counting their own inventory. They take pride in doing the job well because accurate inventory reporting reflects positively on them. Many also take this time to thoroughly clean the shop environment.

The process goes smoothly and it is because of the dedication from the teams involved. If you are part of this massive team undertaking, thank you for your commitment to getting it done timely and accurately. If you aren't directly part of the process, you now have a better idea of the reasons behind the inventory process.



Safety is More than Eye Protection and Steel Toes

According to MIOSHA (Michigan Occupational Safety and Health Administration), in 2020 and 2021, there were almost 150 workplace fatalities in Michigan, with a high number of them due to falls. MIOSHA also indicates that the most common violation in 2021 was lack of PPE (Personal Protective Equipment).

It is probably safe to say that most team members of ESI clients are used to hearing about the safety requirements of wearing safety glasses and steel toe boots, but there are dozens of other safety requirements that are not as often top-of-mind. Reminders that address some of the most common violations are below.

- Proper overhead crane operating procedures include using the appropriate hand signals
- Gondolas should be stacked and moved properly so they don't drag on the floor, and are not in danger of falling on someone
- Items should never be stacked too close to fire extinguishers, electrical panels, and exits
- Flammable and non-flammable gasses should be stored separately and not near exits
- Drums of products/chemicals should have the funnel removed and the top closed when not in use
- Rags with paint thinner on them are combustible and should not be disposed of with the regular trash
- There is no smoking allowed in the shops, which includes vaping pens; smoking is to be in a personal vehicle or designated outdoor areas
- When using a grinder, never put your hand near the backer board (never put your hand near any rotating shaft)



Did you know that a decibel test is conducted periodically? That is how it is determined if employees must wear hearing protection. The number one item in a shop that is consistently over the decibels allowed for longer than allowed is ... radios! Turn down radios to an approved level that will not damage hearing over time, or wear ear protection.

If you need a review of any of these, or other, safety requirements, ask your leader. And it is valuable to note that, around here, if you are a repeat safety offender, it is not uncommon for you to be required to help teach a safety course to others. Keep that in mind as you navigate 2022 with safety top-of-mind.

Steel Steals the Show for ESI Clients

A tremendous amount of steel is processed each year by ESI clients.

ESI clients that are in flat metal processing use around 14 million pounds of steel annually. Just a few years ago, that number was around 10 million pounds. Orders come in every day that total roughly 50,000 pounds of steel per day. That is, on average, 80-85 orders per day. Each order contains an average of five to ten parts. The trucks that deliver the flat metal carry around 45,000 pounds of product. That means well over 300 trucks a year deliver metal to the ESI clients that process it.



The 10-12 vendors that supply the metal are from Michigan, Northern Indiana, and Northern Ohio. Lately prices have been fluctuating drastically. In 2021, in some cases, prices increased by as much as 100%. That creates a major challenge for many manufacturers, including those in the material handling industry like ESI clients.

When transforming metal into the parts requested by customers, every effort is made to reduce the amount of scrap steel. Even with those efforts, there will always be some scrap, which is sold to scrap dealers so it can be recycled and used for something else.

Orders take time to process but almost 40% of the orders received by the flat metal processing businesses are completed in five days or less. The most common type of steel used by ESI clients is what is called mild steel. This means it has a small percentage of carbon, is tough and strong, but is not readily tempered. Other types of metals utilized include stainless steel, aluminum, galvanized steel, hardened steel, and expanded steel/material, to name a few.

Each of the different types of steel requires different processes, equipment, competencies, and tools to transform it into the customer's request.

When it comes to steel, there is certainly more than meets the eye for ESI clients.

Leadership Brags

The following brags were submitted to ESI for publication.

Wayne Morgan submitted recognition for the following outgoing OMC team members.

- Kim Stevens retired after more than ten years with Omni Metalcraft Corp.
- Corey Canute resigned after twenty-four years in various roles, most recently as VP Operations at Omni Metalcraft Corp.
- Kevin Kranzo retired after 26 years within the ESI client base



Wayne, on behalf of Omni Metalcraft Corp., wishes Kim, Corey, and Kevin well, and thanks them for their many years of value and commitment.

Keith Hartman sends best wishes for retirement to Jerry Kapala (pictured) who worked at Uni-Craft Mfg. Corp. and Bay Mfg. Corp. for a combined 33 years. Jerry enjoyed his career, especially because of the variety of equipment he built, the challenges it brought, and the people he worked with. He looks forward to spending time working on projects around his house.

What Will Recruiting Look Like in 2022?

The short answer is, ESI has no idea. Not an ideal response but it is reality.

It is no surprise that 2021 was incredibly challenging when it came to hiring.

The needs were great but the talent was slim pickings.

That was relatively consistent through the entire year.

The good news is that ESI has made changes over the last two years that is drawing in record numbers of applicants. For example, November of 2019 saw 56 applicants, November of 2020 had 93 applicants, and for 2021, that number was 229!

The nation-wide talent shortage is not predicted to go away anytime soon, but it does seem that hiring is a little easier than it was a year ago. It takes fewer applicants to get one hire.

ESI will continue to build a positive image for what it is like to work for an ESI client, and will continue to screen every single applicant that comes along.



Your Health Matters!

A message from USI, ESI's health insurance broker.

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Feel Your Best By Taking Care of Your Digestive Health

It's the time of year for holiday treats and fun, which we all deserve to enjoy without causing havoc on our insides. Heartburn, constipation, indigestion, bloating, and weight gain are just a few of the "heavy hitters" that can put a damper on a joyous time. Thankfully, by following a few basic tips, you can keep your insides functioning in tip-top shape through the holiday season.

Know your body! We all know the foods that do not sit well with us. If you know that eating dairy is going to cause you to run to the bathroom during your holiday party or leave you bloated and uncomfortable for days, avoid it. Know your trigger foods and steer clear of them

Consider limiting fried foods, as these are known to cause heartburn and stomach upset. Choose to consume these foods only occasionally or not at all, and fill your plate with high-fiber foods such as veggies to help keep you full and satisfied, but without the guilt or stomachache.

Eat more fiber. Add in those veggies and fruits. They support your microbiome, which not only helps you maintain a healthy gut but also helps boost your immune system. Don't forget to increase your water intake as you increase fiber in your diet.

Eat a balanced diet. Don't eliminate entire food groups from your diet, such as carbohydrates, as this will only lead you to load up on them at social gatherings (leaving you feeling guilty and your gut unhappy). Eating a balanced diet filled with veggies, fruits, proteins and whole grains will help prevent intestinal issues.

Manage stress. Stress can cause bloating and heartburn. Since stress is not avoidable, learning how to deal with it is key. Take time to add in some relaxation time, meditation, or yoga. Try downloading some apps like Calm or Headspace, and use them for at least 10 minutes daily.

Get those steps in! Daily exercise can not only help with stress but can help keep excess holiday weight off. It will also keep your digestive system running smoothly. Aim for 10,000 steps a day. Park at the end of the parking lot rather than right next to your destination to get some extra steps in as you're out and about.

Just slow down. Sit and enjoy your meals with family and friends. Try to put your utensils down periodically during your meals, or take some breaths between sips and bites, to allow yourself time to feel full (and not overly full due to eating too fast). This is also a great way to practice intuitive eating and exercise portion control.

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