

Right-sized for profitable progress

With a rising national reputation, Charter Films remains nimble by sticking with what works best.

By Editor in Chief Mark Spaulding -- Converting Magazine, 1/1/2008 2:00:00 AM

Any company that doubles in size in just about every respect (plant-wise, number of production lines, headcount and annual sales) is bound to change—sometimes *not* for the better. Fortunately, for film maker Charter Films, the past five years meant not only sticking with what works best but also becoming just the “right size” for the broadest range of customers.



All of Charter Films' blown-film lines, supplied by Windmoeller & Hoelscher Corp., provide tight gauge and yield control.

Entering its 10th year in business, Superior, WI-based Charter has gone from a regional startup to a film provider with a growing national reputation. Since *Converting* first visited the company five years ago, its focus has remained on multilayer coextrusions and sealant-layer films for flexible-packaging applications, industrial masking films for surface protection and high-density films for the tag and label market. Coex and monolayer blown-film extrusion lines, all supplied by Windmoeller & Hoelscher Corp. (www.whcorp.com), make up the company's production heart. Two plant additions, the newest opening this month, bring total space to 200,000 sq ft.

“We *have* become a bigger company,” says Charter's director of sales and marketing Brian Beuning. “Some of the customers we're now doing business with would not have entertained the idea five years ago because we didn't have the critical mass from a capacity standpoint.”

“We have had solid growth without any serious turmoil,” adds Chris Trapp, president and chief executive officer. “Consistent growth.”

Walking the walk

Just about every business will say it attributes its success to “people, quality and service,” but Charter Films gives more than just lipservice to these operational aspects. Beuning, Trapp and executive vice president Dave Timm can point to everyday examples, many of which show the value and empowerment of company employees.

When Charter opened in 1998, operators new to the extrusion business were hired because the managers didn't want workers falling back on bad habits learned at their former film-making jobs. Instead, they instituted the “Charter Way” of doing things. Now, those initial hires have a decade's worth of experience. “Our expertise on the plant floor today is as good as anybody's,” Timm says. “It's home-grown expertise, but that's what we wanted. All are responsible for their own quality; no one looks over their shoulders, and they've proven up to the task in spades.”

What's different five years on is the creation of Charter University—a computer-based training and information system residing on the company's Intranet. Training modules run the gamut from the employee handbook to basic and advanced film extrusion, material handling and quality control—all taught via text and videos taped at the plant. Online tests must be passed as part of a worker's performance-based promotion plan.



“Because we hire people for their *people* qualities,” Trapp explains, “we had to grow the technical side with very advanced training.”

“A lot of companies have this stuff on paper,” Timm adds. “They have the intention to do something like our Charter University, but we've made it live, interactive and measurable.”

Right: A Charter Films employee offloads a film roll.

The business community agrees as Charter University has garnered rave reviews. “Charter University was very impressive to me as it opens a way for new employees to understand how the processes work and to develop a sophisticated toolset which they need to perform high-quality manufacturing there,” comments Eric Svaan, a lecturer in operations management at the Ross School of Business at the University of Michigan. “It's one of the best examples I've seen of the application of technology to building a skillset among the employee base in manufacturing companies. That really shows a deep commitment to quality and the improvement of the skillset of [Charter] associates.”

Rule 1: Constant upgrades

Examples of quality center primarily on Charter's production technology. Real-time online controls monitor and adjust gauge, cross-directional variation, yield and product width to keep materials on target. Continuous equipment upgrades are the rule; its oldest lines have been improved in one way or another 10 times in 10 years, Trapp says.

To better measure its performance, Charter had customers provide 11 full-width samples of film from various suppliers on which to conduct off-line profiling. All materials were tested blind. The results were returned to the customers, and only then were the films identified. The two samples rated the best were Charter's.

“Gauge and yield control are especially important today as customers try to reduce and use less for sustainability purposes,” Timm says. “You can't do that without sophisticated online controls. Sure, anybody can buy machinery that has those capabilities today, but since our first lines have been producing film for 10 years, the data is the same as it was day one. That's a huge distinction that ties into the people side, the expertise side [here].”

Less is more

From the service side, Charter has continued its successful practice of consultative selling, making films that are better than what customers may initially expect so that the materials can have broader end-use applications. “We really ask the customer to challenge us,” Beuning says.



What are some of the more asked-for traits?

Down-gauging for source reduction and sustainability; high-temperature stable materials; and films with lower heat-seal initiation temperatures that help converter's save energy and improve packaging line speeds, he says.

Trapp describes one example where, through a shift from a monolayer film to a coex structure, a customer with an annual volume of 5 million lbs was able to source-reduce its sealant web by 11 percent. “That obviously took technical and sales support,” he says.

Right: Charter University, a new computer-based training and information system residing on the company's Intranet, includes teaching modules and videos taped at the plant.

Another service example: Employees help guarantee on-time shipment. “We had a rush shipment on a Friday that had to go FedEx Custom Critical®,” Trapp explains. “When the customer said, 'I need two pallets by tomorrow,' the employees were empowered to get it done. No manager had to get involved for that decision.”

A good fit

The “right-sizing” of Charter Films is fast becoming clear to existing as well as potential customers who are, in many cases, rethinking buying from The Big Guys. “Some have said, 'We know what you guys are about. You fit us well,’” Beuning explains. “We have a lot of people coming our way now that they believe we're the right size for them.”

Five years ago, Charter was forging a name for itself in the converting and packaging industries. Now, not only is it better known, it's still small enough to be nimble and responsive and yet big enough to supply the needs of more demanding end-users. It's a lesson many other companies should keep in mind.

MORE INFO:

CONVERTER:

CHARTER FILMS, 877/411-FILM, fax: 715/395-8259, www.charterfilms.com

SUPPLIER:

WINDMOELLER & HOELSCHER CORP., 800/854-8702, fax: 401/333-6491,
www.whcorp.com

SPECIFICS:

CHARTER FILMS: Superior, WI

OPERATIONS: Coextruded and monolayer film making

PLANT SIZE: 200,000 sq ft

EMPLOYEES: More than 100