

LEADERSHIP PROFILE

Russell Yeager,
President of Alcoa Fastening Systems

PROUD AS HUCK

Opportunity in every challenge

HV Mfg sat down in Kingston with Alcoa Fastening Systems President Russell Yeager to discuss fastening equipment, industry challenges and specifics about what's involved in leading a manufacturing plant in the Hudson Valley.





HV Mfg: So how did a kid from Erie, Pennsylvania end up running a manufacturing operation for a Fortune 500 company like Alcoa?

R.Y.: Well, it wasn't a straight line and there have been many stops along the way! I worked in safety, human resources and production for several companies. Over time, I learned from a variety of

experiences and gained a lot of knowledge about manufacturing processes and about people. When I graduated from Gannon University I got a job in the admissions office. Soon after that I was offered a job with a small manufacturer of high pressure fittings in Cleveland. That was my first entry into manufacturing and, it being a small shop, I got to experience all areas of production, from machining and heat treat to inspection and assembly. After a couple of years I left them for a foundry/machine shop where they needed someone to manage and update their safety programs. When they needed someone to take on the role of HR Manager, I thought it would be interesting and grabbed the opportunity.

HV Mfg: What did you major in at Gannon?

R.Y.: I was a Sociology/Business major. I was very interested in working with people and thought about getting into Human Resources – we called it 'personnel' back then – but Gannon did not offer that degree.

HV Mfg: You mentioned a variety of experiences. What kind of things did you do?

R.Y.: Well, let's see. I had to implement safety programs where none existed and the owners thought 'this is a waste'. That was an interesting experience. I have done recruiting of skilled labor as well as of people at senior management level. Several of the workplaces where I was in charge of HR were organized, so I have led labor negotiations — that is something I do here at Alcoa as well. I have had to close plants and lay people off. I have the excitement to expand plants and rapidly add workers. Budgets, audits, sales marketing and financial analysis, you name it, I've done it.

I got to Kingston just before Alcoa bought the plant. I was recruited here as Director of Human Resources. I think they liked my experience with unionized plants and with safety and health as well as the fact that I was very familiar with different types of manufacturing. Alcoa bought the plant in 2000 and in 2002 I was put in charge.

HV Mfg: Tell us about Alcoa Fastening Systems.

R.Y.: Alcoa is the world's third largest producer of aluminum and aluminum products. One of their product lines is fastening systems used by the aerospace, automotive and commercial transportation industries. Here in Kingston, we make the tools that are used to apply those fasteners. Our 'Huck' tools are very highly engineered pneumatic and hydraulic products.

HV Mfg: We remember when the company was called 'Huck Manufacturing'. Is this why the line is still called Huck?

R.Y.: Yes, the Huck brand had a great reputation in the industry so we kept the name.

While the facility has changed owners numerous times since it's founding in the 1940's—Federal Mogul, Thiokol, Cordiant and finally Alcoa Fastening System is 2000—there has

been a lot of continuity, even through the changes. We have many employees who have worked here through all those owners.

HV Mfg: What do you see as Alcoa Fastening Systems' biggest challenges in the next several years?

R.Y.: We are dealing with several challenges, but the biggest is being able to compete globally. Part of our business, specifically on the aerospace side, is very highly engineered and customized. Here, we do very well. We work closely with customers like Boeing and Airbus to make sure our products are meeting their ever-changing demands. These proprietary products are very profitable, but only for a short time. Our other business—transportation and commercial—is more competitive with global completion and the selling of engineered products. These industries are much more price sensitive and many other competitors exist, offering other installation options. The tolerances for building and assembling the tractor-trailer for coal cars are not nearly as complex as they are for the fuselage of a passenger or fighter jet. We offer innovative solutions to meet those high demands. Some of our global competitors can make things cheaper than we can, but our focus is to make highly engineered total installation systems and offer a high-valued product. We do not lose out on lower technology and cheaper installation applications. Figuring out how to continue to win business, stay profitable and understand market placement in an ever-changing environment while keeping our high-tech edge is the biggest challenge going forward.



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HV Mfg: What are the opportunities?

R.Y.: I guess with every challenge there are opportunities. Like I said, aerospace is a big opportunity for us as long as we can continue to be innovative and offer solutions to our customers' challenges. Looking ahead, we see opportunity in the areas of noise abatement and ergonomics. Making



our tools quieter, lighter and easier to maneuver will make us more attractive in the marketplace. We think customers in all the industries we serve are willing to pay a little more for a tool if it is less likely to cause injury to a worker and, by virtue of its design, makes them more productive.

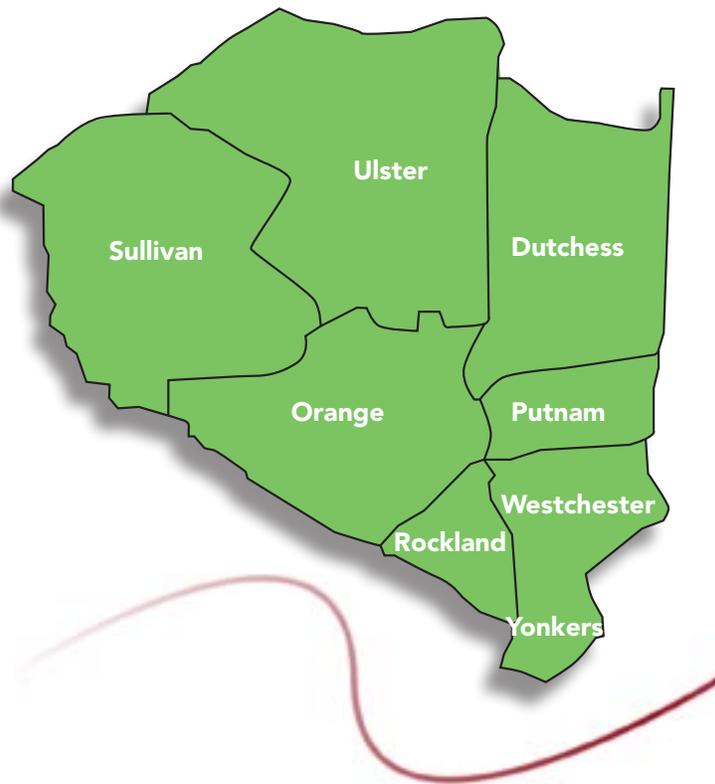
HV Mfg: You describe a company that needs really good workers to succeed – what qualities do you look for in a manager? What about your frontline workers?

R.Y.: We look for enthusiasm, adaptability and a willingness to learn. I've been doing this stuff for a long time and will tell anyone – 'you are your attitude'. That is true for all positions though, obviously, if we are hiring for an engineering position we look for an engineering degree. The same is true for skilled workers, such as machinists. What differentiates one candidate from another is their attitude.



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by being visible, available and communicating. It is my job as the leader of the organization to keep everyone on the same page; to set clear goals and then to provide our people what they need to achieve those goals.

HV Mfg: What do you think makes a good leader?

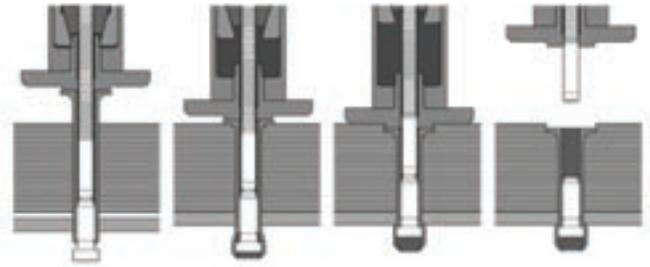
R.Y.: Knowing your strengths and weaknesses is important – then playing to your strengths and mitigating your weaknesses. I also think it is really important to be proactive, to think ahead. I guess we call that strategic thinking. You never know when a door is going to open, so you need to be prepared when one does. That means anticipating opportunities and, on the flip side, potential problems. Along those lines, it is important for a leader to continue to manage. Most bad situations can be avoided by managing, that is to say,

by being visible, available and communicating. It is my job as the leader of the organization to keep everyone on the same page; to set clear goals and then to provide our people what they need to achieve those goals.

HV Mfg: Do you think that your approach is a little different because you came out of Human Resources?

R.Y.: I guess that may be true. I’m probably more aware of the need to effectively communicate with the entire workforce because of past HR experiences. I am also, maybe, a bit more sensitive to the value of building consensus, to respect all who contribute. I am also 100 percent committed to workplace safety, which is definitely

drawn directly from my HR background. One more thing that probably comes from the HR side is that I believe, for the long-term success of Alcoa



Fastening Systems, it is essential for each employee – whether hourly or top management – to strike the right work/life balance. It is too easy to get burned out by working too many hours and to neglect personal lives. I want people who can work hard, but are also able to let it go when it is time to go home. Those people will contribute to the company for decades, not just a few years.

HV Mfg: Finally, this company has been a member of the Council of Industries for more than six decades; you serve on our board of directors and were also president of the board. What is the Council good at and what can it do better?

R.Y.: I have always found the interactions between people who work in manufacturing to be the most valuable. The HR network, the EHS network, and the CEO meetings are great. I think it is too easy to get caught up in your own company and your own industry to the point of putting yourself in a box. I appreciate hearing what others are dealing with, everyone learns from those experiences. I also can’t say enough about the training – especially the supervisor training. As far as what we can do better, I would say making the greater community aware of the manufacturing sector in the Hudson Valley. Specifically, that there are good jobs, careers really, in manufacturing. We really need good people if we are going to compete in our industry.

