

CROWN CRIER

Since 1971

Crown International, Inc. Employee Newsletter

Aug./Sept. 1999

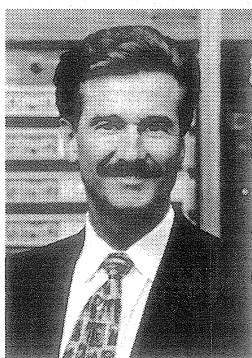
CEO'S MEMO

by Richard A. Newberry

It was a pleasure to celebrate a good first half of 1999 with all three shifts during the July 1 luncheons. It was an opportunity for the leadership of Crown to thank all of our employees for their hard work.

We often talk about the rate of change in the world today, and I know that we all grow weary of change at times. So why change?

From a business perspective the pace of change is accelerating. The time to change is before you reach the critical point – the point where change becomes mandatory because sales are falling, or because competitors show up with a new technology. It is when we think Crown is too big and too successful to fail that we need to change the most radically. The greatest mis-



take is to do more of what you have always done because it has always worked. A string of successes (good first half in '99) puts us in a dangerous position, as we may tend to lose touch with reality and avoid responsibility. Never rest! Success is a signal to put in even more effort.

Companies have a life cycle, with crossover points that signal dramatic shifts. The beginning of the life cycle curve typically involves learning and investment, and the end is characterized by diminishing returns. The challenge is to understand when it is time to make changes and to move to a different level or form—before reaching the end! These changes must be made at key times. When these key times are missed, the organization suffers and often does not survive.

Crown is at a point in its life cycle where we must change to survive. This "change" includes new people, new processes, new ways of thinking, and new technology. The blending of this "new" with a

willing and enlightened team will put Crown in a much better position to be organized for long-term success. This is why we are focused on ISO 9002, strategic marketing, new product development processes, more effective use of MAPICS and other IS tools, Crown 50, alliances, and creating an environment of discipline and accountability.

Business problems are less a matter of fixing external factors than doing what is needed internally. One reason why management is often unable to change is the inability to let go of old practices. As noted business writer Peter Drucker has stated: "Businesses fail not because they don't know what to do. They fail because they don't know what to give up." The struggles to hold on are powerful. We tend to hang on to what has worked in the past, but we need to learn to let go.

Crown's management team is committed to not blame external factors. While current external challenges don't make it easy to do business, the failure to compete is primarily a failure of management. We do not intend to fail.

We must not lose our focus, because when we do, it is hard to regain it. In the midst of daily parts shortages and customer complaints, we must persevere to get to the root causes of our problems and fix them once and for all. All of us are weary of repetitive issues.

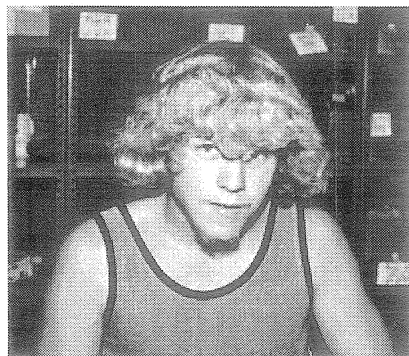
Thank you again for all of your hard work, and let's continue to work as a team as we face the many changes and challenges in our business lives. Together we can—and will—make a difference. Remember the Serenity Prayer as you persevere:

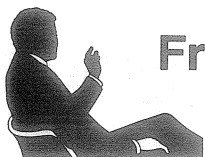
*God grant me the **SERENITY**
to accept the things I cannot change,
COURAGE to change the things I can,
WISDOM to know the difference.*

A LOOK BACK...

by Sheila Cook, Employee Relations Manager

In recognition of what makes a company a family, we will be featuring glimpses into our past. This month we're focusing on one of the aspects that makes our company unique: You! As families like to reminisce, we've browsed through our family album. Here are two snapshots from the past of current employees. ENJOY!





From Where I Sit...

When asked to write this article, I realized I sit and represent many different areas, both internally and externally, for Crown International. From the field I am the internal voice communicating issues, concerns and opportunities for our Reps, Dealers and customers. Internally, for the planning of product coming off the production line to the after-sales support, I represent each of you to our external customers. Being the middle person can be quite the challenge, and trying to keep both of you happy can be an even greater one. From the Reps, our flames in the field, building our customer base: "I want new, I want more, I need it now." To the planners: "I'll check the parts . . . You want how many? . . . You want it when? . . . We'll do our best." To all of my wonderful manufacturing people, who have pulled my backside out of many sticky situations when I've overbooked product, or received a call presenting an exciting opportunity—their response is incredible: "How many do you need? . . . When do you need it? . . . It's ready to ship." In my new role with service, I often wonder if the technicians think I'm a bit customer crazy or perhaps came from an automobile sales background: "If you don't have new stock or they can't afford it, put them in used . . ." The Techs smile and always find a way to come through for me. The reality is each of them knows how important a satisfied customer is, and what the return is to companies with the ability to be flexible. At times, juggling this can be a bit overwhelming for all of us, and we feel as though it is impossible to do or give any more. When this happens to me, and it does from time to time, I think about what Thomas Edison said: "Many of life's failures are people who did not realize how close they were to success when they gave up." Oftentimes just that little extra effort or willingness to stretch a bit further can make all the difference in achieving our goals. I think all of us can identify with how Indy racecar drivers must feel behind the wheel! Talk about agility and speed . . .

One of our biggest challenges is to have the ability to shift gears fast enough to keep up with the ever-changing market. Our customers have "seasons" that we strive to anticipate. From the touring market needing MA's, to the contractor being awarded a bid and needing the CT's by Friday, we must constantly be prepared to expect the unexpected and satisfy our customer with complete transparency to any hitch that may arise.

Then we have the CE amplifier that

has no season. Manufacturing and shipping more than 24,000 of the CE amps during 1998 brought with it both tremendous satisfaction and new challenges. From Fab to Modules, Final Assembly to Shipping, and Sales and Service, the volume has required changes to our processes to keep up with the demand. For example, with the CE price point landing the product in the hands of less-experienced customers, our end-user call load in Tech Services has increased dramatically with the "How do I use it?" type questions. As our business changes, so must we in order to stay competitive and continue to grow.

So what's next? We are continuing to consolidate our Sales and Service organization to maximize our coverage to customers, working on new software for tracking and documenting customer calls and repairs, and focusing our efforts everyday to see what customers want and need. In the process, we are discovering many new opportunities. As an example, we are in the process of partnering with "Full Sail," an audio/video university. With their hands-on approach to education, what better way to introduce future Crown users to our products than to have them train with it? Additionally, Bob Lichty (MI Liaison), Joe Wisler (Contractor Liaison) and Rick Modjeska (Crown Truck) have spent the major portion of 1998/1999 in the field, conducting training, attending grand openings, supporting Dealers and Contractors, and gathering pertinent information spoken by our future "Today's and Tomorrow's Customers" . . .

My gratitude and thanks to everyone for making "From Where I Sit" a lot more comfortable.

By:

Debbie Frantom, Audio Global Sales/Service Support Manager



Picnic 1999:

Bill Miller and David Grant were found by our "candid camera" (Bob Sproston) while enjoying the ballgame!



Have You Heard?

That we use only 10% of our brains, or that subliminal suggestion can easily modify our behavior? These are just a couple of the myths and clichés that are prevalent in training circles, and have also become culturally accepted as true. The bottom line: Thus far, magical alternatives to the time-honored methods of learning—which require putting forth our best efforts—have yet to be found. But the rewards of those efforts—such as learning how to perform a task safely and properly—are well worth our investment.

We use only 10% of our brain.

The Truth: This quote is often attributed to Albert Einstein. While Einstein was certainly a brainy guy, he never made this statement, according to the editor of two books of Einstein quotes. Nor has research been able to determine anyone else who made this statement.

The persistence of this myth is amazing when you consider that there is no scientific evidence that supports the notion of large unused parts of the brain. Several types of brain tests have been conducted that reveal the brain is very active. Depending on what a person is doing, certain areas of the brain show heightened activity, but even during these times the entire brain is working.

Through subliminal suggestion, behavior can be modified easily without the person's conscious awareness.

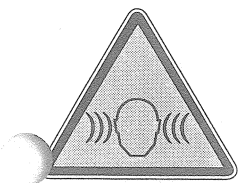
The Truth: The idea that people can be manipulated through subconscious messages has been around for over 100 years. In popular culture it began in the late 1950s, when a market researcher claimed to expose movie viewers to brief, consciously undetectable, flashes of phrases encouraging them to buy popcorn and drink Coke. In the 40 years since then, scientists and researchers have been unable to reproduce his results. (His original data and research techniques have since been revealed as erroneous.)

Scientists have been able, however, to determine that the *power of suggestion* to the conscious mind can affect a person. Experiments with motivational audiotapes (such as improve your memory or self-esteem while you sleep) have shown that any modified behavior from the tapes is due to the label on the tape—not the subliminal messages recorded on them. In other words, increases in self-esteem or memory occurred because that was the benefit noted on the tape's label, regardless of the subliminal messages recorded on the tape itself.

by Susan Van Orman,
Training and Development Instructor

References:

Training, Sept. 1997; The Quotable Einstein, Alice Calaprice.



Safety On & Off the Job

Can Noise Really Hurt My Ears?

Summer is a time when many of us participate in noisy tasks around the home, such as lawn mowing, using chainsaws and other power equipment, and leisure activities such as racing, tractor pulls and rock concerts.

Getting back to the original question: Yes — noise can be harmful. If it is loud enough and lasts long enough, it can damage your hearing. Hearing loss can be caused by several factors other than noise, but noise-induced hearing loss is different in one important way: It can be reduced or prevented altogether.

Many people think that they will "get used to" loud or excessive noise levels. But, if you think you have grown used to a loud noise, it probably has damaged your hearing, and there is no treatment — no medicine, no surgery, not even a hearing aid — that truly corrects your hearing once it is damaged by noise.

How Can I Tell If a Noise Is Harmful?

People differ in their sensitivity to noise. As a general rule, noise may damage your hearing if you have to shout over background noise to make yourself heard, if the noise hurts your ears, if it makes your ears ring, or if you are slightly deaf for several hours after exposure to the noise.

Intensity of sound is measured in decibels (dB). The scale runs from the faintest sound the human ear can detect, which is labeled 0 dB, to over 180 dB, the noise level at a rocket pad during launch. Most experts agree: Continual exposure to sound levels greater than 85 decibels will damage your hearing, unless an appropriate hearing protection device is used. Also, the longer you are exposed to loud noise, and the closer you are to a source of intense noise, the more damaging it can be. Some common sounds encountered everyday and their intensities in decibels are:

- Whisper or quiet library—30 dB
- Normal conversation or sewing machine— 60 dB
- Shop Vac—84 dB
- Lawn mower—90 dB
- Radial/Table Saw—93-96 dB
- Amada punch press—96 dB

- Chainsaw or pneumatic-drill—100 dB
- Sandblasting or loud rock concert— 115 dB

Surprised that home shop tools rival the noise level of Fabrication's punch presses? Convinced that you should be concerned? Let's discuss hearing protection devices, which decrease the intensity of sound that reaches the eardrum by 15 to 30 dB. They are available in two forms: Earplugs and earmuffs.

Earplugs are small inserts, usually made of foam, that fit into the outer ear canal. They are available in a variety of shapes and sizes to fit individual ear canals. To be effective they must be snugly sealed so the entire ear canal is totally blocked with an airtight seal. An improperly fitted, dirty or worn-out plug may not seal, and can also irritate the ear canal.

Earmuffs block noise from reaching the ear by forming an airtight seal over the entire outer ear, and they are held in place by an adjustable band. Earmuffs will not seal around eye glasses or long hair, and the adjustable headband tension must be sufficient to hold earmuffs firmly around the ear.

by Carmen Wegener,
Environmental, Health, and
Safety Specialist

Reference: "Noise, Ears, And Hearing Protection," a public service brochure provided courtesy of the American Academy of Otolaryngology - Head and Neck Surgery, Inc., One Prince Street, Alexandria VA 22314-3357



Faithful Service

Name	Years of Service
Preskel Gayheart	20 Years (September 10)
Beverly Glanders	15 Years (August 15)
Sheila Cook	15 Years (September 11)
Steven Butz	15 Years (September 28)
Julie LaFollette	10 Years (August 2)
Robert Sproston	10 Years (September 1)
Terry Sawchuk	5 Years (August 10)
Patricia Wallace	5 Years (August 17)
Eppie Plank	5 Years (August 22)
Terry Smith	5 Years (August 22)
Sharon Butcher	5 Years (August 29)
Ron Whitt	5 Years (August 29)
Michele McIntosh	5 Years (September 6)
Jay Forslund	5 Years (September 12)
Karen Chris	5 Years (September 12)
Angela Roll	5 Years (September 19)
Carol Burkhart	5 Years (September 19)
James Brubaker	5 Years (September 19)
Amy Scott	5 Years (September 19)
Elizabeth Eggleston	5 Years (September 26)
Patrick Wiers	5 Years (September 26)



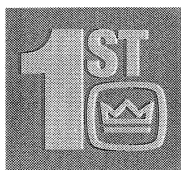
Employees that have joined Crown since May 1999:

Modules	Wirecut
Sherry Scheller	Jeanne Wear
Kenneth Folse	Crystal Collins
Robert Petzold	Traci Long
Kenneth Chambliss	Jill McLemore
Hyon Evans	Fabrication
Amanda Grant	Judith Santiago
Mia Vetter	Jessica Matson
Kareem Al-Maleki	Helga Richards
Diane Ross-Willis	Dustin Peterson
Lynn Hachey	Victor Frausto
Beverly Bryant	Powdercoat
Khemarith Tep	David Shoemaker
Twila Culbreath	Andrew Florea
Brianne Bolstetter	Debra Stout
Eric Kramer	Tonya Dowllar
Line 2	Screenprint
Diana Cybulski	Chris Germann
Scott Smith	Stockroom
Rhonda Bean	Lynn Schroeder
Mindy Housley	Danielle Runge
Jesse Howard	Shipping
Yvonne Brown	Brian Divine
Nathaniel Jones	Heather Martin
Line 3	Sheila Elonich
Katie Matson	Janitorial
Brian Shoemaker	Kathy Reiner
Rhonda Van Den	Bonnie Miller
Driessche	Audio Amplifier
Line 4	Engineering
Stephanie Walker	Ben Carroll
Peggy Eichorst	Tami Szerencse
Teresa James	Ryan Nelson
Line 6	Audio Mfg. Engineering
Gregory Willis	Jonathan Griggs
Crystal Workman	Audio USA Sales
Michael Law	Tammy Bowlin
Line 7	Corporate Metrology
Robert Runge	Kent Reitz
Line 9	Corporate Quality
Naly Sysackda	Evan Vaughan
Kristee Yoder	Corporate IS Support
Line 10	Center
Michael Hughes	Andrew Bierlein
Cynthia Leinbach	Broadcast Administration
Luan Nguyen	J. Paul Firminger
Magnetics	Medical/Industrial Service
Elizabeth McIntosh	Chris Smith
Adam Burk	Broadcast Manufacturing
Ethel Jackson	Larry Humphrey
Kristi Gramenz	

Employee Committee Financial Report

Balance as of 7/1/99:

Savings	\$20,673.92
Checking	\$513.20
Total	\$21,187.12



Developing Excellence

Have you ever had friends or relatives drop in unexpectedly? Do you prefer that people plan ahead so you can, as some say, put your best foot forward? In the process of developing a certified quality system, an outside company—known as a registrar—is hired to come in and review our quality system. We know when these people—known as auditors—will be coming, so we will want to put our best foot forward and treat them as guests. Like guests in our homes, we will want to respond to their questions politely and directly. If we don't know the answers, we should clarify the question to make sure we understand what is being asked. If we still do not know the answer, we should state that we don't know and direct them to our supervisor or manager, who may be able to answer the question for them.

Some people advise treating the outside auditors as people from the IRS: "Do not volunteer information—it can and may be used against you." To a point this is true, but I prefer to think in terms of putting our best foot forward. With guests in our home, we usually won't point out the piles of laundry we tossed hurriedly under the bed or bring attention to the cobwebs still clinging to corners of the ceiling. These outside auditors are professionals at what they do. They will be asking questions directly related to their task of verifying our quality system. So, by answering their questions directly (while not bringing attention to the cobwebs in our areas), we are helping them do their jobs, while putting our best foot forward.

Last month we talked about internal auditing. Some of the same terms apply to audits by an outside company. By the way, these are called "third party" auditors or external auditors. Their job is to insure our quality system meets the requirements of the standard. The standard has language indicating where requirements must be met.

Similar to the "shalls" of the Ten Commandments, these requirements are indicated by a "shall" statement in the standard requiring evidence of compliance. For example, in several places the standard reads, "The supplier [Crown] shall establish and maintain documented procedures...." If we do not meet a "shall" of the standard, we cannot achieve registration until the requirement is met. In this process of ensuring we met the requirements, their audit may, and most likely will, find deficiencies. These are called findings. As I noted in my last article, deficiencies will require corrective action with evidence of compliance. When this is completed, they will close out the findings and that part of the standard will be met.

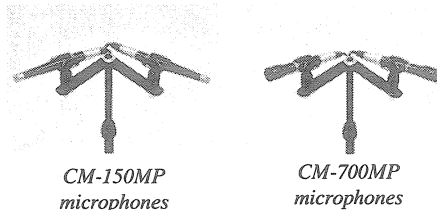
Did we Pass or Fail? This is a question I have heard after some of our internal audits. We do not pass or fail. We are on a journey. We only fail if we quit walking down the road we are on. We expect some bumps along the way. We call them findings. Rarely do companies go through registration audits without some findings. What do we do with findings? We correct them. The auditors have helped us by finding a deficiency in our system and we will be better for correcting it. That is continuous improvement. That is the way the process should work. Remember! We are on a journey that will never end as we seek to delight our customers. If we keep this in mind, the visit by our auditors will be a pleasant experience.

A lot of work has been done in preparing for certification. Nearly all procedures have now been approved. A lot of work remains as we implement these procedures into our daily routines. We are planning on an Audit by BMT July 29, 30 and August 2. This will be a first look from an outside group. BMT worked with us in developing our first two layers of documentation. The official Preassessment will be September 1,2,3 with the official Certification Audit December 7,8,9,10.

by Larry Kauffman,
Corporate Quality Manager

Product Spotlight

CROWN ANNOUNCES MATCHED STEREO MIC PAIRS



CM-150MP
microphones

CM-700MP
microphones

Crown will be offering pro recording microphones in stereo matched pairs. One pair, CM-700MP, is two CM-700 cardioid condenser mics. Another pair, CM-150MP, is two CM-150 omni condenser mics. The microphones will be matched in sensitivity and frequency response within 1.5 dB.

Pairs of the CM-700 or CM-150 work great for stereo recording a classical music ensemble, folk group, drum set, piano, vocals, percussion, and so on.

Included with the mics is a template that helps the user set the pair in a variety of positions for stereo miking. The CM-700's also come with a stereo bar that mounts two microphones on a single mic stand for convenient stereo miking.

THE PERFECT MIC FOR MOBILE DJ's: CM-311A

When you're the hottest mobile entertainer act in the country, you don't settle for less than the best when it comes to the sound of your performance.



Lisa Capitanelli with the
CM-311 headset
microphone

That's why Los Angeles based and three-time Female Entertainer of the Year, Lisa Capitanelli, won't trust her shows to anyone but Crown. We quote Lisa from her web page, <http://www.dothedance.com/crownad.jpg>:

"The CM-311 is by far the best headset microphone around. I'm able to move around the dance floor and in front of the speakers with no fear of feedback. In my opinion, it is one of the best contributions a manufacturer has ever given to the DJ industry."

Lisa has won the American Disc Jockey Awards Female Entertainer of the Year, 1996, '97, '98; and is creator of the new dances "Do the Dance" and "Joy."

The Crown Crier is a communication medium published by the Human Resources Department to promote the Company's mission and guiding principles, share management information about the company, and celebrate significant employee accomplishments and events.



CROWN
INTERNATIONAL®

Innovation Determination Agility Speed

1718 West Mishawaka Road, Elkhart, IN

Honor God • Serve People • Develop Excellence • Grow Profitably