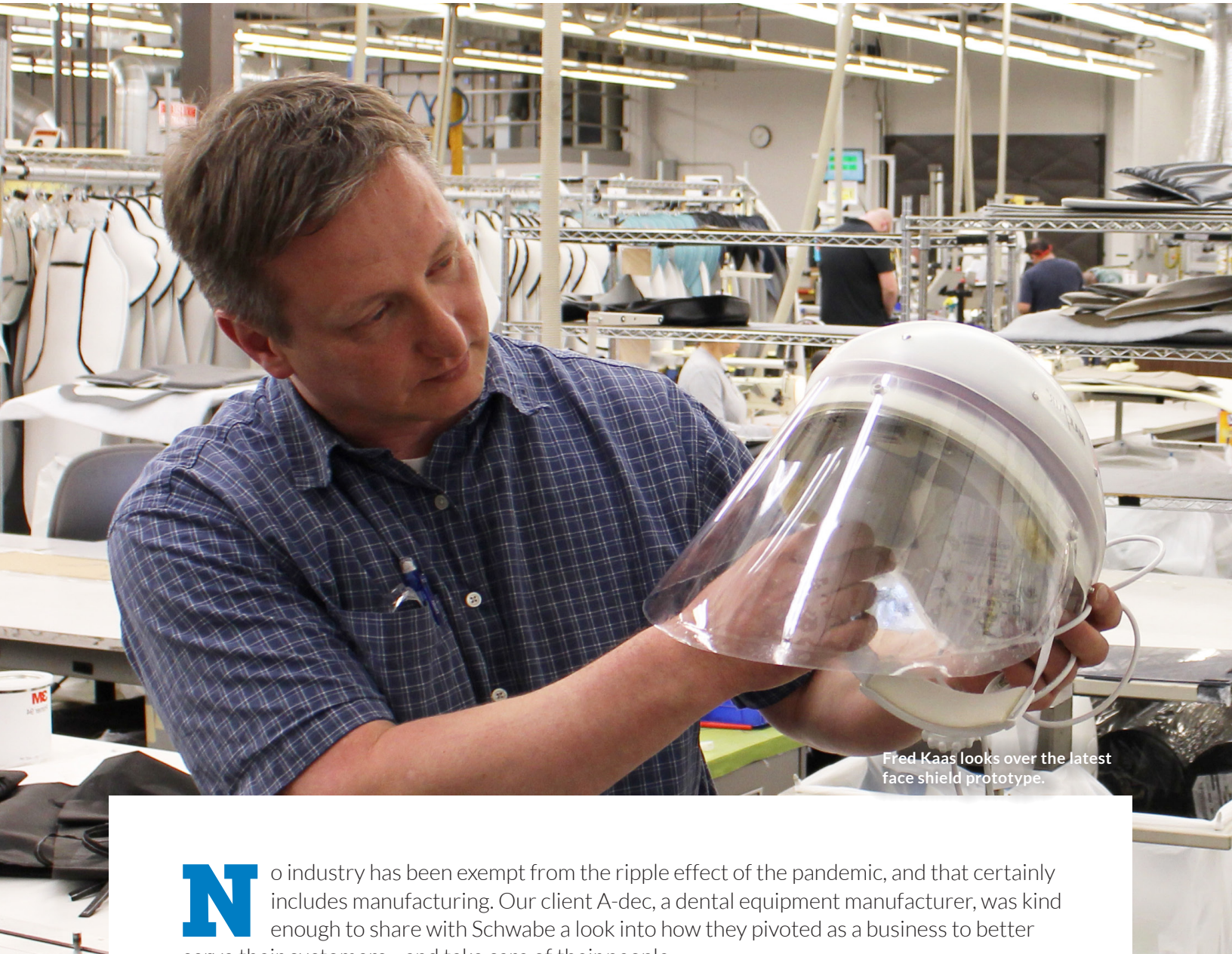


A PANDEMIC CASE STUDY: **WHY CARING IS GOOD**



Fred Kaas looks over the latest face shield prototype.

No industry has been exempt from the ripple effect of the pandemic, and that certainly includes manufacturing. Our client A-dec, a dental equipment manufacturer, was kind enough to share with Schwabe a look into how they pivoted as a business to better serve their customers—and take care of their people.

We connected with Marv Nelson, the Executive Vice President and Chief Operating Officer, and were inspired to learn that as a response to the pandemic, A-dec found a way to improve upon their entire line of products. Not only that, but they also found a way to use the culture of their organization.

FOR BUSINESS



**WORKING
TOGETHER THROUGH
COMMUNICATION
AND CARING, TO TRULY
INNOVATE FOR GOOD.**

A-dec has been in business for over 55 years, serving the worldwide dental community. Their mission emphasizes the betterment of dentistry by focusing on dental customers and their patients, to simply “just make peoples’ lives better.”

Like many other companies, A-dec experienced a significant decline in business when the pandemic began. As a team, they decided to turn the challenge into an opportunity and focus on what they can control, which is a culture of caring.

Can you share with us what A-dec was thinking as we entered the COVID-19 crisis?

We were in this environment of not knowing where things were going. We had to change the way we manufacture our products to make new accommodations for social distancing and other safety guidelines. We’ve been very purposeful and overly cautious to make sure we’re complying with CDC guidelines and governor orders.



A-dec's face shield for dentistry.



Our number one goal has always been to maintain the health and safety of our people throughout this crisis. We've had a lot of success as a team, which I attribute to their desire to want to help and contribute, and their overall caring for one another, the company, and our customers.

Please tell us about Project Matilda.

Project Matilda is a story about friendship. A nurse at Legacy Hospital is friends with one of our leaders, and she was telling the story about how they were in dire need of protective shields. She asked the question, "Is this something A-dec can do?"

We assembled a small team, and within 13 days, we developed a product for them that was actually better than the product they were using—and this is coming from the professionals at Legacy Hospital. We were able to supply them with the protective shields that help them

continue this very important work they're doing on the front lines to fight the disease.

To do this, we partitioned off part of our manufacturing operation and had a team that was able to produce the shields. We quickly ramped up to their demand. Our biggest challenge was being able to source raw materials because they were in high demand at the time.

Every time I went out to see the team producing the shields, they were all very excited about being able to help. This led to even more people volunteering, which really speaks to A-dec's culture of caring.



Legacy health care worker.

Can you share a little about how you are protecting your manufacturing workers?

I give credit to our folks for being swift with their action and taking it very seriously.

Typically, we work within close cells of people. We took an overly cautious approach, and made a point of changing our work structure early on, when COVID-19 first started to impact us at the end of March.

Mariah Robbins, our Vice President of Global People and Culture, did a lot of research and was able to implement social distancing very quickly. We implemented hygiene protocols, and our Manufacturing Leadership team set up barriers within the manufacturing process for people to safely work. The interruptions have impacted our efficiency, but it's the right thing to do and we've been able to keep production operational because of the great work of our people.

How have other teams at A-dec changed how they work within the context of COVID-19?

When faced with a crisis or very difficult situation, our people rise up and respond to the challenge. In this case, we had plans for our Product Development team that we had to quickly shift and evolve. As most dental practices were required to close for an extended time period, we asked, "How we can make things to help our customers in the dental

community when they get back to work?"

We took it as an opportunity, knowing that dentists were going to have to change the way they practice coming out of the COVID-19 pandemic, to provide our customers with tools and supplies they will need in the new environment in dentistry.

We developed and launched the "A-dec Protect and Sanitize Station" by using our furniture processes and capabilities to produce a product that our customers can have in their practices to provide PPE for their dental patients. It also has a sanitation and a mask dispenser. Initially, I thought, "We'll sell a few," and "oh this is a nice add-on for the customers," but the demand for these has exceeded my expectations.

The good news for A-dec is that we were able to keep the majority of our team members employed. We purposely had a strategy around preserving as

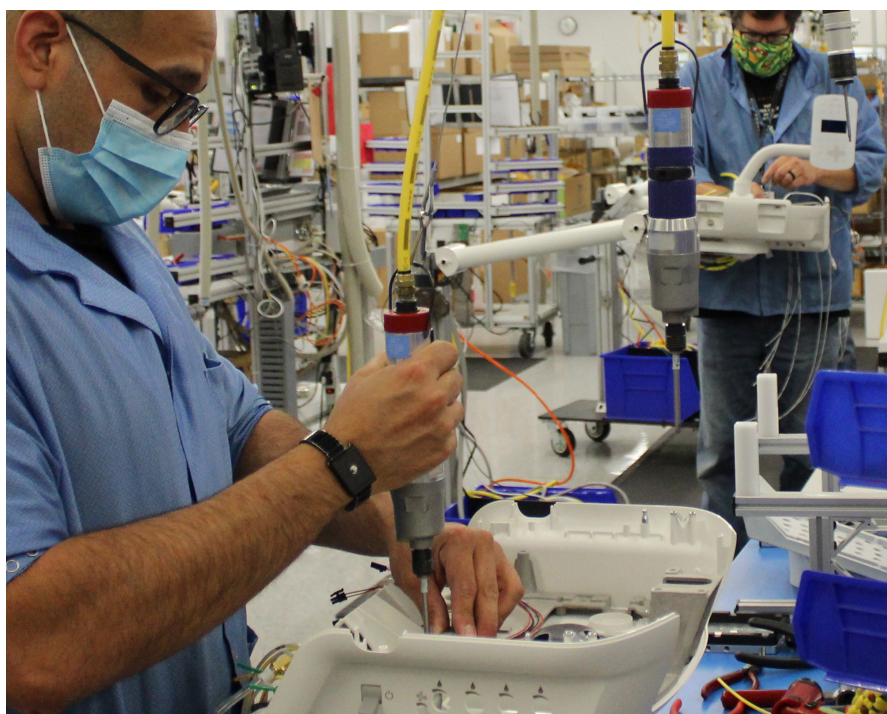


A-dec's sanitary station.

many jobs as possible. We've had to furlough some people, but they remain A-dec employees. We also implemented a work share program for some people, and reduced pay for senior leaders.

Tell us about the Austin Family Foundation COVID-19 relief program.

[The Austin Family Foundation](#), started by the Austin and Parrish families that own A-dec, provides aid to the citizens of Newberg and Yamhill County. They started a fund to allow people to apply for a certain amount of money. This included the Allison Inn & Spa employees and other community businesses.



A-dec's employees, socially distant, working the line.



A-dec employee on the job.

The Austin and Parrish families are very giving, generous people. They moved quickly to put this in place so that we could get funds to people who needed them during this challenging time. Even though we had a lot of team members that remained employed, they have had family members that were permanently laid off.

For A-dec to respond in such a positive and generous manner was important because of the culture A-dec founders, Ken and Joan Austin, established. They recognize that some team members were facing challenging times financially. I remember a couple people coming up to me and welling up with emotion, saying, "Thank you. Please extend my gratitude to the family for what they're doing because this really helps."

Scott Parrish, current President and CEO, and A-dec co-founders Joan and Ken Austin.



What else has changed since the pandemic started?

As I mentioned before, we had to change the way we produce our products and we've had to change a lot as it relates to putting people in a position where they feel safe coming back to work. We've had to make adjustments very quickly—our Property team as an example goes around the entire campus and does a thorough cleaning every night—we weren't doing that before.

I should mention that everyone not in our manufacturing area was quickly transitioned to working remotely, and we continue to make progress on our important initiatives. I credit the team for being very agile and adaptable.

We've also now launched a new face shield that is designed specifically for dentists and hygienists. It addresses the unique risks/challenges associated with working on the oral cavity in regards to exposure to infectious diseases. We took what we learned making shields for frontline healthcare workers and applied it to protecting dentists and hygienists, allowing them to return to treating patients that need dental care during the pandemic.

Has remote working changed how you take care of your customers?

Taking care of our customers is an important part of the A-dec brand and story. I like to think we go above and beyond to ensure that our customers are happy and that they have a great experience when it comes to A-dec.

I look at it as our entire team took this challenge on and has turned it into an opportunity for the whole company. I can't think of one area that hasn't adapted. The

other thing I'd say is that we're making decisions quicker than we have in the past because of how fast things are changing in this environment.

I attribute our business's success to our ability in how we've handled this whole situation with our customers. I've received calls from customers who have said, "Your sales team is better than anybody that we're working with during this crisis." That doesn't surprise me. It is, again, a tribute to the people who we have here at A-dec. They've just been doing an amazing job.

What would you tell other companies to do to leverage their talents, products, and services during unprecedented times like the one we're experiencing due to COVID-19?

The one thing I didn't touch on before is communication. We have been proactively communicating with our team as to what the situation is, what direction we're taking, and what we're asking everybody to do. It's one of the things that I attribute to a successful team rising up, so to speak, and addressing the challenges that we're facing head-on while finding opportunities. You must have proactive communication. Obviously, we haven't been able to do it face-to-face—it's all been remote.

We've rallied around four focus areas:

1. People
2. Cost management
3. Growing market share
4. Cash management

By getting everybody rallied around those higher-level, directional focus areas, it allows them to go out and execute.



A-dec's safe working environment.

We've been very good about communicating what we want to accomplish during this unprecedented situation, and people have been very positive about the direction. Communication is key to achieving goals even through a pandemic, and it's really helped everybody get aligned at A-dec.

Why do you think A-dec is able to fuel change and put its best foot forward?

It goes back to Ken and Joan—they grew this business by taking care of people and also by being very innovative. We have a pioneering culture by nature, and when we look at opportunities, and what we can do for our customers, it's all about how we can do it better.

This continuous improvement is an important part of our strategy. The clear strategic direction that we communicate with our team is to view the critical components of not only our past success but for our future success. At the core, what it gets back to is the culture.

When we look at our business, we're not focused on our financial goals—granted, we do have financial goals; every company has to. What we're

focused on is our vision and mission, which is providing a superior customer experience to our customers. Whether it's our dealers, doctors, dental schools, or the government, our goal is to provide that superior customer experience, and provide betterment to dentistry worldwide.

People are really at the foundation of our success.

How do you see A-dec emerging out of the COVID-19 pandemic?

I believe we've done all the right things to be able to come out of this stronger. I don't envision that we're going to focus on anything different from a vision standpoint

other than continued superior customer experience and our mission providing the betterment of dentistry worldwide. That's not going to change. The other thing our team is really good at is understanding what the value is for our customers—where we can provide value to them so that they continue to be interested in A-dec.

There's going to be some change with the way we work. Certainly, we will probably have people working more remotely, and there'll be more flexibility from a team standpoint. We will have to look at how we can continue to provide that ultra-safe environment for a manufacturing team.

We're going to stay true to what has made this company successful and that's taking care of our customers and our people.

Thanks A-dec! At Schwabe, we believe that the ideas of our clients are at the heart of fueling industries.

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