

Quality in Practice: Building Trust Through Quality at Gerberⁱ

The Gerber baby picture -- which accompanies everything from strained carrots and banana cookies to teething rings and diapers -- has developed into one of the most recognizable brand images in the world. According to Gerber, the company received the highest customer loyalty rating out of 3,500 U.S. corporate and product brands, topping companies such as Nike and Coca-Cola. To parents around the world, the Gerber baby means quality, and the Gerber company has long been a leader in using quality tools to uphold its reputation. While Gerber's quality programs have gone through various stages over the years, their goal has remained the same: to make sure consumers continue to see the Gerber baby, which has gone through periodic updatings of its own, as an emblem of excellence.

Gerber is the leader in the development, manufacturing and marketing of foods and products for children from birth through age 3. The company dominates the U.S. retail baby food market with a 70% share against competitors Heinz and Beechnut, and rings up about \$1 billion in annual sales. Gerber employs 6,200 people altogether at its headquarters and main processing plant in Fremont, MI, and its plants in Fort Smith, AR; Costa Rica; Mexico; Venezuela; and Poland. Together these facilities produce 190 food products -- which are labeled in 16 languages and distributed to more than 80 countries. Gerber's Baby Care product line (featuring items such as rattles, bottles and eating utensils) was launched in 1960 and currently features some 300 products. This line is largely manufactured in Reedsburg, WI, and China. In 1994, Sandoz Ltd., a pharmaceutical manufacturer, purchased Gerber. The 1996 merger of Sandoz and Ciba Geigy, also known for producing pharmaceuticals, established the Novartis company. Located in Basle, Switzerland, Novartis positions Gerber as a primary member of its consumer health division.

The company began in the Gerber family kitchen in 1927. After watching her husband's messy attempt at straining peas for their daughter, Dorothy Gerber suggested that the task would be better accomplished at the family-owned canning plant. Daniel Gerber agreed and was so taken by the idea that within a year he had manufactured enough of five baby food flavors to begin national distribution. Understanding the concern parents have for what their babies consume, Gerber paid close attention to what

went into the food and the processes involved in manufacturing it. This was one of the company's first steps toward committing to quality.

While Gerber's quality systems have undergone several improvements over the years, teamwork was "one of the biggest things to hit quality at Gerber," says George Sheffier, a retired, 35-year Gerber veteran. He believes that fostering a team atmosphere taught Gerber how to help employees adjust to change, gave the company 'a head start on the diversity issues of the '90s and was critical when Gerber began spreading quality techniques throughout its plants.

Gerber experimented with teams in the '70s but by the end of the decade felt the company still lacked the benefits a solid team atmosphere provided. An attempt to implement the concept to a more intense degree in 1983 was met by employee skepticism. Realizing that management and supervisors were themselves having a difficult time adjusting to the team methodology, Gerber hired consultants to teach facilitation skills. Soon supervisors were holding meetings not only to familiarize workers with the team concept but to discuss change -- how employees felt about it and what the company could do to help make it easier. As employees began feeling more comfortable working in teams, they voiced concerns about trouble spots in systems and processes. Gerber also learned that the team atmosphere was a necessity in linking quality to every process in the company.

Once employees recognized the value of teamwork, the company began taking quality functions out of the quality department and spreading them throughout the plant. The goal of integrating quality into manufacturing was to build quality into the product on a more consistent basis. By expanding quality responsibilities to frontline operations, Gerber hoped to increase process control and reduce line inspections. To accomplish this purpose, Gerber teamed QA staff with front-line operators in 1988 to establish procedures for each process. While hesitant at first, front-line employees liked the fact that they were involved in the process from the start and were able to determine their own auditing criteria. Within 18 months, Gerber was able to cut its number of line inspectors and increase its quality auditing functions.

As quality became more widespread through the organization, Gerber needed to teach basic quality tools to its front-line operators. As with the team concept, however,

employees accepted the new responsibilities once they realized the values of the tools. Employees came to prefer the use of these techniques, which enabled them to become more directly involved with the quality of the final product. The company also established management incentives for integrating quality into its manufacturing process. Many senior managers, for example, began to be compensated for maintaining a high level of consumer trust through the quality of the final product. Today, the company continues to improve the quality techniques it applies to each part of the manufacturing process. Its most recent project has been to install new software from SAS Institute Inc. The software gives employees instant access to data regarding the impact on the final product of each station in each process.

Although Gerber has always tried to create systems that meet the expectations of parents, the company didn't always utilize feedback from its customers. It wasn't until the company faced its largest crisis to date that Gerber realized the need to link the customer's voice with the quality system. This period, in the 1980s, was a defining point for Gerber, according to Gerber senior QA manager, Jim Fisher. The company lost some trust in the eye of the consumer, stemming from an instance of consumer tampering that brought Gerber unwanted national attention. Before the company had the opportunity to prove itself, the case snowballed into a media frenzy, leaving consumers questioning Gerber's quality. Gerber's history of continuous improvement and its well documented manufacturing processes paid off, however. The investigation put the company under a microscope, with Fisher flying across the country to inspect bottles of food and the Food and Drug Administration (FDA) spending three weeks reviewing Gerber's systems and records. In the end, the FDA gave the company a clean bill of health, and any claims against Gerber dissipated once the FDRs report became available to the public.

What Gerber found was that it needed a system allowing consumers to contact it directly with suggestions, complaints and questions pertaining to Gerber products or infant care in general. Gerber's consumer relations department, established and operated by Dorothy Gerber in 1938, continued to receive a steady flow of letters, but the system wasn't timely and the feedback wasn't closely tied to either the quality or the safety department. Consequently, Gerber opened its telephone information service (800-4-GERBER) in 1986. The system provided a notable change for the company's

quality discipline as it allowed telephone operators to log customer information into a database. In turn, trend analysis could be conducted and consumer demands could be integrated into the product development process. Because parents are up with their infants throughout the night, the company extended the department's operating hours in 1991, capturing information 24 hours a day. Gerber takes a daily average of 2,400 calls, accommodating all languages, and employs a team of letter correspondents to answer the 45,000 letters it receives yearly.

The company has often demonstrated innovative and creative thinking, notably in its plan to eliminate pesticides from its foods. By thinking outside the box, Gerber was able to outshine its competition, exceed customer expectations and prepare itself for future government requirements. In 1996, the U.S. Department of Agriculture (USDA) reconsidered the methods traditionally used to ensure food safety -- spot checks of manufacturing conditions and random sampling of final products -- and released its Hazard Analysis and Critical Control Point (HACCP) program. The program enforces principles such as analyzing all potential hazards associated with foods, identifying critical control points where hazards can be eliminated, and establishing procedures to monitor control points and verify properly working systems. The FDA and the USDA believed such guidelines would be proactive in stopping contaminated products from getting into the market.

Gerber came to the same conclusion--49 years earlier. In 1947 Gerber management came to believe that the best way to ensure the safety of its product was to control as much of the food-making process as possible. At that time the company began forming alliances with its growers, giving Gerber better control of produce cultivation and allowing it to keep track of the pesticides growers used. By the 1950s, Gerber had implemented a HACCP-like approach to its manufacturing process identifying critical control points and thus making its processes preventive rather than reactive. The Gerber product analysis laboratories were formed in 1963 to provide data on the composition of ingredients, monitor the quality of internal and external water sources and provide the analytical information needed to establish food formulations. The company also created procedures to monitor potential hazards and ensured correctly functioning processes by employing a thermal processing staff. The staff was to determine the amount of time a

product needs to be cooked to become commercially sterile, conduct audits of production facilities to ensure that processing equipment was operating correctly, and review and improve thermal processing systems. The thermal processing staff grew so large that it became its own department in 1994, and it continues to work closely with Gerber's quality and safety departments today.

Gerber's dedication to performance excellence continues to serve the company well. Thinking beyond quality trends in pesticide control continues to put the company ahead of others as Gerber investigates what it calls environmental quality -- examining environmental factors not traditionally considered, such as pollutants carried into the plant by a supplier. This enabled Gerber to introduce sugar less and starch free formulations less than a year after a 1995 report criticized the baby food industry for its use of fillers. By linking quality practices throughout its processes and making statistical information available to all employees, Gerber continues to enhance its quality.

Key Issues for Discussion

1. How do the various definitions of quality discussed in Chapter 1 relate to the quality practices at Gerber?
2. How does Gerber exhibit the fundamental principles of total quality – customer and stakeholder focus, participation and teamwork, and a process focus and continuous improvement?
3. How did quality help Gerber overcome the crisis it faced in the consumer-tampering situation? What lessons does this have for other companies?

ⁱ Adapted from Mark R. Hagen, "Quality for the Long Haul at Gerber," *Quality Progress*, 33, 2, February 2000, 29-34.