



2008

MISSOURI QUALITY AWARD RECIPIENT

MidwayUSA

MidwayUSA opened as a family-owned retail gun shop in Columbia, Missouri, in 1977. Today, MidwayUSA remains family-owned operating as a catalog and internet retailer and distributing over 100,000 shooting, reloading, gunsmithing and hunting products from over 700 different product vendors.

Customer Satisfaction, Continuous Improvement and Innovation have defined MidwayUSA's Founder and CEO, Larry Potterfield, for over 31 years. From the beginning, Larry ingrained these values within the Midway USA culture and used them to build a company that is now widely known as a market leader in the shooting sports industry.

Larry has driven the focus on quality within Midway USA formally for the past four years. His personal involvement is based on the belief that quality initiatives are most successful when driven from the top down and embraced by the workforce. After training himself on the Malcolm Baldrige National Quality Award (MBNQA) criteria, Larry launched the new quality initiative by personally teaching the criteria to a core group of 35 salaried employees, many of whom went on to become trained Missouri Quality Award (MQA) and MBNQA examiners.

It is not uncommon for a company to launch a quality initiative to address a lack of performance. However, MidwayUSA launched a quality initiative while continuing to grow at a double digit rate in order to build a sustainable, profitable business.

The company's dedication to Customer Satisfaction has led to the development of an extremely loyal Customer following. This relationship has been further enhanced by the company's commitment to supporting two of its key communities - the National Rifle Association (NRA) and the shooting sports industry. This commitment is captured in the company's Mission Statement.

In support of the Mission Statement, significant contributions include:

- Creating the NRA Round-Up program, a fund-raising program that allows Customers to round-up their purchase total to donate to the NRA Endowment Fund, which has raised over \$4,200,000 since 1992
- Creating the Friends of NRA program, a fund-raising

program that donates 100% of the net proceeds to qualified local, state and national shooting and educational programs

- Providing additional support of the shooting sports industry by donating 10% of the pre-tax profits of all Potterfield Companies

This commitment is supported throughout the organization with 100% of senior leaders maintaining Life Memberships (or above) with the NRA in addition to more than 55% of employees maintaining NRA memberships.

Additional key community support is demonstrated through offering gun safety and hunter education classes, managing community blood drives and creating in-depth, educational product vignettes which are televised on the Outdoor Channel.



Pictured above: Larry and Brenda Potterfield presenting a check on behalf of Customer contributions to the NRA Round-Up program to Wayne LaPierre, Executive Vice President of the National Rifle Association and Chris Cox, Executive Director of the NRA's Institute for Legislative Action.

The Company Goals are: Customer Satisfaction Employee Satisfaction, Vendor Satisfaction, Shareholder Satisfaction and Modern Management Practices. With Customer Satisfaction listed as the number one Company Goal, the importance of meeting Customers' key requirements cannot be overlooked. Aligning key requirements with the Customer Satisfaction goal ensures that Customer needs are addressed. Customer relationships are built through many methods of contact, including phone, personalized email, internet, television com-

mercial messages from the Founder and CEO, Larry Line (a voice mail or e-mail to Larry Potterfield), vendor meetings, trade show and industry event attendance and through services such as product reviews, the GunTec Dictionary and the Gunsmith Locator.

The importance of the Customer Satisfaction goal is further emphasized by the senior leaders' monthly review and company-wide deployment of company performance results against Company Goals. In addition, all salaried staff, including senior leaders, spend at least one hour per week on the phone taking Customer orders to maintain focus on the Customer. This constant contact helps ensure continued alignment with Customer key requirements.

In its quest to achieve the vision "To be the best-run business in America," MidwayUSA aligned its Company Values with the Baldrige Core Values. MidwayUSA's value "Focus on the Future" is best depicted in its vigorous pursuit of modern management practices such as MQA/MBNQA, ISO 9001:2000, and Lean to ensure long-term sustainability. The company's best practices approach to deploying the MBNQA criteria as a business model includes maintaining at least 25% of the salaried employees as either MQA or MBNQA trained examiners. Remarkably, this figure includes 100% of the senior leaders.

Part of the approach to deploying the MBNQA criteria as the business model to create sustainability includes a schedule of meetings to maintain alignment. The senior leaders conduct monthly Strategic Planning, Results and Process Management meetings. They conduct quarterly meetings for the four remaining Baldrige categories: Leadership; Customer and Market Focus; Measurement, Analysis and Knowledge Management and Workforce Focus.

A key to ensuring sustainability is inherent to the company's strategic planning process, which is aligned with the Mission Statement and Company Goals and helps ensure short- and long-term goals are achieved. At MidwayUSA, strategic planning is an on-going process with monthly meetings of the senior leadership team. During these meetings, the current year's strategic plan is monitored and the strategic plans for the next three years are created.

The strategic plan is based upon meeting the identified strategic objectives which are created and prioritized during the strategic planning process. Action plans to achieve the strategic objectives are developed using the Plan, Organize, Staff, Execute, Control (POSEC) model, capturing the necessary data for making fact-based deci-

sions on which projects to pursue and the priority of the projects.

Strategic plan deployment is just as important to the company as plan development. The company applies a systematic approach to sharing the strategic plan and teaching the strategic planning process. Both topics are covered in the quarterly State of the Business meeting with selected salaried employees and in the quarterly Department Knowledge Sharing meetings for all employees. In addition to these meetings, the company's focus on communication sets the tone for organizational knowledge sharing. Additional communication vehicles include:

- Monthly employee newsletter
- Intranet site
- Internal postings
- Bulletin boards

MidwayUSA is committed to achieving its Company Goals and fulfilling its Mission Statement, including the vision "To be the best-run business in America." Its focus on the Customer has been a constant from the beginning and its on-going success is attributed to this focus. With a quality initiative that aligns with the Company Goals and Mission Statement, the company ensures its continued sustainability and growth.

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