



## 2010 Award Recipient

### Nestlé Purina PetCare Company

Nestlé Purina PetCare Co. (NPPC) is a consumer packaged goods company that manufactures, markets, and distributes pet food and snacks for dogs and cats and cat litter throughout the United States and Canada. NPPC is part of Nestlé S.A., the world's largest food company. The company "promotes responsible pet care, community involvement, and the positive bond between people and their pets."

Headquartered in St. Louis, Missouri, NPPC operates 24 manufacturing facilities (20 in 14 states and four in Canada) and 16 regional sales offices in 13 states. The company employs a workforce of approximately 7,000 people and recorded global sales of \$12.5 billion in 2010.

### Best in Show for Sales and Shares

- NPPC has grown its revenue over the past seven years. The company met its 2010 sales goal, despite the nation's economic downturn and the fact that the U.S. pet population grew only marginally during this time.
- NPPC ranks first in market share for pet care products in North America, has twice the market share of its closest competitor, and has grown its market share by almost 10 percent over 10 years in a mature industry.
- NPPC's sales grew each year from 2004 to 2008 by at least 7 percent and as much as 15 percent. Compared to nine other major food companies, NPPC ranked fourth in sales growth for 2005, ranked third in 2007, and was the benchmark in 2004, 2006, and 2008.

### Customer Loyalty That's Well-Bred

- Since 2000, NPPC has ranked number one with consumers—either alone or in a tie—in the University of Michigan's American Customer Satisfaction Index for pet food. NPPC also ranks in the top 5 percent of all major consumer packaged goods companies as rated by retailers in the Performance Monitor survey.
- From 2007 to 2009, NPPC's brand awareness was approximately twice that of its nearest competitor. In the same time period, NPPC also was rated the most trusted pet food manufacturer.

### Strategic Vision, Planning Put NPPC at the Head of the Pack

- NPPC's four-phase strategic planning process has been improved over the years and validated by industry experts. In addition, the process's cycle time has been improved. Using inputs such as market research, voice-of-the-customer data, and workforce capability studies, NPPC develop an annual plan, a three-year



### Highlights

- NPPC ranks first in market share for pet care products in North America, has approximately twice the market share of its closest competitor, and has grown its market share by almost 10 percent over 10 years.
- From 2007 to 2009, NPPC was rated the most trusted pet food manufacturer and led in consumer perceptions as the most recognized pet food company.
- NPPC is recognized as best in the industry for its outstanding safety performance. In 2010, the company maintained a Recordable Injury Frequency Rate that was 47 percent below the industry average. Additionally, its Lost Time Injury Frequency Rate in 2010 was 45 percent below the industry average, with 11 plants working the entire year with no lost time injuries.
- NPPC was named a "Number One Best Place to Work in St. Louis" in 2009 and 2010 by the *St. Louis Business Journal*.



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planning document, and a three-to-five-year longer-term strategy to look at the retail landscape, refresh current strategies, and develop new areas of advantage in the market.

- Senior leaders set the company's vision and establish values based on the company founder's "4 Talls" (Stand Tall, Think Tall, Smile Tall, and Live Tall), which they have enhanced by adding a "5th Tall," defined as "We create tall with innovation." Leaders communicate these ideals through a variety of methods and ensure that they are aligned with the recruitment and hiring process through NPPC's "Selecting for Success" program. The "5 Talls" are integrated with NPPC's competitive success factors and organizational strengths through the "Blueprint for Success."

### Safety Found in Every Bite

- NPPC is recognized as best in the industry for its outstanding safety performance. In 2010, the company maintained a Recordable Injury Frequency Rate that was 47 percent below the industry average. Additionally, its Lost Time Injury Frequency Rate in 2010 was 45 percent below the industry average, with 11 plants working the entire year with no lost time injuries.
- NPPC uses a four-fold strategy to ensure that its products are safe for animals, people, and the environment. This prevention-based approach is designed to manage regulatory compliance and anticipate public concerns with current and future products and operations. It includes measures for all key risk areas with methods for setting clear standards; providing training; and performing audits, inspections, and process improvement.
- NPPC exceeds all food safety standards specified by the U.S. Food and Drug Administration, the U.S. Department of Agriculture, the Association of American Feed Control Officials, and federal regulations under Hazard Analysis and Critical Control Points programs.

### 'Best Place to Work in St. Louis'

- NPPC was named a "Number One Best Place to Work in St. Louis" in 2009 and 2010 by the *St. Louis Business Journal*. The employee survey on which this selection is based includes topics such as alignment, trust, manager effectiveness, and job satisfaction. NPPC's aggregate measure was the benchmark for St. Louis in 2008, 2009, and 2010.
- NPPC is committed to hiring, training, and retaining people who love pets, are performance-driven, and understand that customer focus leads to success. The company also uses internships and transitional assignments to identify promising candidates for future positions.
- NPPC assesses workforce engagement and satisfaction through external benchmark surveys; internally designed, functionally specific surveys; and focus groups. Metrics assessed include

workforce retention, absenteeism, grievances, safety, and productivity. Survey results are integrated with action plans that lead to customized improvement plans by department.

From 2006 to 2009, voluntary turnover at NPPC dropped 60 percent. Absenteeism consistently remained at very low levels, beating the national average by 65 to 75 percent.

### Caring for Pets and Their Owners

- NPPC supports community projects on three levels: those related to pets (dogs/cats); local causes (such as United Way of St. Louis); and, as funds are available, miscellaneous projects. Local site (manufacturing facilities and sales offices) managers have autonomy to determine which community projects they support but generally follow a similar protocol.

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