



Beyond the Business to Impact the Industry – and Beyond

“In three words or less, how do you determine whether your day is impactful or not?”

On Tuesday, September 11th, those at BELIEVES had the chance to get to join Steven Carse, CEO of King of Pops (www.kingofpops.com), and Bill Strang, President of Operations and e-Commerce at Toto USA (www.totousa.com), to discuss this and more during the BELIEVES session on “Beyond the Business to Impact the Industry – and Beyond.”



“Hi, I am Bill and I make toilets,” said Strang when he introduced himself – generating a chuckle from everyone.

Strang, who has an Industrial Engineering degree from the Western Michigan University, has always been in manufacturing, which he likes to say is often characterized by the ‘four D’s’ (dirty, dark, dangerous, and dead-end) – but for Strang, he believes there’s another ‘D’ to include.

“It’s delightful too,” he said.

According to Strang, Toto USA produces 20,000 toilets per month in Morrow, Georgia, and they do so cost-competitively with Asia.

Of all places, why is Atlanta a hot spot for toilet manufacturing?

“Outside of Nashville is a deposit of ball clay,” Strang stated. “In South Georgia there is a deposit of kaolin – the single largest deposit in the world. These are the two most critical elements for our products.”

Strang added, “In our factory, we have 40 nationalities and 7 languages spoken so we truly represent diversity in America. What is compelling for me is that many first generations in these families are going through school and the parents are able to make that happen.”

Carse, then introduced himself sharing that he attended the University of Georgia as a journalism major, and then moved to Idaho to begin his career in that field.

“I quit that after a year to work for AIG, and then in 2009, I lost that job,” he said. “Nick, my brother, then went to get a law degree, and I started King of Pops out of necessity. I got a letter from my dad around this time that I like to keep urging me to not quit my job.”

When Carse and his brother started King of Pops in 2010, he said it was just a cart to begin with, and inspired by work his brother was doing in South America at the time.

“Eight to nine years later, we’ve learned a lot and started other businesses affiliated with King of Pops,” Carse told everyone. “Our Christmas tree business, Tree Elves (www.treeelves.net), exists because of the seasonality of pops. In addition, we also distribute pops and 14 other high quality products through our distribution business called Perfect 10 Foods (www.p10foods.com/), and we have our King of Crops farm (www.kingofcrops.com) that does composting connected with Compost Now (www.compostnow.org).”

When Strang and Carse were asked what gets each of them up every morning to do what they do, there was a common thread in their responses – people.

“For me it is people,” Carse answered. “Last night we had a vendor meeting and we had karaoke. My life would be significantly less interesting without these people. We’re different than Toto USA in that two-thirds of our staff is in college. They all leave King of Pops happy.”

Strang focused on people as well.

“In the world today, I think of aspirational brands and the alignment between people’s ethics and aspirations,” he said. “An example is Tom’s Shoes. They’re ugly shoes, but there is a strong brand ethic. I want to ensure our business is like this. We’re running our factory at 100% utilization, so we can’t make more.”

As a result the focus is on people and impact for Strang.

“At Toto, we have an emphasis of not introducing a new product if it doesn’t have a smaller carbon footprint than what it is replacing,” Strang remarked. “This leads to an incremental decrease in carbon footprint with each new product. Locally, a good example of the impact of this is at Hartsfield Jackson Airport. Our toilets reduce water usage at the airport by 3.7 million gallons per month. These toilets are also ‘off-grid’ toilets, so they reduce electricity usage also. For all our toilets, we also track the carbon footprint of each toilet all through the production and utilization continuum from cradle-to-grave.”

What are some examples that makes each proud of the impact their businesses are having?

Carse commented, “From a sustainability perspective, I’m most proud of our direct trade with suppliers. For us this means, understanding who we buy from – not just ‘checking the organic box.’ Now we’re working on stuff with some tropical fruits. We want to go meet the farmers in locations where they are

to take out the middle man. One company I like to keep an eye on is the chocolate company focused on in the book *Meaningful Work*. They produce chocolate in the Philippines, Ecuador, and Tanzania.”

Strang said, “We’re a publicly-traded Japanese company – like the Procter and Gamble of the Nikkei 225. We’re very steady. When Toto came to the US, it was one Japanese guy, one American and a crate of porcelain toilets. We had a tough time getting traction early on in the US. The most important thing we did is brought plumbers into the factory to help design it. Our ‘plumber’ was our advocate. This led to an emphasis on water conservation, which we embraced when others didn’t. When laws changed to regulate use of toilets from 3.5 liter per flush toilets to 1.6 liter per flush toilets, we were ready.”

Today, Strang says the plumber is still an advocate, but the e-commerce channel is an important message channel too.

“We were at Amazon recently talking about how our product sells at Amazon. They were impressed with the depth of relationship we have with our customers. If we receive a review with 3, 2, or 1 stars, we’ll respond in the next day. What’s compelling is the strong positive engagement. We’re also building a ‘word cloud.’ Key words are ‘toilet,’ ‘water,’ and ‘Toto,’ but ‘love’ is the most common word.”



What did Amazon have to say about Toto USA’s customer engagement?

“Amazon said that brands that deal directly with consumers don’t have the relationships we have by just addressing customer concerns,” commented Strang. “We have four people on our staff focused on this. Our Japanese CEO had originally come to me and asked, ‘Bill, we have e-commerce that we need to focus on, will you handle it?’ I told him I would, and we did this very aggressively. We wanted a full 360-view on engagement, product, and brand.”

Amidst all these operational details, is there a spiritual side of things for Carse and Strang?

“When you run a business, you have people from all walks of life,” said Carse. “On my personal journey, a part of my purpose is sharing love with others. Southwest Airlines posed the question of whether you should put employees or customers first. I think like Southwest Airlines – we put employees first. If you take care of your employees, they’ll take care of your customers.”

Strang said, “The spiritual side for me is centered on truth, honesty, and sincerity. Our employee base is our work family. You care, appreciate them, and sometimes discipline appropriately.”

At Toto USA, Strang shared that every six months, they'll do an employee meeting at 11 AM, 7 PM, and 1 AM for all three shifts at their factory in Morrow.

"I'm there for all of them to say, 'Thank you. Your eyes and hands and heart are the last ones on that box. The next hands are the customers to open it,' he mentioned. "When you say this often, people think it's platitudes, but if you walk this every day, and walk the floor you're seen as genuine."

Additionally, Strang pointed out that people have all different faith perspectives.

"We engage with all. For example, we sell a lot in Detroit. For those that don't know, Detroit has the second largest Muslim population in the US. All I care about is 'what do you experience here in the moment with us."

CTK Parishioner Mike Kirchner then asked Strang, "How is it working for a Japanese company? Is the focus on sustainability more an American thing or is it a focus there too?"

"The Japanese have a strong work ethic," replied Strang. "So we built in KPIs that made sense. We have to get out and tell the story beyond just that we have a great product."

Susan O'Dwyer, a fairly regular attendee at BELIEVES then commented that both Strang and Carse have unique employee bases.



"How did you each build the teams and culture that you have?" she asked.

Carse answered first.

"Four of our 20 kitchen staff are refugees," Carse said. "It's been interesting to see a team build around them. We thought four was a good number. It's really something you set in motion, and then just keep hiring people. I'm such a small part of this in the end. I think we check the boxes well."

Strang then followed with his thoughts.

"Our employee base is so diverse – some are African American, some from South Georgia, some from Latin America, and more. As you think about diversity and how to integrate, part of our job is to set culture, and then hire people with the Spirit and heart to do well. We listen to team members comments about one another."

One employee who Strang likes to speak about is a man named Cory.

“Cory is a single dad who is all tattooed. He’s honest, soft spoken, and now is a member of our technical team. He began on the factory floor with us. He had never understood six-sigma, calipers, or anything of that sort. He has told me, ‘Bill, without the work that you all did and belief you had in me, I’d never be here in this position I am in today.’”

O’Dwyer then spoke up again, asking Strang if he would share Toto USA’s recycling story with everyone – which he was happy to do.

“With 40 nationalities, we asked all our employees to bring their recycling to work,” Strang said. “We take the recycled material, send it to Pratt, and 15 days later, Pratt sends us cardboard boxes made of the recycled material back to us to package our toilets. The employees’ kids tell their parents they’re proud of them because they’re bringing us their trash. They do a good job because they want to.”

As the session began to come to a close, the leaders had time for one last question – What are the key measures you use to determine the impact of your business?



“Our company’s purpose is to create unexpected moments of happiness,” Carse commented. “We call them UMOHs, and we use a software platform called Slack to capture them. We believe that with KPIs, what gets measured is what gets improved. We have to have a good product, but it’s important to measure customer experience internally and with the customer. From the business side, the key metric is ‘pops per hour.’”

Strang then closed out the session with his response.

“We’re on the Nikkei 225, so we measure profit clearly. Also, it is so critical if we do a good job, because then others will advocate. If there is a problem, we need to address it. The goal is to be as transparent as possible. So what’s particularly a focus are our factory KPIs and ‘love.’”