

HOW THE 'J&B WAY' CAME TO BE

What started out as "the little red card," and today is printed on the back of J&B associates' business cards, is what is known as the "J&B Way"—the principles that guide the company's business decisions. While President Mike Hageman explains that his dad, Chairman and CEO Bob Hageman, "has lived these values from Day One," Bob explains how the concepts were finally formalized so that they could be easily understood and communicated.

"I joined a group of CEOs called The Executive Committee in the late 1980s," Bob explains. "At one of our meetings, a fourth-generation executive from Mason Shoe Company in Chippewa Falls, Wisconsin, shared the concept of 'The Mason Company Way.'" Bob was struck by how clearly it matched his own philosophy and the values of J&B, so he asked if he could use it. With the CEO's permission, Bob and his management team adapted the principles for use at J&B. Mike stresses that these aren't new concepts; they just articulate in a more understandable way the guiding principles Bob has used his entire life to build a successful company based on respect.

ACCORDING TO "THE LITTLE RED CARD":

For over 25 years, the "J&B Way" has evolved to become the cornerstone of our Company's success. This time-tested principle is based on the foundation of respect and continues to support all aspects of our business practices. The "J&B Way" states our beliefs regarding the following four groups of people to whom we are responsible and to whom our future success depends.



ASSOCIATES—Associate respect is the understanding that people are the most important asset to our organization. It is realizing that respect flows to and through all associates, creating a shared value system and framework for decision-making.

CUSTOMERS—Customer respect is the understanding that we exist because our customers find value in our products and services. It is our commitment to stay attentive and responsive to those evolving needs, creating a flexible platform on which they can be served.

CONSUMERS—Consumer respect is the understanding that the ultimate test of our products is that we are proud to serve them in our own homes. It is the commitment of providing safe, high quality products that are recognized and trusted throughout the industry. It is continuing the research and development of products that meet the evolving lifestyles and tastes of our consumer.

COMMUNITY—Community respect is the recognition that J&B and its associates have a shared obligation to work for the betterment of the areas we serve. This commitment involves operating in an ethical manner with our business partners, following all laws and regulations and being sensitive to the needs of the community and its people.

The "J&B Way" will continue to be the enduring standard that successfully guides us through the evolving social and cultural diversity of the times. It will be the crucial "link" between our guiding principles and the stakeholders it serves.

Bob adds that one of the reasons the J&B Way is still an important part of the business today is because "Mike has made a concerted effort to continually reinforce it." Bob comments that it gets harder to communicate to everyone when a company grows to several hundred people, "but Mike and J&B's leadership group have done a great job of keeping these principles at the forefront of the company's success."