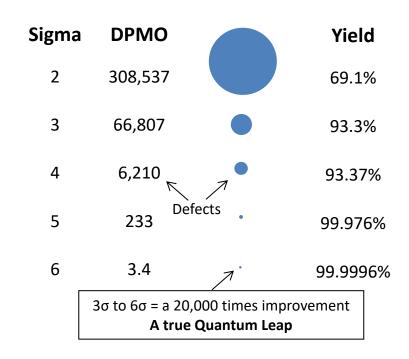


What is Six Sigma

| Six Sigma Level | Defects Per Million Opportunities (DPMO) | Cost of Poor Quality |
|---|--|----------------------|
| 2 | 308,537 | Not Applicable |
| 3 | 66,807 | 25-40% of Sales |
| 4 | 6,210 | 15-25% of Sales |
| 5 | 233 | 5-15% of Sales |
| 6 | 3.4 (World Class) | <1% of Sales |
| Each sigma shift provides a 10% net income improvement. | | |



Practical Meaing of Process Performance

99% Good (or 3.8σ)

Postal System

20,000 Lost Articles of Mail / Hr

2 Short/Long Landings / Day

200,000 Wrong Prescriptions / Yr
5,000 Surgical Errors / Wk

Municipal Utilities

Contaminated Water 15 Min / Day

83 Incorrect Checks / Lifetime

99.99966% Good (or 6σ)

7 Lost Articles/Hr

1 Short/Long Landing / 5 Years

68 Wrong Prescriptions / Yr 1.7 Surgical Errors / Wk

Contaminated Water 1 Min / 7 Mo.

<1 Incorrect Check / Lifetime