

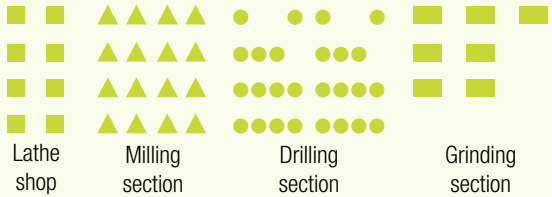
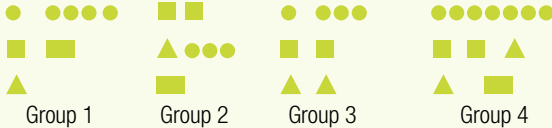

Type of process	Layout format	Type of layout
Batch	 <p>Lathe shop Milling section Drilling section Grinding section</p> <p>All products take their own operation sequence through the different sets of capacities</p>	Process or function
Cells	 <p>Group 1 Group 2 Group 3 Group 4</p> <p>All operations to make each product within the family are completed within a group of processes</p>	Cellular
Line	 <p>Series of work stations in operational sequence to complete a given range of products</p>	Product

EXHIBIT 5.20 Cellular layout and the transition from a functional (batch) to product (line) layout