



PT/MO EXPRESS

Princeton Trenton Monmouth Ocean Chapter (www.apics-ptmo.org)

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March, 2004
Volume 7 Issue 5

Professional Development Meeting and Seminar, March 17, 2004 Joint Meeting with NAPM

‘A OR B’ - WHICH SUPPLIER WINS THE BUSINESS? (PDM)

by William T. Walker, CFPIM, CIRM, Supply Chain Architect

INVENTORY MANAGEMENT IN DISTRIBUTED NETWORKS (Seminar)

by William T. Walker, CFPIM, CIRM, Supply Chain Architect

Professional Development Meeting

This interactive presentation engages the audience in a business scenario to “choose your own ending.” A New Jersey manufacturer must determine which of two suppliers will win their business. Your table team from planning, logistics, purchasing, quality and cost accounting will take a plant tour of the two contestants to make a final decision. Along the way, you will learn methods to:

- Relate the BOM to the supply chain network
- Understand some elements of landed cost
- Make decisions in a team environment
- Evaluate the supply risk

Participants at each table will pool their knowledge to determine the “best” solution. The take-away is an actual case study solved by teamwork among planning, logistics, purchasing, quality and cost accounting professionals. Bring your cross-functional peers along to this one so you will have the



best team in the house.

Seminar

Companies have long recognized the value of differentiating raw materials, work-in-process, finished goods, and consigned inventory types. Companies regularly measure the perpetual-to-actual inventory asset value, inventory turns, and excess inventory. While inventory is used to buffer critical operations, it tends to float to a level that is comfortable in terms of customer service. But, this level is never right. There is either too much in committed accounts payable because the schedule is too hot, or too many back orders because the inventory on-hand has the wrong mix. Companies know a lot about their inventories, or do they?

When inventory is considered in the context of a whole supply chain, the picture is different. Supply chain networks, distributed by geography and time, consume vast amounts of inventory. For inventory to be optimized it must be in the right mix and positioned in the right place. Only then can inventory buffer the risks inherent in maximizing network throughput while minimizing total network assets. This interactive seminar looks outside the four walls of a single company to provide a framework for inventory management across a distributed network. Topics include the composite BOM, the push/pull boundary, postponement, risk pooling, inventory \$-days and more.

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On Wednesday March 17, 2004 PTMO is facilitating a seminar on **Inventory Management in Distributed Networks** which will be conducted by William T. Walker, CFPIM, CIRM. Later that evening PTMO's monthly PDM will be held at the Historic Cranbury Inn located in Cranbury, NJ. Bill is the presenter for that evening and will explain **Which Supplier Wins the Business**. PTMO understands that times are tough but, education and training is so very important. To help offset the cost of those attending both the seminar and the PDM, PTMO will include in their seminar cost of \$250.00 admission to the PDM that evening. Please join Bill Walker and your peers for a day of education, training and networking which will show your employer the benefits of APICS.

Princeton-Trenton/Monmouth-Ocean Professional Development Meeting and Seminar Calendar, 2003-2004

March, 17, 2004

**Professional Development Meeting
Joint Meeting with NAPM**

Topic: "A OR " - WHICH SUPPLIER WINS THE BUSINESS
Speaker: William T. Walker, CFPIM, CIRM
Location: Cranbury Inn Restaurant, Carnbury, NJ

May 19, 2004

Topic: Supply Chain
Speaker: Nick Fiore, CPIM
Location: Cranbury Inn Restaurant, Cranbury, NJ

March, 17, 2004

Seminar

Topic: INVENTORY MANAGEMENT IN DISTRIBUTED NETWORKS
Speaker: William T. Walker, CFPIM, CIRM
Location: MEDICIA, Dayton, NJ

**June 16, 2004
Top Management Night**

**Keynote
Topic:
Speaker:**

April 21, 2004

Joint Meeting with WERC

Topic: Inventory Accuracy- Shopfloor vs Warehouse
Speaker: Jim O'Donnell, CPIM, CIRM
Location: Cranbury Inn Restaurant, Cranbury, NJ

**Management
Topic:
Speaker:**
Location: Cranbury Inn Restaurant, Cranbury, NJ

President's Message: By Fred Cristaudo, CPIM

As we move into the later part of the winter months and everyone is quite tired of the weather and being stuck in the office PTMO has a perfect solution to your dilemma. Come join your peers for the day as William T. Walker, CFPIM, CIRM does a full day seminar on **Inventory Management in Distributed Networks**. Bill will show how inventory optimized to be of the right mix and positioned in the right place can buffer the risks inherent in maximizing network throughput while minimizing network assets. Contact your boss and tell them about the wonderful education you can receive and the networking you will encounter on March 17, 2004 at MEDICIA in Dayton, NJ starting at 9:00 am and going till 4:00 pm.

After a wonderful seminar loaded

with all types of information and ideas enjoy dinner at the Cranbury Inn in Historic Cranbury NJ, when Bill Walker will explain **Which Supplier Wins the Business?** Contact your co-workers this month and ask them to attend the March 17th dinner meeting as a company contingent. You will enjoy a night-out with friends, learn a technical point or two, and show your employer that they are making the right decision by supporting APICS and you.

Also, when you are in talking to your boss please inquire about attending CP29 at beautiful Hershey Lodge and Convention Center in downtown Hershey Pa. The dates for this fantastic event is **April 14, 15, & 16, 2004**. go to <http://www.cp-apics.org/> for all the information you need to plan a won-



derful 3 days of education, bring the family and visit Hershey Park and Chocolate World.

In closing, as always PTMO wants to hear the **Voice of our Customer (you)** I can be reached by email at fdccrist@comcast.net (home) or 4319@scppool.com (work) or by phone (856) 468-7103 (home) or (856) 764-1500 (work).

From the Desk of George Lazarides, CPIM

As the economy begins to pick up, there may be opportunities and chances for advancement within your organizations. To get that great job in the supply chain field you'll need a leg up on the other guy or gal. The best way to do it is become APICS certified. Your organization will know your a real supply chain professional, with the skills and knowledge to compete in today's extremely competitive marketplace.

And we make it as easy as possible. One night a week for 8 to 10 weeks and your ready to take and pass your exam. (You need to pass 5 exams). And before you know it you'll have your CPIM (Certified in Production and Inventory Management). Send me an email or give me a call to discuss getting you into a class. Take care,

George Lazarides CPIM



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About The Speaker

William T. Walker, CFPIM, CIRM is a supply chain architect and an accomplished practitioner with over 30 years experience with Hewlett-Packard and Agilent Technologies designing and operating international supply chain networks. Bill is currently writing the book, *Supply Chain Architecture*, to be published in 2004. Bill is co-author of the books *Supply Chain Networks and Business Process Orientation* published by CRC Press in 2003 and

Supply Chain Management: Principles & Techniques for the Practitioner published by APICS in 1998. He co-developed the supply chain management principles and authored the courseware, "Build a Competitive Infrastructure" and "Leverage Worldwide Logistics," on CD-ROM now taught through APICS and is the Event Developer for the interactive game show, "You Are the Middle Link," just hosted by APICS in Las Vegas. He instructs seminars on

"Competitive Supply Chain Networks" around the world in Asia, North America and Europe and lectures at the University of Dayton Center for Competitive Change. Bill is a past president of the APICS Educational & Research Foundation and a past president of the APICS West Jersey Chapter. He holds BSEE and MSIE degrees from Lehigh University.

Lean and Supply Chain by Dave Hollinger, CPIM



November's Topic:

Culture Changes

Questions or comments can be directed to Dave by phone at (732) 922-0255 or by e-mail at Dave@PrimeBusinessGroup.com

Has a somewhat random comment set you to thinking?

After our February Professional Development Meeting (PDM), I overheard someone ask Marypat Cooper, our speaker, "What was the most important aspect of the Lean?". She replied "The change in culture."

Since then I've been thinking about "productivity", "lower inventories", "cellular manufacturing", "kanban", "setup reduction", and comparing those terms with "change in culture". As I thought about it, I realized that simple phrase, "Change in Culture", affects everything involved in lean.

In the early 1950's **Eric Trist** and the **Tavistock Institute** studied the English coal mining industry where **mechanization had actually decreased worker productivity**. Trist proposed that manufacturing (and many other) systems have both technical and human/social aspects that are tightly bound and interconnected. Moreover, it is the interconnections more than individual elements that determine system performance. What happened?

Mechanization:

- Broke up tightly knit teams,
- Processes were broken into separate tasks, causing coordination problems,
- Meant people were paid hourly instead of group incentive, destroying monetary incentives,
- Meant people worked alone, isolated, and felt unappreciated, destroying powerful motivators or pride, satisfaction, and belonging,

With a little imagination, doesn't this sound like the typical work environment of today?

At Brooks, Marypat Cooper helped change the business culture:

Traditional	Lean
Compete	Compete
on Price	on Time

Forecast
EOQ
low turns
Vertical organization

Takt Time
Blanket Release
high turns
Horizontal organization

While that was happening, she helped change the payroll system:

Traditional
Departmental
Performance
Departmental
Goals
Seniority
Individual merit
Static

Lean
Cooperative
Performance
Company-wide
Goals
Skills
Leadership
Fluid & Connected

Talk about changes!

When you talk about undertaking "Lean", are you including the culture change? When your management expresses an interest in Lean, are they willing to address the changes in the culture that must occur? If so, are they seriously willing to undertake such significant changes?

If I were to summarize the general characteristics, I would say, that to implement lean, you, your management, in fact, everyone in the company must create a Non-Blaming Culture where:

- Problems are recognized as opportunities
- It's okay to make legitimate mistakes
- Problems are exposed because of increased trust
- People are not problems - they are problem solvers
- Emphasis is placed on finding solutions instead of "who did it"

Membership Corner

Director of Membership: Bob Franzblau

Below acknowledges our newest members to the PTMO chapter that have recently either transferred in, have been reinstated or have joined APICS for the first time.

Lynn Bogart

Edward Sabik Jr

Maryann Trez CPIM

Kathleen M Kenney Amersham Health

Alison P Casserly Bristol Myers Squibb

I also want to thank all those members of the PTMO chapter who have **recently renewed** their APICS membership to continue with their APICS education and other chapter benefits.

In keeping with our theme of *listening to the voice of our customer*, we want to emphasize that PTMO chapter in coordination with APICS National will waive the dues of any unemployed member up to six months. This is when you need APICS the most to network and to keep abreast of the up-to-date techniques and approaches to be able to add value to your business performance. **Contact me for the necessary paperwork to accomplish this upon the renewal cycle of your membership.**

The APICS National website has changed. It is now different, but *easier* to update your membership profile. I urge all members to keep their profiles both correct and up-to-date so that we may communicate with you. It is important to have your profile reflect both your employer information as well as your home address and phone numbers. You can update your profile at the APICS National website: <http://www.apics.org/APICS/MyAccount.aspx>

After you log in, look on the left hand side under the big APICS banner below the (about APICS) You will have choices such as “Personal Information” and “Manage Addresses”. Go to both, review them and update them as neededand be sure to save your changes.

How will APICS membership benefit my company or me?

The driving force of the APICS mission is to add value to business performance, through the development of information, solutions and services. When you join the APICS community, you join nearly 60,000 individuals from more than 20,000 companies who recognize and support lifelong learning, standard bearing knowledge assessment, and innovative improvements to global productivity. Access to APICS education and solutions improves your understanding of the trends, challenges, and needs of the supply chain management professional. You learn more, your company's bottom line improves—it is a win-win proposition.

If you are **not yet a member** and are considering joining APICS, you can obtain an application by going on the web to the following link:

<http://www.apics.org/Membership/Join/professional.htm>

then download a prospectus (PDF pages 9-12), or call APICS Customer Support at (800) 444-APICS (2742) or (703) 354-8851 to join by phone. download a prospectus (PDF), or call APICS Customer Support at (800) 444-APICS (2742) or (703) 354-8851 to join by phone. Request to be placed in the Princeton/Trenton or Monmouth/Ocean, NJ chapter.

From the Director of Company Coordinator's
Blair Williams, CFPIM, Jonah



Dear Company Coordinators

Greetings for 2004 and I hope all is well. As you may know we were on an extended vacation to Australia, Thailand, India and Malaysia. Got back a few days ago. After temperatures in the 80's came back to freezing temperatures (it was 20F the day we arrived!). Anyway having adjusted to temperature, time lag and schedule (we seldom slept before midnight during our trip), I have picked up University work and am now picking up APICS

We had a good PDM on the 18th - Marypat is a knowledgeable practitioner of Lean and gave us plenty to apply. I am also told that there are still open seats for the seminar on March 17th by William Walker on 'Inventory Management in Distributed Networks' and then on to the PDM with Bill on "A or B Which supplier wins the business?" Both events are covered in the one fee for the Seminar. I have mentioned that Bill Walker is **the** expert on Supply Chain and you should not miss out on his seminar. Do interest your companies in this event and do try and attend

Bob Franzblau, our VP membership, has been sending each of you an abstract of the members of your company who are up for renewal, are overdue renewal or who are suspended. Please contact the member involved and remind them to renew

Jim O'Donnell our newsletter editor is sending each of you 5 hard copies of the newsletter for distribution and publicizing our chapter

How are we doing on spreading membership? Ira responded that he meeting with several of his company members and his business associates. Have you had at least one meeting in your company to advocate joining APICS? Please use the WIFM presentation I sent you

If you can get a half hour from your top management, please call on me to present the WIFM and make a case for education at company premises

Finally I think we should get together and chat over dinner. I picked out a date Wednesday March 31st. Do confirm that you can attend

Lots more when we meet

In the meantime, take care

Blair Williams
blairrw@att.net

February PDM Feedback Editorial

In my twenty years with APICS I have seen and heard many speakers, both at the chapter PDM's and at Congress for Progress. I have listened to most of the best speakers APICS has to offer. At our last PDM in February, I listened to one of the very best speakers APICS has to offer. Marypat Cooper arrived with overhead slides, we only had an LCD Projector. Undeterred, Marypat stepped in front of our audience with out the slightest hesitation and went into one of the most informative, thought provoking, learning experiences I have encountered in a long time.

My only regret is that more of my APICS associates were not there to gain the same advantage as I did.

On top of the great presentation was the food. I had a prime rib that was just incredible. The other fare was a delicious salmon dish. Kudos to the Cranbury Inn and our Director of Arrangements, Dolly Cristaudo.

Jim O'Donnell

Have you faced competition from China and won?

If so, we want to hear from you!

We recently conducted a survey of nearly 400 CEO's of manufacturers in NJ about competition from China. As a follow-up, we want to interview NJ manufacturers that have successfully faced this challenge. Your company's information will be treated confidentially and aggregated with that of 150 other companies. As a participant, you will be eligible to receive a copy of both studies and learn about the successful strategies of others. The survey will be conducted by phone and take less than 15 minutes of your time. If you want to be part of this exciting new study, please call Stacy at New Jersey Manufacturing Extension Program, Inc. (NJMEP) to set up an interview time. **Call 1-800-MEP4MFG**

Special Notice

" Your PTMO Board of Directors passed a resolution to admit ALL unemployed members and all members of the teaching profession, FREE, to any certification class conducted by the chapter. You will need to pay for your participant books only. Please avail of our offer to add value to you, our membership. Please see the courses scheduled for Fall 2002 under Education"



Mid Atlantic Supply Chain & Resource Management Symposium

brought to you by
Congress for Progress 29
and sponsored by the
MID ATLANTIC CHAPTERS of APICS

Everything about it is new, but at the same time we believe we still offer the same old tradition, convenience, and overall value that makes it a conference not to be missed.

To register go to:

www.cp-apics.org

APRIL 14, 15, & 16, 2004
Hershey Lodge and Convention Center Hershey,
Pennsylvania

**APICS – The Educational Society
For Resource Management**

C/o Bob Franzblau
Membership Chairman
6 Elisa Court
Manalapan, NJ 07726

Address Correction
Requested
Time Sensitive Material

**PRINCETON TRENTON /
MONMOUTH OCEAN
CHAPTER**

APICS Professional Development Meeting. WEDNESDAY March 17, 2004

Our meeting this month will be held at the:

**The Cranbury Inn Restaurant
21 South Main Street, Cranbury, New Jersey
609-655-5595**

Wednesday, March 17, 2004

Registration: 6:00 p.m.

Presentation: 6:30 p.m.

Dinner: 7:45 p.m.

NOTE: Cost: \$25 APICS Members

\$30 non-members, Students \$15

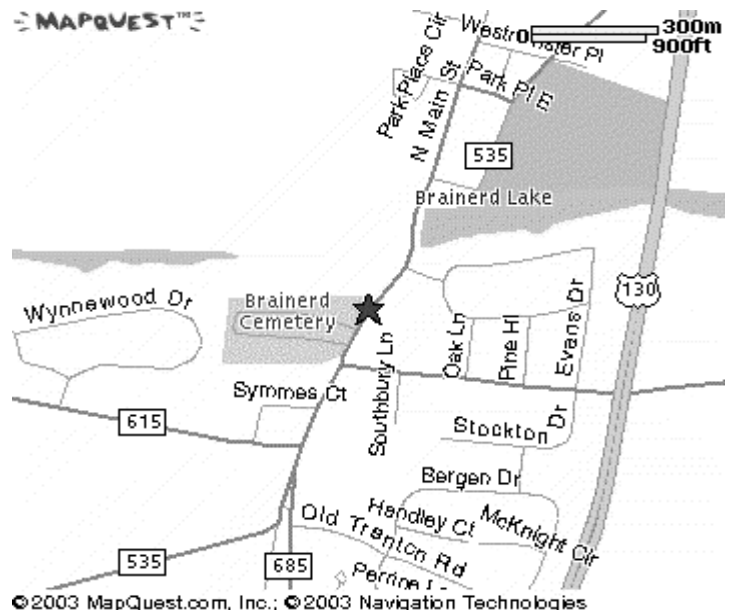
cash or check only.

Reservations: www.apics-ptmo.org

Cancellations 24 hours prior please.

Speaker: **William T. Walker, CFPIM, CIRM**

Topic: **“A OR B” WHICH SUPPLIER WINS
THE BUSINESS ?**



From the North: NJ Turnpike to Exit 8A, take Rt 32 West to Rt 130 South. Go past Dey Rd (in right lane) 200 feet south of Dey Rd bear right onto North Main St. The Cranbury Inn will be on the left, after lake. From the South: NJ Turnpike to Exit 8, take Rt 33 East to Rt 133 North to Rt 130 North, go to circle turn left on to South Main St. The Cranbury Inn is 1 mile on right.