

# PT/MO EXPRESS

Princeton Trenton Monmouth Ocean Chapter ([www.apics-ptmo.org](http://www.apics-ptmo.org))

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## Professional Development Meeting, November 20, 2002

### MFG. IN THE 21<sup>ST</sup> CENTURY- A VIEW TO THE FUTURE

Presented by: Rick Titone, CPIM

Come see and hear a description of what manufacturing will be like in the 21<sup>st</sup> Century. Become aware of

the monumental changes facing us in the areas of competition, globalization, markets and trade barriers.

Learn the 5 major factors facing manufacturing companies today; Customer Driven, Time To Market,

Flexibility, and Empowerment. Benefits to be gained by attendees are (1) A view of what manufacturing

will look like (2) The ability to access their company's current position. (3) The opportunity to begin to

prepare to meet these challenges. (4)



Survival of the company.

(Note to Reviewer: I have a PowerPoint presentation for this topic, and it was just delivered at the International Conference in San Antonio in Oct. '01)

### About the Speaker:

Rick Titone is an International Consultant and Educator with over 40 years of experience in

Manufacturing, Distribution and Inventory Management. He has served clients in both Europe and Asia,

as well as the US. He is a past Chapter President, Region Staff Member, and National Advisory Board

Member. He is on the faculty of Bloomfield College, and has presented papers at 15 APICS International

Conferences and 5 World Congresses, along with other world wide organizations.

### Mid Atlantic Supply Chain and Resource Management

#### Symposium

Brought to you by

### Congress for Progress 28

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MID ATLANTIC CHAPTERS of APICS REGION IX

**APRIL 9, 10, & 11, 2003**

**Sheraton, Atlantic City**

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## President's Message: By Blair R. Williams, CFPIM, Jonah

**Oct 2002. Greetings.** Last month we had a well attended, much appreciated PDM joint meeting with the Warehouse group (WERC). This month on Nov 20<sup>th</sup> we have Rick Titone speaking on 'Manufacturing in the 21<sup>st</sup> Century' at the Ramada Inn. On January 15<sup>th</sup> we have a seminar on "Lean". **Lean** is effective. Companies and practitioners need to know what it is and how to apply it. Please make plans to attend. Many of you were appreciative of our first electronic newsletter last month. Thank you Rick Cathers our Webmaster. We still do not have all our members email addresses. Please go to our website, click 'e-mail sign up' and enter details. Our website is at: <http://www.apics-ptmo.org>

**Kudos:** Your chapter was recognized

at APICS International with a Gold Passport Award with a 'Citation of excellence' and our Passport book was displayed during the entire conference. We are doing some things right!

**HELP:** Finally we need your help in attracting new members, either individual or corporate. This year our membership has reduced about 30% and we are very concerned. I would like to request every member of PTMO to recruit at least one member. (We also have a contest going to reward members who bring in new members – see Bob Franzblau's letter). We all have much at stake and I need all of you to rally and help us out. Just send us a name, tele# or email, and we will do the rest. Thanks



Till next month stay in touch and take care.

Blair Williams  
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609-860-5856

## From the Desk of George Lazarides

Presently PT/MO has 70 students attending either a certification or a fundamentals class. These classes will be finishing up over the next few weeks. Feedback from the students has been very positive. Starting in January, we'll begin a new Basics of Supply Chain class. We'll also have Master Planning of Resources and Detailed Scheduling and Planning. If you ever thought about getting certified, now is the time to register for a

class.

For PT/MO members out of work, the chapter will pay your tuition. You'll only have to pay for the work book.

For those presently taking the classes, don't forget to sign up to take the exam. [http://www.asitests.com/thunder\\_reservations/res\\_authorization.asp](http://www.asitests.com/thunder_reservations/res_authorization.asp)

You can register for classes at [APICS-PTMO.ORG](http://www.apics-ptmo.org)  
Enjoy Thanksgiving,



If you have any questions you can e-mail me at **george.lazarides@us.rhodia.com**.

### Certification Education

Register on line: [www.apics-ptmo.org](http://www.apics-ptmo.org)  
Fee: \$350 includes workbook

### 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"

Blair Williams

Questions or comments can be directed to Gerry by phone at 609-497-6400 or by e-mail at najarian@remgrp.com

Balancing a plant in lean terms means to adjust the rate of output to the rate of demand. Balancing the load in a plant to the *rate* of customer demand flies in the face of traditional manufacturing thinking which would prefer to run at the machine rate. Rate setting means abandoning the doctrine of full utilization of all lines all the time; i.e., if a line is rated at 100 pieces per hour and demand comes out to 75 pieces per hour for the period in question, then the line is run at the demand rate. Plant balance also requires small lot production in more frequent production runs. Three lean concepts are introduced in plant balance:

- **The rate or “takt” time.** When we are running a lean plant, the lines are being run at their demand “rate.” In essence, all the machinery on the lines are being adjusted to run at a rate that represents the rate of actual or expected sale. This is so regardless of the machine manufacturers “rated” speed or the ability of the people to produce goods on the line in question. Imagine having a “dial” (like the volume dial on your stereo) on each machine in the plant that allows you to turn the “volume” up or down depending on the customer demand. The dial that starts governing all the other dials is the dial in the last operation, the operation closest to customer demand. So, how do we get a dial? We get it by using the forecasted demand (yes, from our forecast module) which we divide by the number of work days in the month and then by the number of hours in the work day and then by the numbers of minutes and seconds per hour. By doing this, we come up with a rate or takt time of one unit of production per x number of seconds. We then set the “dials” in preceding operations to produce at a rate that supports the takt time. The takt time will be reset at each forecast interval – usually monthly.
- **Cross training or work force flexibility.** Work force flexibility ultimately relies on the *ability* of workers to do many different tasks. Therefore, a primary consideration in creating

the flexibility to run the plant at varying takt times and utilize the work force is cross training. When the “dials” are dialed up and down in various operations or product lines, people are going to be periodically idled and other work centers will be in need of additional help. This idle and need phenomena raises two issues: worker attitude toward moving to area in which there is a need and management’s ability to influence attitudes in light of union rules and; the willingness to invest in cross training the work force.

- **Level loading.** Contrary to much belief, level loading does not mean running the plant at the machine rate and building up inventory. In fact, it has nothing to do with the rate of production (as discussed above under the first bullet point) at all. Level loading has to do with producing products at the right *frequency*. Most production lines manufacture a “mix” of items and often each item in the mix involves a machine changeover and changeover times have historically had a major effect on lot sizes. In running a lean and level loaded plant, we will want to have small lot sizes so that no one is tempted to run the entire month’s needs of an item all at the same time. Small lot sizes insure that we are manufacturing as close to the customer demand as is possible and avoiding inventory buildups. Of course, reducing the changeover time (see last month’s Gems) is the imperative for small lot sizes and good level loading.

Remember, the three keys to plant balance are: Rate, Flexibility and, Frequency. When a plant runs in balance, customer service is high, inventory is minimized and, total labor cost declines.

**Membership Corner**  
**Director of Membership: Bob Franzblau**

**Bad news and Good news**

The **bad news** is that we have a very poor participation in the membership recruiting campaign. I mean very bad....The **good news** is that anyone that signs up a new member into APICS, (specifically into the PTMO chapter) by the next meeting and turns in the application to any board member or to me, has an **excellent chance** of winning the **\$50 raffle** at the next Chapter Meeting on November 20<sup>th</sup>. I have plenty of recruiting type materials including applications, APICS pamphlets highlighting the benefits, etc.

Below is a summary of the Membership Campaign programs that are in place by the PTMO chapter and APICS headquarters:

**PTMO Member-Get-A-Member Program**

Refer one new member and be eligible for the upcoming drawings:

\$50 drawing at November PDM

\$50 drawing at February PDM

or the \$150 drawing at April PDM with multiple chances to win

Refer 3 or more new members and for each referral increase your chances in the **\$250 drawing** on

**Top Management Night in June 2003**

**Be sure to put your name and Member ID number on the application  
and then submit it to:**

**Bob Franzblau or any other PTMO BOD member.**

Applications are available here tonight or go to the following website to download an application:

<http://www.apics.org/downloads/default.asp> and then scroll down to "Membership"

**APICS Headquarters Membership Campaign**

Prizes are awarded to individuals who recruit 5 and 10 members. A \$750 APICS gift certificate will be awarded to the individual who recruits the most new members by December 31, 2002. The gift certificate can be used on APICS Bookstore purchases as well as APICS events.

**Again, Be sure to write your name and member identification number on these applications before distribution to receive credit for the recruits.**

**Other Membership Items:**

We will be continuing to award new APICS members with APICS Membership Certificates at each of our chapter meetings.

All other members who have never received a (personalized) APICS Membership Certificate are encouraged to contact me to have one printed. I can be reached via email: [franzrf@yahoo.com](mailto:franzrf@yahoo.com) or by phone: 732-446-4077.

I want to continue to urge members to provide APICS National with updated membership information. Please see me for APICS provided forms (prepaid postage) to update your contact information. Keeping your records up to date will help APICS and the PTMO chapter to serve you better and will ensure that you receive all the benefits of membership. You can also update your profile at the APICS National website: [www.apics.org/](http://www.apics.org/) (go to Members only/ Log In/ Member info./ Member profile)