

## Downeast Chapter

Chapter #238 – [www.apicsmaine.org](http://www.apicsmaine.org)

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### DECEMBER 2007 NEWSLETTER



#### **Welcome New Members:**

- Debbie Guimond - Hannaford Bros. Co.
- April Wotton – Cedarworks Playsets



#### **New CSCP Certifications:**

- No New Certifications This Month
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**Letter from the President: 12/1/07**



*Dear Downeast Chapter Members,*

*Welcome to the December edition of the Downeast chapter newsletter!*

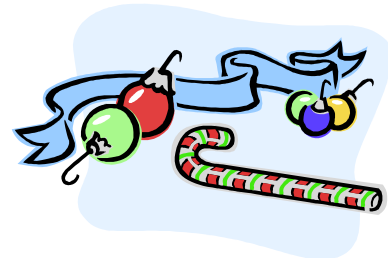
*If you have been a member of APICS for a while, you likely are familiar with the Educational and Research (E&R) Foundation. In the past, the E&R Foundation supported professional and student research and also published the Production and Inventory Management Journal. The Journal contained research from academic and business sources that was relevant to operations management practitioners. The E&R Foundation came on some hard times and “went away” from public view for a bit.*

*The Foundation has now been revived and has recently announced the publication of a major piece of research, “Supply Chain Management 2010 and Beyond”. This is available on the home page of the APICS national organization. Co-sponsored by Michigan State University, the study examines the challenges to creating effective supply chain organizations in the future. The study is extensive (72 pages!) and employed a Delphi method with Supply Chain academics and industry professionals. The report covers the strategic importance of supply chain organizations, risk mitigation, and supply chain models just to name a small sampling of topics.*

*The depth of research presented by the E&R Foundation is not necessarily everyone’s cup of tea, but it is important for the advancement of our profession and the health of our businesses. I encourage you to check out the Foundation’s work by exploring both the research paper and the E&R links on the APICS home page. We also link to the Foundation from our Downeast Chapter website. For businesses and individuals who wish to support this kind of research, the E&R Foundation is a not-for-profit organization and will gladly accept donations to further their work.*

*Please feel free to contact me or any other Board of Directors member with questions or suggestions as to how we might better serve our membership.*

*Jack Wood, CSCP  
President, APICS Downeast*





## **Chapter Award Recognition:**

Congratulations! The **Down East Chapter** has qualified for the **Silver** Benchmarking and Reporting (C-BAR) award level. Your award submission demonstrates your chapter's dedication to providing exemplary member services and professional development opportunities to APICS members and customers.

To commemorate your achievement, your chapter will be recognized at the 2007 APICS Conference and Exposition in Denver. Special recognition includes:

- Special recognition of your status in the APICS 2007 Honor Roll booklet and signs on display throughout the conference
- A **\$75** gift certificate to be used for purchases of APICS educational materials in the APICS Bookstore, available for pick-up at the Conference or mailed the first week of November
- Special recognition in the APICS *Leadership Central* newsletter, November issue
- Visual representation of your chapter's award achievement on the [APICS Chapter Locator](#)
- Assorted electronic formats of 2007 C-BAR award medallions to post on your chapter Web site, see attached

Thank you for your commitment to chapter excellence. I look forward to more great accomplishments from your chapter in the years ahead.

Good job and keep up the great work!

Sincerely,

Eric Schaudt, CPIM, CSCP  
Chapter Development Committee, Chair





## Upcoming Professional Development Meetings:

**2008:**

January

To be announced



February

Thursday, February 28  
Executive Sales and Operations Planning  
“Getting it Done”  
with Tony Zampello of T.F. Wallace Associates  
(location to be announced)



March

LL Bean Plant Tour  
Date and Time TBA  
Distribution Facility in Freeport





## Course Schedules:

### WINTER 2008 COURSE SCHEDULE

Course	Day/Time	Location
<i>Detailed Scheduling &amp; Planning</i>	Starts Thursday January 17th	General Dynamics ATP, Saco
<i>Strategic Management of Resources</i>	Starts Wednesday January 16th, 5:30-7:30	Remstar International, Westbrook (Remote)
<i>Strategic Management of Resources</i>	Starts Wednesday January 16th, 5:30-7:30	Huhtamaki Foodservice, Waterville
<i>Strategic Management of Resources</i>	Starts Wednesday January 16th, 5:30-7:30	Maine Machine Products, South Paris
<b>CSCP</b> <i>(Certified Supply Chain Professional)</i> <i>Study Group &amp; Chapter Support</i>	Date/Time TBD <i>as requested</i>	Location TBD <i>Dependent upon</i> <i>participants &amp; requests</i>

**\*\* Early registration is appreciated! \*\***

### **To register:**

- Use the [online Registration form](#) (note instructions for payment).
- Cost: The cost of classes is \$325 per person for members and host companies, \$425 for non-members, which includes all required material.

CPIM classes are held one evening a week from 5:00-7:00 pm unless otherwise posted. Basics of Supply Chain Management runs for 10 weeks, Master Planning of Resources runs for 8 weeks, and all other courses run for 9 weeks. There is an optional review session at the end of each course for students who would like to consolidate their learning and/or prepare for the CPIM exam.

**Cancellations:** If a class session is cancelled, the instructor will contact the students via email if available. If an entire class is cancelled, notification will be placed here and any registrants will be notified and money refunded.

Click on one of the [Directions](#) links on the web page for driving directions to class locations. For more information on these or other course offerings, contact the chapter Education Director, at [education@apicsmaine.org](mailto:education@apicsmaine.org)



## **CSCP Update:**

### **Important Notice Concerning CSCP Kit Availability**

The new Certified Supply Chain Professional (CSCP) Kits are available at reduced prices through the Downeast Chapter. Through the buying power of the local chapter we are able to offer the CSCP Self-Directed Learning Kit to our individual and corporate members for the low price of \$750 (\$1,045 for non-members) + shipping. This is an across-the-board price discount no matter how many kits you buy. This is a substantial savings off the \$895 member price (\$1,195 for non-members). If you or your company is interested in this great offer, please contact the Chapter Education Director at [education@apicsmaine.org](mailto:education@apicsmaine.org) for details.

#### **CSCP Learning System Quick Links**

- [CSCP Learning System](#)  
The best way to gain supply chain management knowledge and prepare for the CSCP exam
- [Try a free demo.](#)
- [Learn how to order.](#)

#### **Additional CSCP program information**

[Download the CSCP brochure.](#)

[Join the CSCP Update list](#) to receive the latest information as it becomes available.

[View a diagram of the program.](#)

#### **Frequently Asked Questions**

Visit our [FAQ](#) page for answers to questions about the CSCP program.





## Feature Article:



### **SILENT PARTNERS**

Want to improve forecasting and sales and operations planning (S&OP)? Get closer to your customers.

But the information and interaction that every company wants from its customers is exactly what its key suppliers desire from them. The only difference is the direction in which you are looking. The issues are the same: lead times, inventories, capacities, forecasts, customer orders, and supply plans. In this increasingly competitive world, these can be best managed collaboratively with the supply chain partners working together to improve the efficiency and effectiveness of the chain in total.

The objective of S&OP is better customer service, lower costs and inventories, and meeting all the business plans and targets. To help achieve these, S&OP can provide structured communication and decision making regarding demand planning and inventory management with customers and distribution partners. And it can do the same thing for supply chain partners, whether the process is initiated by the supplier or the customer.

#### **Benefits of S&OP**

Benefits can come from using the S&OP process to monitor capacity planning, lead times, costs, and product quality issues through standardized planning displays and key performance indicators. For optimal collaborative decision making, this information can be shared monthly between all key supply chain partners. It can then be used for making timely decisions on

- demand and supply plan timing and quantity changes
- the use of overtime and premium freight
- the need to add capacity (people and equipment)
- the need to temporarily subcontract to other supply chain partners
- the need to more permanently outsource some requirements to new supply chain partners
- the need (often cost driven) to "offshore" some requirements to new partners in Asia, Eastern Europe, Central America, and so forth.

Often S&OP can identify issues early enough so that the least costly and difficult alternatives can be chosen to solve a problem.

## **Supplier Participation**

During my interactive session at the 2007 APICS International Conference & Expo in Denver, Colorado in October, an interactive survey showed that 56 percent of companies do not involve any of their suppliers in S&OP. Thirty-eight percent review some supplier data as a part of the process. Six percent have critical suppliers participate in supply planning, while only two percent involve suppliers in actual S&OP meetings.

The inputs and participation of the supply chain partners can vary depending on the situation:

--Suppliers may be simply treated as a capacity constraint in the rough-cut capacity planning validation of the supply plans.

--The partners may supply information and input through individual communications with those responsible for the supply planning and S&OP partnership review meetings.

--For major partners, there may be a separate S&OP family supply plan for their product line, subfamily, or family.

--Some partners may collaborate in decision making on supply plans, inventory, tactics, lead times, and so forth.

--Sometimes major partners actually attend supply planning meetings to provide real-time input and participate in the decision making.

--Often, the partners are the recipient of numbers and notes from the S&OP process.

--Sometimes there are separate supply reviews or S&OP partnership meetings that exclusively review products provided by major suppliers.

## **Case Study**

At one company, many baked products are made at two plants from a sister division. The sister division's S&OP process recognizes the interdivisional demand that is placed on these plants in two 1.5- to 2-hour S&OP partnership meetings with attendees from both divisions. These meetings are seen as crucial to the proper communication and prioritization of requirements on the plants.

Twenty-nine percent of total sales comes from more than a thousand different packaging material items produced and shipped directly to select customers from 15 contract manufacturer plants. The company holds a separate, 30-minute S&OP partnership meeting to solely discuss contract manufacturer demand and supply issues. Personnel from customer service, demand management, finance, purchasing, and sales attend.

## **Enlightened Collaboration**

Effective supply chain management is all about applying tools and methodologies outside the boundaries of a single company. It requires timely and usable information in a

consistent format. Its effectiveness is based on the mutual participation in key decision-making processes by the supply chain partners--in other words, enlightened collaboration.

S&OP provides visibility up and down the supply chains, in a level of detail that is appropriate and significant to management, supporting timely decision making on demand, inventory (at the right spot in the chain), and supply plans and resources.

S&OP monitors partner performance and provides early warnings to the partners where improvement is needed and when it's time to adjust volumes. And most important, S&OP provides a clear framework that identifies when and how decisions need to be made, along with the roles and responsibilities of each supply chain partner.

Linking and collaboration are the keys to successful supply chain management, and S&OP provides the structure to ensure timely and accurate interaction between supply chain partners.

--John Dougherty, senior partner, Partners for Excellence and coauthor with Christopher Gray of "Sales and Operations Planning--Best Practices" can be reached at (603) 528-0840 or via e-mail at [jrd1@partnersforexcellence.com](mailto:jrd1@partnersforexcellence.com).

#### *Additional Resource*

*For more information on sales and operations planning, read "Lessons from the Pros" in the November/December issue of APICS magazine.*



## **APICS Webinars:**

The convenience and flexibility of APICS Webinars enable organizations to educate a large number of employees at once, reduce travel expenses, and maintain consistent levels of productivity by eliminating time out of the office. As an added benefit, registrants of each APICS Webinar receive a CD-ROM of the presentation after the event.

### **Lean Six Sigma for the Office**

<http://gal.org/ct/V13MfAF1ajZW/enews>

December 12, 2007

Presenter: Ron Crabtree, CPIM, CIRM, CSCP, President, MetaOps, Inc.

The shop floor has been "leaned" to death. The next gains seen from lean will be in the office. This APICS Webinar looks at a kaizen event in a call center environment.

**APICS CPIM Review Workshops**  
Basics of Supply Chain Management  
<http://gal.org/ct/Z73MfAF1ajZ6/enews>  
December 11-13

This course covers industry fundamentals and provides a comprehensive review of successful manufacturing strategies to prepare participants for the Basics of Supply Chain Management exam. Examine the basic concepts and language, as well as the relationships among master planning, inventory management, forecasting, Just-in-Time manufacturing, material requirements planning, capacity management, distribution, production activity control, total quality management, and purchasing. Industry newcomers and those seeking to advance into management roles will benefit from this course.

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## **New APICS Member Resources in 2008:**

APICS is pleased to announce that we're adding more benefits and resources to your membership in 2008. Now our members will have access to business and management training and research that will enhance their operations management knowledge. Coming in 2008, your APICS membership will include:

### **Aberdeen Research**

Aberdeen Group, the leading provider of fact-based research focused on the global technology-driven value chain, will provide APICS members unrestricted access to the entire Aberdeen Research Archive with more than 5,000 documents in research channels such as supply chain, retail, manufacturing, information technology, finance, human resources, and product research and development. This resource is valued at \$995 and will be included with APICS membership. Learn more at <http://gal.org/ct/2dxC2ss1LjZG/>

### **AMA Business and Management Training**

The American Management Association (AMA), a world leader in professional development and performance-based learning solutions, has entered into an agreement with APICS to provide business and management education to our members. APICS members will be able to take advantage of:

AMA programs delivered by an expert faculty of business practitioners and discounts up to 30% off AMA seminars.

The AMA Management Update, a monthly e-newsletter full of practical insights from today's management experts and practitioners.

Unlimited access to the AMA Web site featuring useful articles, assessments, and book excerpts, and the latest research on management practices, policies and procedures.

Preferred pricing on the AMA's extensive catalog of business and management books and self-study products.

For more information go to <http://ga1.org/ct/27xC2ss1LjZF/>

### **APICS and IBF Sales and Operations Planning Conference**

In the upcoming year, APICS will be expanding our educational offerings starting with the APICS and IBF Sales and Operations Planning Conference located at the Renaissance Chicago O'Hare Suites Hotel in Chicago, Illinois, on June 19-20, 2008. APICS and IBF will co-present this comprehensive sales and operations planning conference. The conference, "Best of the Best," will offer ten different sessions for professionals to attend on forecasting topics. To request more information go to <http://ga1.org/ct/21xC2ss1LjZH/>

### **Newly Updated Member Benefit: APICS Dictionary, 12th edition**

#### **APICS Dictionary Quick Pick Awareness Promotion**

With the newly updated *APICS Dictionary*, 12th edition, now in circulation, APICS is creating awareness of this indispensable member benefit with the Dictionary Quick Pick promotion. Throughout APICS communications, the dictionary will be featured along with an operations management term. You can extend the campaign locally by including the Dictionary Quick Pick in your chapter newsletter and Web site. This month's quick pick:

#### **APICS Dictionary Quick Pick:**

**Fluctuation Inventory:** Inventory that is carried as a cushion to protect against forecast error. Syn: fluctuation stock.

[Get your copy of the \*APICS Dictionary\* today](#) to add these essential industry terms to your knowledge base.

APICS members can request a complimentary copy of the *APICS Dictionary*, the standard for terms and definitions in the inventory and supply chain management field. The 12th edition, updated October 2007, contains more than 4,000 essential terms. Every APICS member is eligible to receive one complimentary copy of each edition. Go to <http://ga1.org/ct/M7xC2ss1LjZp/>

*Look for more details regarding these new APICS member resources in upcoming communications. For a complete listing of current member benefits, visit [http://ga1.org/ct/2pxC2ss1LjZ/-](http://ga1.org/ct/2pxC2ss1LjZ/).*



## **Elevating the Membership Experience – What’s In It for the You?**

Service levels, benefits, and offerings at the corporate level must also be enhanced to emphasize relevancy, value, and professional development.

Planned enhancements include:

- ◆ [www.APICS.org](http://www.APICS.org)
  - New Design
  - Capabilities
  - Functionalities
- ◆ Exclusive-Access to Aberdeen Access – *–New!*
  - Major Online Research Repository, Focused on the Global Technology-Driven Value Chain
- ◆ Member Discounts to the AMA- Largest Nonprofit Training Organization Worldwide – *New!*
  - APICS Members Get Member Pricing and Access
  - Public Seminars
  - Exclusive Website Content
- ◆ Expanded APICS Developed Course Offerings--*New!*
  - Finance for Operations Manager
  - Global Sourcing
- ◆ Webinar Enhancements
  - More Webinars-On-Demand
  - Expanded Offerings
- ◆ APICS/SAP Benchmarking Study--*New!*
  - Member companies may compare productivity through joint study
- ◆ Career Development Webinars (sponsored by the APICS Career Center)
  - Led By Recognized Career Development Experts
  - Practical Tips on Resume Writing, Career Transition, and Professional Development

