

## Tuesday, February 14, 2006

Educational/Dinner Meeting  
Sheraton Brookfield

**NOTICE:** There will be no  
pre-dinners tonight. Dinner  
will start at 5:45 p.m.

5:30 p.m. Registration  
5:45 p.m. Dinner  
6:30 p.m. Presentation

Cost of Meal Included with  
annual membership dues.

Guests welcome - \$25.00

To reserve your space, go to  
[www.napmmilwaukee.com](http://www.napmmilwaukee.com)

### Next Meeting:

Tuesday, March 14th  
Sheraton Brookfield  
Supply Management Month

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## February Educational/Dinner Meeting

### TOPIC: HOW WILL DOMESTIC SUPPLIERS COMPETE WITH OFF-SHORE SOURCING?

**Keynote Speaker: James Kiser, C.P.M., VP of Operations,  
ADR North America, LLC**

Can your domestic suppliers compete with new, more efficient manufacturing plants being built offshore, staffed with low wage labor? How can you help domestic suppliers compete? This presentation explores ways to build domestic suppliers that can compete in today's marketplace. Learn how to create and utilize supplier development teams to help your domestic suppliers learn new manufacturing techniques to increase yields, get control of processes and put continuous improvement plans in place to win in the global marketplace.



**Speakers Bio:** Jim Kiser is a VP of Operations with ADR North America. Jim provides a unique perspective to purchasing-a sellers point of view-from his experience in food service sales. Before joining ADR Jim focused several years of his career in B2B e-commerce, working in e-commerce application development with companies such as EDS and SBC Communications.

Mr. Kiser has a B.A. in Communications from Michigan State University and has a Dale Carnegie Graduate background. Mr. Kiser has presented at many conferences and workshops across North America and has published articles in several professional publications, including "Global Purchasing and Supply Chain Strategies" and *Purchasing Today*; he was named one of the *Supply & Demand Chain Executive* "Pros to Know" in 2005. He is a member of NAPM-Metro Detroit.

### Dinner Menu

Oriental Soup, Oriental Pepper Steak, Green Beans  
with Alfieri Carrots, Fortune Cookies



To register, go to [www.napmmilwaukee.com](http://www.napmmilwaukee.com)



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*Letter from the President*

Greetings NAPM-Milwaukee Members,

Although February is an important month for a number of reasons, for example President's day, Valentine's day, Mardi Gras, Chinese New Year, my birthday . . . I thought I'd spring forward to the month of March, because March is the month we celebrate Supply Management!

Our profession, "Supply Management", is defined as the identification, acquisition, access, positioning and management of resources the organization needs or potentially needs in the attainment of its strategic objectives. March is the one formal month of the year we spread the word about and celebrate our profession.

To celebrate Supply Management month, NAPM-Milwaukee is planning the following activities:

- Requesting proclamations from the Mayor of Milwaukee and the Governor of Wisconsin to proclaim March as Supply Management month.
- Advising our members to display the Supply Management Poster in a prominent place in their office (the poster can be found in the Inside Supply Management magazine).
- Extending an invitation to our boss to the March dinner meeting at no cost (please note the requirements within the meeting registration process).
- Asking for members to share their success stories in Supply Management, by sending them to the NAPM-Milwaukee office for inclusion in the BuyLines.
- Securing Jan Miller, Vice President Affiliate Support - ISM (the Institute of Supply Management), to present a pre-dinner topic on the ISM website and also be our March post dinner speaker.

I believe these are some excellent ways to celebrate our profession. If you have any other ideas on how you would like to celebrate, please contact the NAPM-Milwaukee office.

"Good Buying" and I hope to see you at an upcoming seminar and dinner meeting.

Sincerely,  
Greg Modlinski, C.P.M.  
*President NAPM-Milwaukee*



**Mission Statement:**

*The National Association of Purchasing Management-Milwaukee is dedicated to the professional development, education and certification of our membership, and the advancement of our profession.*

NAPM-Milwaukee  
**BuyLines**

11801 W. Silver Spring Drive, Suite 200  
Milwaukee, WI 53225

Publisher: Heather Westgor  
Editor: Robert Barwick

Photographer: Cindy Larsen  
Reporters: Robert Barwick & Cindy Larsen

Milwaukee *BuyLines* is the official publication of NAPM-Milwaukee and is published monthly of the Communications Committee.

If you wish to submit an article for publication, you may do so by contacting [publications@napmmilwaukee.com](mailto:publications@napmmilwaukee.com). We reserve the right to edit and publish articles at our discretion.

The deadline to submit articles for the next issue is the 21st day of the month.


*Educational Opportunities*

**Breakfast Seminars**

Wednesday, February 15, 2006	<b>Raw Materials (Metals, Plastics &amp; Corrugated Items)</b>
Wednesday, March 15, 2006	<b>Lean Supplier Program</b>
Wednesday, April 19, 2006	<b>US Customs, Customs Brokers/Forwarders</b>
Wednesday, May 17, 2006	<b>Consortium Purchasing in the Private Sector</b>

All seminars will be held at the NAPM- Milwaukee Offices, 11801 W. Silver Spring Dr. from 8:00 - 10:30 a.m. Continental breakfast will be served.


CE hours are 1.5 per session.

 Register on-line at [www.napmmilwaukee.com](http://www.napmmilwaukee.com)

**Satellite Seminars**

**ISM PLANS FOUR SATELLITE SEMINARS FOR 2005-06 PROGRAM YEAR**

Three Satellite Seminars are scheduled through June 2006. A series of seminars, presented by ISM and NAPM-Milwaukee, and hosted by Quad Graphics in Sussex, have made the following satellite seminars available to NAPM-Milwaukee members. Each seminar is designed for all levels of supply management professionals. The registration fee is \$75.00 each, or \$50.00 each if you are an NAPM member. The seminars start at 9:00am and finish at 1:30pm. A boxed lunch is included.

 Register on-line at [www.napmmilwaukee.com](http://www.napmmilwaukee.com)

The remaining programs planned for the 2005-06 program year are:

- **Ethics in Supply Management: Minding Your Actions and Decisions**  
Thursday, February 9, 2006  
*This program explores the role of ethics in supply management. The news continues to address this topic in the wake of ongoing business improprieties. Embed a strong code of ethics in the actions and documents within your supply organization and learn more about your obligation in a global society. We'll also explore how to develop and enforce a strong code of ethics and how to address conflict of interest and antitrust issues.*
- **Risk and Change Management: Surviving in a Dynamic Business Environment**  
Thursday, April 20, 2006  
*The constant change in technology and the expanding global economy demand more sophisticated ways to mitigate and reduce potential conflicts. Gain a thorough understanding of how to manage risk and prepare for change. Know what to do when conflicts arise and how to ensure security. The discussion includes other supporting topics.*
- **Buying Travel, Energy and Other Services**  
Thursday, June 8, 2006  
*This Satellite Seminar explores the role of supply managers in the services spend. Previously managed outside the supply organization, more and more supply managers are responsible for the purchase of travel, energy and other services. Knowledge of each unique service area is critical for supply's successful contribution. Find out how you can become proactive in demonstrating your knowledge using sound supply management strategies.*



**3-Month  
Calendar of Events**

February

**Satellite Seminar:**  
Thursday, February 9, 2006 - 9:00 a.m. - 1:30 p.m.  
*Ethics in Supply Management: Minding Your Actions & Decisions*  
Location: Quad Graphics -Sussex

**Educational/Dinner Meeting:**  
February 14, 2006  
*Global Sourcing*  
Speaker: James D. Kiser, C.P.M.  
ADR-North America

**Breakfast Seminar:**  
Wed., February 15, 2006 - 8:00 a.m. - 10:30 a.m.  
*Raw Materials (Metals, Plastics & Corrugated Items)*  
Location: NAPM-Milwaukee Office

**C.P.M. Classes:**  
Feb. 20, 27, March 13, 20  
*Module 4*  
Location: Lakeland College

March

**C.P.M. Classes:**  
Tuesday, March 7, 2006 - 8:00 a.m. - 4:30 p.m.  
*Modules 3 & 4*  
*Dr. Russell Morey, C.P.M.*  
Location: NAPM-Milwaukee Office

**Channel 10/36 Pledge Drive**  
Tuesday, March 7, 2006

**The Inaugural Global Supply Management Conference**  
Wednesday, March 8 and Thursday, March 9, 2006  
Embassy Suites, Tempe, AZ  
<http://www.ism.ws/Conferences/Global06Front.cfm>

**Educational/Dinner Meeting:**  
March 14, 2006  
Speaker: Jan Miller, ISM Affiliate Membership Chair  
Location: Sheraton Brookfield

**Breakfast Seminar:**  
March 15, 2006 - 8:00 - 10:30 a.m.  
*Lean Supplier Program*  
Location: NAPM-Milwaukee Office

April

**Plant Tour/Dinner Meeting:**  
Tuesday, April 11, 2006  
*Tour of Quad/Graphics - Sussex, followed by dinner and presentation at Silver Spring Country Club*  
Location: Quad/Graphics - Sussex

**Breakfast Seminar:**  
Wed., April 19, 2006 - 8:00 a.m. - 10:30 a.m.  
*U.S. Customs, Customs Brokers/Forwarders*  
Location: NAPM-Milwaukee Offices

**Satellite Seminar:**  
Thursday, April 20, 2006 - 9:00 a.m. - 1:30 p.m.  
*Risk and Change Management: Surviving in a Dynamic Business Environment*  
Location: Quad/Graphics - Sussex

## New Members, Welcome!

**Roberto Arechiga-Fierro**  
*Supplier Manager*

Milwaukee Electric Tool - Brookfield, WI

**John Biro**

*Mgr. of Purchasing & Facilities Maintenance*  
Ken Cook Co. - Milwaukee, WI

**Kenneth Gaudreau**  
*Purchasing Manager*

National Premium, Inc. - Pewaukee, WI

**Martin Havenar**  
*Purchasing Agent*

Neumann Homes - Pleasant Prairie, WI

**Mark Niedziejco**  
*Buyer*

Twin Disc, Inc. - Racine, WI

**Brian Woller**  
*Supplier Manager*

Milwaukee Electric Tool - Brookfield, WI

**Lisa Zwaga**  
*Buyer*

Astronautics Corp of America - Milwaukee, WI

## C.P.M. Classes

Register on-line at [www.napmmilwaukee.com](http://www.napmmilwaukee.com)

C.P.M. **Module 4** at Lakeland College,  
February 20, 27, March 13, 20, 2006  
from 6:00-9:00 p.m.

C.P.M. **Modules 3 & 4**  
Tuesday, March 7, 2006  
at NAPM-Milwaukee Offices  
11801 W. Silver Spring Dr.  
Instructor: Dr. Russell Morey, C.P.M.

The office is now selling **C.P.M. Review Study Guides** (7th Edition) for \$35. Even if you aren't going for your certification today, it is never too early to start studying ahead! Call the office at (414) 462-8645 to order your book today.



## MEMBER GET-A-MEMBER CAMPAIGN: Earn Free Seminar Passes!

NAPM-Milwaukee is putting a major emphasis on membership recruitment. YOU can play an important part in the recruitment process. The Membership & Professional Development Committees are sponsoring the **Member Get-A-Member** campaign, in which each member who recruits a new member will receive a FREE seminar pass to a Breakfast Seminar or Satellite Seminar (over \$50 value!).

Terms of Campaign:

- Recruitment campaign effective December 1, 2005 – February 28, 2006
- Seminar passes are non-transferable

## Channel 10/36 Volunteer Opportunity

Please join your colleagues from NAPM-Milwaukee on Tuesday, March 7, 2006 as we answer phone calls and collect donations for Channel 10/36. This is a short time commitment that is an excellent service to our community. Interested members should contact Dick Wood at 262-377-8665 or [wooddick@aol.com](mailto:wooddick@aol.com).



## Metal Users Group: E-mail List Serv & Resource Center

METAL USERS GROUP: E-mail List Serv & Resource Center

The Raw Materials Committee is launching an exciting new service for NAPM-Members who are responsible for negotiation and purchasing of metal raw materials.

### Description:

The group will stay focused on the following topics and activities:

1. Find alternate sources
2. Background on suppliers
  - a. capabilities
  - b. performance
3. Sounding board to get useful input/feedback for Purchasing
  - a. How are others handling surcharges?
  - b. What are opinions of others on current pricing and outlook on future pricing
  - c. Interpretation of industry news
4. Conduct surveys and polls

### Instructions:

To register and use this new service, send an e-mail to [NAPMSteelBuyers-subscribe@yahoogroups.com](mailto:NAPMSteelBuyers-subscribe@yahoogroups.com). To send a message to the group, send an e-mail to [NAPMSteelBuyers@yahoogroups.com](mailto:NAPMSteelBuyers@yahoogroups.com).

### Ground Rules:

- Professional and constructive comments only
- Strictly metals - no discussion of other raw materials
- Members only
- No solicitations by sales people

*Certification Corner*

**C.P.M. Quick Quiz**

The Certified Purchasing Manager (C.P.M.) designation is globally the most recognized designation for supply management professionals. The program is designed for experienced supply managers, and focuses on managerial and leadership skills, plus a variety of specialized functions designed to enhance the value of the profession. To compete in today's environment, supply managers must learn to think strategically, broaden their perspective, and view themselves as service providers.

The C.P.M. Exam consist of four modules:

- Module 1: Purchasing Process
- Module 2: Supply Environment
- Module 3: Value Enhancements Strategies
- Module 4: Management

**Quick Quiz -Module 2**

**Q1: XYZ, Inc. receives a shipment of components from Supplier DEF, Inc., to be used in a manufacturing operation for a new household appliance. Production is set to begin the following week, and the components are vital to the production. XYZ's purchasing manager learns, however, that the goods do not conform to specification and cannot be used without rework. The purchasing manager checks the records and discovers that this is not the first time DEF has delivered nonconforming materials to XYZ. Assuming all of the following courses of action are feasible, which is LEAST appropriate for XYZ's purchasing manager to recommend to senior management?**

- A. Have XYZ, Inc. postpone production until a better supplier can be located.
- B. Have XYZ, Inc. rework the goods and bill DEF, Inc for the cost of rework.
- C. Have XYZ, Inc. rework the goods, and have DEF, Inc. credit XYZ's account for the cost of rework.
- D. Have DEF, Inc. rework the goods at XYZ's location.

*Answer is A. In the case of nonconforming goods, acceptable courses of action include having the purchaser rework the goods, and either*

*billing the supplier for the costs (Option B) or receiving credit for the cost of rework (Option C). Another alternative is to have the supplier rework the goods at the purchaser's location (Option D).*

**Q2: Of the following, the MOST important way for purchasing professionals to earn the respect of other departments is to ...**

- A. Do favors for other departments.
- B. Require the other departments to follow procedures.
- C. Visit other departments.
- D. Establish credibility and trust.

*Answer is D. It is important for purchasing to establish rapport and productive dialogue with internal customers. Rapport and dialogue are obtained by developing a reputation for professionalism, and true professionalism is embodied in the concepts of trust and credibility. However, trust and credibility are earned not through isolated acts, but over time, and must be reinforced regularly. Doing favors (Option A) may be appreciated and may even win temporary friendships, but will not establish respect. The same could be said for department visits (Option C). Requiring that other departments follow procedures (Option B) may suggest conscientiousness but will not foster a spirit of teamwork or collegiality.*

**C.P.M. questions and answers submitted by Certification Instructor, Dave Chojnacki, C.P.M.**

**Committee Volunteer Openings**

NAPM has several opportunities to serve on NAPM-Committees. Each is a minimal time commitment per month, and provides abundant opportunities to develop your leadership skills, improve NAPM-Milwaukee and network among our other members with similar interests. If you are interested in volunteering, or need additional information, please e-mail the appropriate Board member listed below.

COMMITTEE	BOARD LIAISON CONTACT
E-Commerce	John LaPinske - <a href="mailto:john.lapinske@etwinc.com">john.lapinske@etwinc.com</a>
Membership	Ray McInerny - <a href="mailto:rmcinerny@dynexhydraulics.com">rmcinerny@dynexhydraulics.com</a>
MRO	Jim Truog - <a href="mailto:james.truog@am.wackergroup.com">james.truog@am.wackergroup.com</a>
Newsletter	Robert Barwick - <a href="mailto:rbarwick@ci.west-allis.wi.us">rbarwick@ci.west-allis.wi.us</a>
Services	Jim Truog - <a href="mailto:james.truog@am.wackergroup.com">james.truog@am.wackergroup.com</a>
Website	Robert Barwick - <a href="mailto:rbarwick@ci.west-allis.wi.us">rbarwick@ci.west-allis.wi.us</a>

For a complete list of volunteer openings, please visit [www.napmmilwaukee.com](http://www.napmmilwaukee.com)

# BUSINESS SURVEY REPORT

## January - 2006

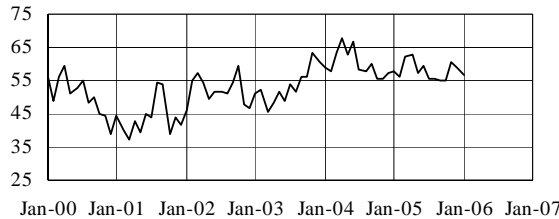
The Seasonally Adjusted Milwaukee Index dropped 10 points to 56 in January. A year ago it was at 58. New Orders Received did not change. It is still at 64. Production declined three points to 59 this month. Back-log is down five to 52. Supplier Lead Times did not change. They are still at 38, not a good number.

**Blue Collar Employment** sent down five to a still healthy 61. White Collar employment is up two points to 57. Inventory Levels increased six points to 57. Capital Equipment

went up six to a healthy 60. The Level of Purchasing Activities dropped a point to 67 in January.

The Prices Paid Index increased two points this month to 65. Five increased, four did not change and twelve declined. Biggest Increase was fourteen for Computer Hardware/Software. Electric Motors went up eight. Plastics declined fourteen and Plating went down thirteen points. Piping and Tubing dropped nine points and Stampings went down eight.

### Milwaukee Index



Date	Index
January-2006	57
December-2005	59
November-2005	61
October-2005	55
January-2005	58
January-2004	59
January-2003	51

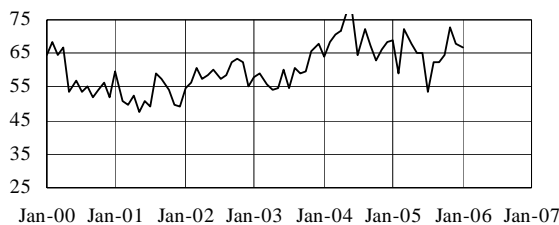
Increase was fourteen for Computer Hardware/Software. Electric Motors went up eight. Plastics declined fourteen and Plating went down thirteen points. Piping and Tubing dropped nine points and Stampings went down eight.

### Commodity Price Index

Aluminum 72	Electronic Components 53	Plastics 63
Casting 67	Forgings 63	Plating 56
Chemicals 74	Fuel 81	Precious Metals 79
Computer Hardware/Software 53	Hydraulic Componenets 53	Printing Paper 53
Copper, Brass, Bronze 85	Office Supplies 48	Rubber Products 67
Corrugated/Packaging 59	Petroleum Products 81	Stampings 50
Electric Motors/Transformers 63	Piping & Tubing 50	Ferrous (Steel, Stainless) 58

**Commentary:** Index went up two to 65 this month.

### Level of Purchasing Activities



**Commentary:** Down a point to 67. Still quite busy.

Date	Increase %	Same %	Decrease %	Index
January-2006	45	43	12	67
December-2005	48	40	12	68
November-2005	54	38	8	73
October-2005	44	41	15	65
January-2005	44	51	5	69
January-2004	38	51	11	64
January-2003	31	53	16	58

## *Membership Page - Reflections from the January Meeting*



C.P.M. Recertification Award presented to Nancy Wittig, C.P.M.



Pre-Dinner Meeting "Top 10 Contract Issues" presented by Godfrey & Kahn, S.C.



Pre-Dinner Meeting Metal Users Group Discussion, led by Mike Grimm, C.P.M. and Gary Staab, C.P.M.



Guest Speaker - Jon Turner, VP Operations, De La Rue Cash Systems & John LaPinske, C.P.M.



Members enjoying good food and good company



January New Members Welcome to NAPM!



Winning table of the famous "Name that Country Contest"



## **Reflections from the January Breakfast Seminar**



Third Party Logistics with Evans Transportation representatives Charlie Keepman, Dennis Beaudry and Marty Johnson



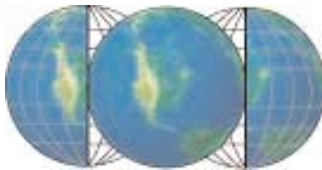
Breakfast Seminar Attendees

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