

Toledo



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Editor: Paula Taynor

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Issue 18 – January 2010

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## *President's Message January 2010*

Let me start by wishing everyone a Happy New Year.

January 2010, the start of a new calendar year and a new decade (though not all agree), I hope the recovery picks up momentum and we can soon start to breathe more easily and put the economic problems of 2009 behind us. It was certainly the most difficult year for a long time for many people and if you were one of those whose fortunes took a tumble I hope 2010 turns out to be a better year in every way.

I'd like to welcome Jeff Eloff, Matthew Harp and Matt Kowalka as the newest professional members of the Toledo chapter and there are also 3 new members of the University of Toledo chapter, Wenli Lin, Lynn Shaffer and Lu Yin.

I'm very pleased to say that two of the UT chapter members have been working on the CPIM program and I would like to congratulate Stephen Herman for passing the Basics of Supply Chain Management exam and also congratulate Bo Li who has now successfully completed exams for all 5 modules and has achieved CPIM certification.

Continuing on the student related front, December 1<sup>st</sup> was the closing date for applications for the student scholarships awarded by the chapter and I am delighted to say that 7 students received an early Christmas present with a letter informing them they had been awarded a \$500 scholarship for the spring semester.



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The successful students are:

Jenny Bailey	Bowling Green State University	Undergraduate Scholarship
Katherine Eboch	Carnegie Mellon University	Family Member Scholarship
Leslie Flory	University of Toledo	Undergraduate Scholarship
Karin Mowery	Bowling Green State University	Undergraduate Scholarship
Igor Nemirovsky	Bowling Green State University	Undergraduate Scholarship
Meredith Severt	Bowling Green State University	Undergraduate Scholarship
Jim Snodgrass Jr	University of Toledo	Undergraduate Scholarship

Last year the BGSU chapter organized a trip to Germany, this included visits to a number of manufacturing facilities as well as some cultural visits, they are planning another trip for this year's Spring Break with Italy as their destination, specifically Milan and Rome. They approached the Toledo board and asked for some financial support and I am delighted to say that after discussion we agreed to make a donation of \$2500. The board considers it important that student members get the opportunity to visit other countries and study the international aspect of manufacturing operations and supply chain management.

As you'll know from previous newsletters we start our program with a PDM on January 20<sup>th</sup>, Sheryl Holbrook has picked a venue new to the chapter, Pizza Papalis in downtown Toledo, this is a relatively new establishment, opening in early 2009, I haven't eaten there but have heard good reports from a number of people who have and I hope to see you there.

At the December board meeting we discussed a number of ideas regarding meetings and certification exams which we hope will stimulate interest, we haven't finalized details yet but hope to announce some changes soon, our goal is to increase member participation at meetings and get more people to take certification exams so keep watching.

*Bruce Brechin, CPIM, CSCP*

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### *Executive Vice President's Message*

This position is open. Please contact Bruce or Brent if you are interested

[Position description](#)

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## **Answers to November Newsletter CPIM Quiz**

***Congratulations to Duane Paul for providing all 5 correct answers***

### **BSCM**

The balance sheet for a firm shows which of the following?

**C. long- and short-term debt**

### **MPR**

The result of single exponential smoothing is most like which of the following:

**B. moving average**

### **DSP**

Firm planned orders are useful for doing which of the following?

- I. Preventing the system from automatically rescheduling
- II. Creating a planned order that does not agree with the lot sizing rule for that item
- III. Preventing the explosion of requirements at lower levels
- IV. Freezing the timing of a planned order release

**C. I, II, and IV only**

### **ECO**

Inventory shrinkage has occurred when physical inventory dollars are less than book inventory dollars. What is the effect of inventory shrinkage on a company's profit and loss statement?

**D. decrease in profits**

### **SMR**

Marketing personnel in a company implementing lean production are likely to highlight with customers all of the following benefits **EXCEPT**

**A. incentives for large-lot deliveries**



## *VP Programming Message January 2010*

### **LAST MONTH'S EVENT**

Our December event was a Plant Tour at Alro Steel Corporation on December 16. We had 17 chapter members and guests in attendance, and it was a fascinating look at a metals distribution center. Service is key for this distribution giant (1,700 employees nationwide, and over \$1 billion in annual sales). The Toledo facility's 45 employees process more than 40,000 activity lines annually. Orders received in Toledo by 5:00 pm can usually be delivered next day. This high level of service is made possible by Alro's advanced electronic network; the variety and depth of its inventory, which is unmatched in the industry; and its highly-efficient warehouse and shuttle systems.

Our thanks go to Frank Pastor, Dan Glovier, and Rich Harman for taking time out of their busy schedules to show us around their 110,000-square-foot facility on Airport Highway in Toledo's south end. And thanks, as well, for the wonderful food and beverages!

### **JANUARY'S EVENT**

Professional Development Meeting  
Dinner and Program  
Transportation / Logistics  
Pizza Papalis of Toledo  
The Taverna Room  
519 Monroe Street (adjacent to Fifth Third Field)  
Toledo, Ohio 43604  
Wednesday, January 20, 2010  
Registration begins at 5:30 pm, Dinner at 6:00

Our next event is a Professional Development Meeting on Wednesday, January 20, 2010, at Pizza Papalis of Toledo, on Monroe Street in downtown Toledo. We will enjoy their specialty, authentic deep-dish, Chicago-style pizza, as well as a choice of Papalis wings, spaghetti, or mostaccoli. Dinner also includes salad, breadsticks, and beverage.

Our program for the evening is a discussion of Transportation and Logistics, This is an extremely important segment of the supply chain, and it impacts all Operations Management professionals. The program will be presented by Dave Swartz, partner and director of sales for Premium Transportation Logistics, LLC.



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Premium Transportation Logistics, LLC (PTL, LLC), is a full-service logistics company, providing seamless door-to-door ground and air service to and from all points in the United States and Canada. Their specialty is customizing a transportation solution to meet the diverse needs of its customers. PTL, LLC, has a fleet of over 70 vehicles, ranging from cargo vans to tractor trailers. Additionally, PTL's brokerage division, Premium Freight Management, has more than 650 active carriers in its base.

Dave began his career in the manufacturing sector. Prior to 1993, he designed and built precision progressive stamping dies, and also worked in product development and prototype tooling, primarily for the automotive industry. In 1993, Dave joined Try Hours, Inc, a Maumee-based expeditor, as Sales Manager. While at Try Hours, Dave helped grow sales from \$1.5 million to over \$7 million annually, working with such companies as Lear, Johnson Controls, and Whirlpool.

Seven years ago, Dave and two associates founded PTL, LLC. With his manufacturing background, Dave helps his customers achieve supply chain efficiencies, by bringing together manufacturers, service providers, and transportation companies. We look forward to hearing him speak about Transportation/Logistics, and learn how it impacts the supply chain process.

The cost is \$25.00 for APICS members and guest, and \$15.00 for students. The reservation cut-off is Friday, January 15, at 5:00 pm. Send your reservation to [pdm@apicstoledo.org](mailto:pdm@apicstoledo.org).

**UPCOMING EVENTS**

APICS Toledo  
 2009/2010 Schedule of Events

Date	Event	Location	Speaker	Topic
Wednesday, January 20, 2010 5:45 pm	Professional Development Meeting	Pizza Papalis Taverna Room 519 Monroe St Toledo, OH 43604	Dave Swartz Premium Transportation	Transportation/ Logistics
Thursday, Feb 18, 2010	Joint PDM With ASQ Toledo Chapter	TBA	Tom O'Boyle Miles Technologies	Asset Tracking with RFID
Tuesday, March 16, 2010	Joint PDM With ISM Toledo Chapter	<b>Brandywine Country Club 6904 Salisbury Rd Maumee, OH 43537</b>	Joe LaMantia e-Ventus Corp	e-Collaboration



April/2010	Joint PDM With U of T Student Chapter	U of T Campus Toledo, OH	TBA	TBA
May/2010	Plant Tour	TBA	TBA	TBA
June/2010	Annual Meeting	TBA		

**Denotes a change from the previous schedule.**

Please contact me if you have any suggestions for upcoming PDMs or plant tours!

*Sheryl Holbrook, CPIM, C.P.M.*

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### *VP of Membership*

(This position is open. Please contact Bruce or Brent if you are interested)

As you would see in the President’s Report we did gain three new professional members, Matt Kowalka was a student member and took advantage of the Young Professional membership, this gives student members transferring to a professional chapter the benefit of a \$100 membership fee for their first 2 years. It does appear member numbers have stabilized, perhaps this is another sign the recession has bottomed out. But remember that if your membership is coming up for renewal and you are unemployed APICS will give you up to 3 extensions of 6 months at no cost, just let me know and I will help with the renewal form.

I am very happy to say that the University of Toledo chapter is creeping up on the BGSU chapter number wise, UT now has 43 members, slow but steady, so watch out BGSU. The BGSU chapter elected a new board in early December, Karin Mowery is the incoming president and they have a busy program for the spring semester with a variety of events, educational and social. Both chapters plan to have teams competing in the Case Competition to be held at the same time as the February Mid Atlantic District meeting so hopefully the home field will give them an advantage.

*Bruce Brechin CPIM, CSCCP*

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## *V.P. Publicity Message January 2010*

Happy New Year to everyone. As we put 2009 to rest and begin another year, most of us take the opportunity to set some goals for ourselves in the coming year. If you haven't done so already, consider making APICS part of your New Years goals. Make the most of your membership and make your membership count. Consider any of the following: Go after that certification - CPIM, CIRM, or CSCP, join the APICS National and APICS Toledo pages on Facebook and Linked In, take advantage of the free resources we have available to us in the career center or the free webinars, or for that matter familiarize yourself with all the other free resources we have available to us (hint: a good start is in the members only area of [apics.org](http://apics.org)), consider serving the Toledo Chapter as a board member. There are many more opportunities to learn, develop yourself, and encourage others to develop themselves. Now is the time to take action. Instead of being the type of person that wonders why everything seems to be a struggle and things don't always go your way, take control and do something about it. Be aggressive with your career and your development and allow APICS to be part of that development.

This is also the time of year when we need to be thinking about the renewal of our programs for 2010 including our association with the Toledo Business Journal. For the last year APICS Toledo members have received a free subscription compliments of Technology Group International and APICS Toledo has received coverage in each issue with a brief article by Abe Eshkenazi, CEO of APICS. Well, we are looking for a company or two that would be interested in sponsoring this program for another year. The financial outlay is actually much less than you might think and the coverage that is received is unique and lasting. If your company is interested or you know of a strong potential candidate, please send a note and we will do all the leg work.

Best Wishes in 2010.

*Mike Bunge CPIM, CSCP, C.P.M.*

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## *Chairman's View January 2010*

No Submission in time for this issue.

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## *Education Report January 2010*

As reported last month Otto Steele had been hospitalized with H1N1 flu but I'm glad to say he was discharged and has made a full recovery; however he has now decided to step down from his position on the board. I'd like to thank him for his work in arranging classes and his assistance as a board member.

We will start the Master Planning of Resources class in late January or early February, the location will be Betco's Nebraska Avenue facility and we would like to thank them for their continued support of the Chapter's education program. Full details of the class will be announced by a separate e-mail notification.

There will be a Strategic Management of Resources class at Jackson Community College, Jackson MI, the class is scheduled to start Thursday January 21<sup>st</sup> at 6:00 PM with Shirley Torrance as instructor.

If you want to register for this class please contact Dott Znosko at JCC

[dorothy\\_znosko@jccmi.edu](mailto:dorothy_znosko@jccmi.edu) or telephone 517-796-8610

In December 2009 APICS completed a full revision of the Detailed Scheduling and Planning and Strategic Management of Resources modules of CPIM. Basics of Supply Chain Management was revised for the start of 2009 and Master Planning of Resources and Execution and Control of Operations will be revised and issued in December this year to complete the series; APICS also published updates for these last 3 modules in December 2009. It is very encouraging to see APICS understands the need to keep educational materials current and make revisions on an annual basis, the chapter has the latest levels of materials for our classes and as we order Participant Guides prior to each class these will also be at the latest level.

CSCP was also revised and a new version published in December, we do intend to offer the CSCP class this year, we want to schedule it so that participants have time to complete the classes plus time for revision before the exams so watch out for further details.

***Bruce Brechin CPIM, CSCP***

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### *VP Student Liaison*

This position is open. Please contact Bruce or Brent if you are interested

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## *Guest Columnist - Coleena Ali*

### **Twenty-ten—A year for opportunity**

Two thousand nine was a hard year for many businesses. Unfortunately, some did not survive; others were put on life support. It has proven to be one heck of a bumpy ride. For those who made it or are still on life support, 2010 appears to be promising but challenging. There are suggestions that we will see a more promising third and fourth quarter in 2010 than we have seen in recent years, which is great news. In spite of this promising news though, businesses will have to be vigilant in creating and maintaining value propositions that customers welcome. Operations and Supply Chain Management (O & SCM) are key to any value proposition offered by businesses.

This will be a time for O & SCM to really show their worth for the greater good of the business as O & SCM is at the heart of the entire value chain. While this puts a lot of pressure on O & SCM and as challenging as this may sound, it actually creates opportunities. This is an opportunity for O & SCM to design new methods for operations that are leaner and more cost efficient and effective than before. An opportunity to solidify the alignment of execution and strategy. An opportunity for O & SCM to re-invent itself and add to the current BOK. I encourage O & SCM to continue to be the driver for value creation. By embracing opportunism, businesses will be more successful in providing value to their customers and O & SCM will be at the heart of it all. Just as the beginning of new year provides a chance for us to personally set goals and seek new possibilities, this should be a chance for O & SCM to seek opportunities to strengthen customer loyalty through value creation along the entire value chain.

*Coleena Ali holds bachelor's degrees in both Business Management and Marketing. Additionally, she holds a MBA in Organizational Leadership and Lean Six Sigma certificate. She is a partner in the consulting firm, InnoTrans Group, which focuses on helping micro to mid-size businesses increase its bottom-line through process improvements.*

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### **Lecture Tour with a Difference**

On New Year's Eve, Daniel was in no shape to drive, so he sensibly left his van in the car park and walked home. As he was wobbling along, he was stopped by a policeman. 'What are you doing out here at four o'clock in the morning?' asked the police officer.

'I'm on my way to a lecture,' answered Roger.

'And who on earth, in their right mind, is going to give a lecture at this time on New Year's Eve?' enquired the constable sarcastically.

'My wife,' slurred Daniel grimly.



## APICS Student Chapters

### Bowling Green State University



No Submission in time for this issue.

### University of Toledo



No Submission in time for this issue.



**Test Your CPIM Knowledge – December 2009**

Chapter polo shirts for the first 3 (non-instructor) members submitting correct answers to  
[president@apicsToledo.org](mailto:president@apicsToledo.org)

**Which of the following is most consistent with ABC analysis and control?**

- A. All items should have the same level of control.
- B. A small number of items account for a large portion of annual usage value.
- C. Items need tight control.
- D. Perpetual inventory records are required for all items.

**All of the following may contribute to an unrealistic master production schedule EXCEPT**

- A. inaccurate lead time
- B. inaccurate sales forecasts
- C. incorrect yield estimates
- D. incorrect bills of material

**If L = actual labor hours, SH = standard hours, U = utilization factor, and E = efficiency factor, the equation that should be used to calculate actual labor hour requirements is**

- A.  $L = SH \times (E \times U)$
- B.  $L = SH / (E \times U)$
- C.  $L = SH / U$
- D.  $L = SH / (E - U)$

**Which of the following are reasons for purchasing outside capacity?**

- I. It cuts down on training costs for new employees.
- II. It permits increased output with no additional capital investment.
- III. It reduces overtime.

- A. I and II only
- B. I and III only
- C. II and III only
- D. I, II, and III

**Which of the following order-winning criteria typically lie within the jurisdiction of the manufacturing function?**

- I. Delivery reliability
- II. Product design leadership
- III. Quality conformance
- IV. Aftermarket service

- A. I and III only
- B. I and IV only
- C. II and III only
- D. I, II, III, and IV



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## *VP of Finance Report*

This position is open. Please contact Bruce or Brent if you are interested

### **Midwest Atlantic District**

***Delaware, Maryland, New Jersey, Ohio, Pennsylvania, Virginia, West Virginia***

The next meeting of the Mid Atlantic District will be held at the Holiday Inn, French Quarter, in Perrysburg.

Although the program is not yet available we do know that the Student Case Competition will be part of the weekend, student teams consisting of 4 – 6 members will be given a business case problem on the Friday evening, they have to make written and oral presentations on the Saturday and the judges will select the winning team. Both BGSU and UT will be represented along with teams from other MAD college chapters, this is the first time MAD will have held a Case Competition and Gloria McCune, MAD Director of Student Affairs, is hard at work recruiting judges and creating the business case.

I expect to have a lot more information about the meeting by next month which I will share with you.

***Bruce Brechin CPIM, CSCP***

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### **Chinese New Year Trivia Question**

Which fruit, which represents luck and prosperity, is traditionally handed out for the Chinese New Year?  
Mandarin Oranges. (Tangerines)



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## **APICS 2010 Board of Directors**

On January 4<sup>th</sup> 2010, Abe Eshkenazi, APICS Chief Executive Officer announced the 2010 APICS Board of Directors as shown below

Chair	Karl Klaesius, CPIM, C.P.M.
Chair-Elect	Eric Schaudt, CPIM, CSCP
Secretary-Treasurer	Robert Castleman, CPIM, CIRM, CSCP, C.P.M.
Director Northeast District	Anthony Zampello, CPIM, CIRM, CSCP
Director Heartland District	Tammy Williams, CPIM, CIRM, CSCP
Director Southeast District	Fred Tolbert, CSCP, C.P.M.
Director Canadian District	Paul Howatt
Director Great Lakes District	Keith Johnson, CPIM, CSCP
Director Pacific Western District	Richard Leach, CPIM, CSCP
Director Mid Atlantic District	Maryanne Ross, CFPIM, CIRM, CSCP
Director Southwest District	Preston Blevins, CFPIM, CIRM, CSCP
Director Terra Grande District	Joe Schriever, CIRM, CSCP
Director-at-Large	Robert Boyle, CPA, CFPIM, CIRM, CSCP
Director-at-Large	Chris Moyer
Director-at-Large	Peter Murray, CIRM
Director-at-Large	Kevin O'Marah
Director-at-Large	Robert Trent, Ph.D.