

# Buylines

OCTOBER 2011



**President**

Rebecca Klutho, C.P.M., A.P.P.  
[President@ismstlouis.org](mailto:President@ismstlouis.org)

**President Elect**

Larry Jackson, CPSM, C.P.M.  
[PresidentElect@ismstlouis.org](mailto:PresidentElect@ismstlouis.org)

**Secretary**

Pat Greathouse  
[Secretary@ismstlouis.org](mailto:Secretary@ismstlouis.org)

**Director of Finance**

Max Merz, C.P.M., CPSM, CPP  
[Finance@ismstlouis.org](mailto:Finance@ismstlouis.org)

**Director of Education**

Dawn Huang  
[Education@ismstlouis.org](mailto:Education@ismstlouis.org)

**Director of Membership**

Tom Blair CPSM, C.P.M, CSCP, ITIL  
v3, CSSGB  
[Membership@ismstlouis.org](mailto:Membership@ismstlouis.org)

**Director of Professional  
Development**

Dwayne Yount, C.P.M.  
[Pro-D@ismstlouis.org](mailto:Pro-D@ismstlouis.org)

**Director of Technology**

William (Bill) Lloyd  
[Technology@ismstlouis.org](mailto:Technology@ismstlouis.org)

**Director of Marketing**

Rhonda Shurtleff  
[Marketing@ismstlouis.org](mailto:Marketing@ismstlouis.org)

## President's Message Always keep learning

Always keep learning. I know you must have heard a thousand times – Never stop learning. Learn new things. Different approaches & methods as they evolve over time.

Our profession in Supply Management is constantly changing and we need that knowledge to keep growing as a professionals.

ISM St. Louis has several great venues this month to increase your knowledge of procurement and prepare you for the CPSM Examination.

Why is a CPSM designation so important? The CPSM designation enables professionals to gain a clear understanding of their organization's supply operation and enable managers to take an active role in critical

decisions. Current evolution of the profession dictates that a strategic level qualification is needed for professionals to effectively implement innovative supply strategies throughout their entire organization. The CPSM is a milestone for those professionals who take ownership of their careers. Pursuing your CPSM qualification is your chance to leverage your knowledge and experience into career advancement.

On October 25, 2011 – Pat Woods will host a CPSM Bridge Review Seminar.

Our general dinner meeting on **October 25, 2011**, Pat Woods will speak on

Supplier Relation's - "So Your Supplier Gets Bought Out! What Next?"

This presentation will focus on both how to deal with a current supplier buyout as well as be prepared for future buyouts. Key points covered will include a proactive approach to the buyout including a contingency plan as well as costs/benefits of safety inventory for potential risk suppliers.

October 26, 2011, Pat will host "The Fundamental of Procurement Seminar"

October 27 - 28, 2011 "CPSM Module 1 Review" hosted by, you guessed it – Pat Woods.

So many opportunities! Hope to see you in October!

Rebecca D. Klutho, C.P.M.  
[President@ismstlouis.org](mailto:President@ismstlouis.org)

## Congratulations !!!!

Michelle Joseph completed  
CPSD Certification in  
September 2011!



# October Guest Speaker: Pat Woods, CPSM, CPSD, C.P.M., CPIM

Submitted by Dwayne Yount, C.P.M.



Pat is the currently the Immediate Past President of ISM-Dallas and under his leadership ISM-Dallas was presented the Affiliate Excellence Award at the International Conference in San Diego. For the past 15 years, Pat has led and presented C.P.M. and now CPSM review training for the affiliate, resulting in numerous participants achieving certification status and is also the GLOBAL BEST PRACTICES (GBP) Chair.

As founder of SCE (Supply Chain Education.), Pat has worked with major corporations such as Alcatel, Boeing, Fujitsu, Halliburton, Ingersoll-Rand, Atlas Copco, Verizon and Pertamina – The Indonesian owned oil entity, in the areas of supply chain and materials manage-

ment, traveling extensively in Asia and the former Soviet Union. He has also founded the current on-line learning initiative that has been a huge success with such companies as Halliburton, Ingersoll-Rand, Atlas Copco and Verizon, resulting in both a U.S. and world-wide rollout with approximately 700 participants, primarily in the areas of C.P.M, CPIM and Six-Sigma and the new credential, CPSM.

Prior to SCE, Woods has over 20 years of experience in materials management and supply chain consulting for high volume, fast paced organizations such as Emerson Electric, EDS, Clark Equipment, Intergraph, Perot Systems and NEC. He was also an adjunct professor at the University of North Texas specializing in logistics, transportation and marketing. He has previously held the role District Pro-D Chair for NAPM-District VII, including seven southeastern states and Puerto Rico.

His expertise includes extensive knowledge of ERP, MRP, CRP and various inventory control

systems, international procurement, management of cross-functional teams, including buyers, engineering and quality personnel as well as multi-international SCM teams. He has implemented, taught and achieved results for two Fortune 100 corporations in both Michigan State University and A.T. Kearney strategic procurement methodologies.

Woods is one of the first group to be both a Certified Professional in Supply Management (CPSM) and a Certified Professional in Supplier Diversity (CPSD) as well as a Certified Purchasing Manager (C.P.M.), both through ISM – The Institute for Supply Management and is certified in Production and Inventory Management (CPIM) through APICS – The Operations Management Society. He has a degree in Industrial Management from the University of Alabama, with a minor in Economics. He currently resides in the Dallas, Texas area.

## Next General Meeting

October 25, 2011



Spazio's



5:30 pm Pre Dinner

6:15 pm Dinner

# What you missed at the September ISM-STL Meeting !

By: Eugene Kattak C.P.M.

Usually, the September meeting is well attended as the membership returns to business after the Summer break. This September's meeting was no exception. Many new faces make up the new Board of Directors and it was evident that the new BOD was hard at work this Summer building upon the momentum they received from the previous BOD. Larry Jackson, the President Elect, opened the meeting on behalf of Rebecca Klutho, President, as Rebecca had a conflict and could not attend the September meeting.

Dwayne Yount, Director of Professional Development, spoke briefly about upcoming events and programs. After Dwayne, Dawn Huang, Director of Education, recognized those individuals who successfully earned their Certifications since our last meeting in May. Dawn also recognized her Committee Volunteers and encouraged others to contact her if they were interested in "helping out". Following Dawn, Tom Blair, Director of Membership, introduced new members and asked those in attendance to stand and be recognized for joining our organization.

The staff at Spazio's followed the announcements above with dinner service. As usual, the food was tasty and the service attentive. It

was good to re-connect with colleagues and learn about events that occurred over the Summer break.

After dinner, Brian Rogers, the Contract's Guy as he likes to refer to himself as, from Evans and Dixon spoke about the current trends in Electronic Contracting. As many of us in Supply Management deal with Contracting issues, Brian's presentation, which should be available by accessing the ISM-STL website ([www.ismstlouis.org](http://www.ismstlouis.org)), addressed recent court rulings on electronic contracts and their ramifications.

Brian stated that most US Law is based on British Common Law which dates back centuries. Louisiana being the exception to that. He then went on to say that statutes for the purchase of most hard goods were harmonized under the Universal Commercial Code and although there are variations amongst states, in general this governs the sale of goods within the US. In its most basic terms a contract is an Offer + an Acceptance + Consideration or a Notice of Terms + an Assent to Terms.

As more and more business is done through electronic commerce, electronic contracts have become more common and presented more challenges to traditional conventions. It is second nature to purchase some-

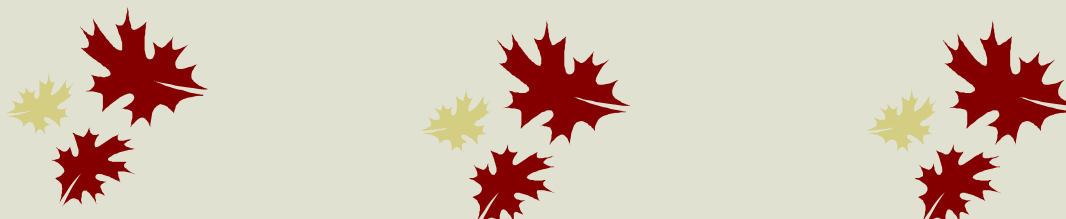
thing on the web and be required to click "I APPROVE" to the seller's terms and conditions prior to completing the purchase. Well the courts have now ruled on these measures by sellers and basically stated that the "BUYER BEWARE" that by approving, a buyer agrees to these terms and conditions even if the buyer did not read this text nor negotiate the specific language. Brian provided specific examples of where the courts ruled electronic exchanges did impact a contract.

Brian reviewed and explained the following terms: Shrinkwrap; Browsewrap; Clickwrap and Sign-wrap which he claims he coined. Essentially, the take-away I have from Brian's review of these terms is the easier a seller makes their T's and C's available to be reviewed by the Buyer, the more the courts tend to rule on the enforceability of the contract.

Brian invited the audience to access his Blog for more insight into electronic contracting.

I hope you find this summary helpful and I look forward to the prospect of seeing you at the October meeting.

Eugene M Kattak, CPSM, C.P.M.



# September Poll

By Max Merz C.P.M., CPSM, CPP, Director of Finance



Those that attended the September General Meeting at Spazio's are aware that I was conducting a short six question poll. The intent was to gauge the financial support employers were providing to ISM members.

A response of "Uncertain" means that the member would have to request reimbursement and was unsure if it would be forthcoming.

## Question #1

*Are you employed?* Yes – 48 No – 3

Unemployed members were not polled further.

## Question #2

*Does your employer reimburse or pay for your dues?* Yes – 39 No – 9 Uncertain - 0  
81%

## Question #3

*Does your employer reimburse or pay for Certifications?* Yes – 36 No – 9 Uncertain – 3  
75%

## Question #4

*Does your employer reimburse or pay for training?* Yes – 40 No – 6 Uncertain – 2  
83%

## Question #5

*Does your employer reimburse or pay for seminars/conferences?* Yes – 40 No – 8 Uncertain – 0  
83%

## Question #6

*Does your employer reimburse or pay for travel for any of the above?* Yes – 37 No – 9 Uncertain – 2  
77%

Conclusions: A large percentage, approximately 80%, of employers do support our members and their professional development endeavors. There is room for improvement, perhaps by increasing employer interest in and awareness of our programs. It is interesting to note that of the companies willing to pay for training and seminars/conferences, less than 100% would also pay for the corresponding travel (40 vs. 37; questions 4,5,6).

Questions not asked:

1. Would/does your employer pay you while you attend an all day seminar or training session?
2. A luncheon meeting that went several hours?
3. A tour that consumed half or more of the day?

**Question #1: All of the following are generally true about global (as opposed to domestic) negotiations EXCEPT**

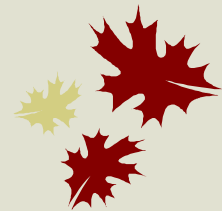
- (A) the implications of gift-giving are different
- (B) it usually takes less time to negotiate a contract
- (C) an interpreter may be required
- (D) buyers and sellers become acquainted on a social basis

**Question #2: Which of the following exchange rates are set by governments?**

- (A) Differential and floating
- (B) Fixed and differential
- (C) Variable and differential
- (D) Variable and floating

**Question #3: Which of the following is LEAST likely to be an element of a business plan?**

- (A) Human resources evaluation
- (B) Marketing strategy development
- (C) Raw material availability study
- (D) Risk identification



**Question #1: Option B** is correct because there is no direct correlation between global versus domestic negotiations and the time needed. Also, the added complexities of global negotiations may tend to lengthen the process rather than shortening it, since customs (Options A and D) and language differences (Option C) might require extra preparation.

**References:** *ISM Professional Series* (Book 1 — *Foundation of Supply Management*), page 299; *The Supply Management Handbook (7th Edition)*, pages 40-42.

**Question #2: Option B** is correct because governments set the fixed and differential exchange rates, but floating and variable rates are determined by market forces. Differential exchange rates differ from fixed rates because they are specific to the nature of the goods and services imported, rather than fixed for all transactions involving global imports.

**References:** *CPSM® Study Guide*, 1st Edition (Book 2 — *Effective Supply Management*), page 19; *ISM Professional Series* (Book 1 — *Foundation of Supply Management*), pages 309-314; *ISM Professional Series* (Book 2 — *Effective Supply Management Performance*), pages 105-106.

**Question #3: Option C** is correct because raw material availability is not one of the seven key areas defined in business planning. Those areas are: business overview, marketing plan, market strategy (Option B), management and human capital (Option A), operations capabilities, financial plan, and critical business risks (Option D).

**References:** *CPSM® Study Guide*, 1st Edition (Book 3 — *Leadership in Supply Management*), pages 13-17; *ISM Professional Series* (Book 3 — *Leadership in Supply Management*), pages 148-149.

# Career Bank

Company	Position	Location	Compensation	Industry	Contact name	Phone number
Cooper B-Line	Shipping & Receiving Supervisor (2nd Shift)	Highland, IL	n/a	n/a	n/a	n/a
Totall Metal Recycling	International Freight Coordinator	Granite City, Il.	n/a	n/a	n/a	n/a
Essex Cryogenics of Missouri, Inc.	Associate Buyer	8007 Chivvis Drive St Louis MO 63123	To be discussed with interested applicants	n/a	Ginny Heitert	314-832-8077
c/o Wendy Reitz, Keystone Staffing Resources	Purchasing Manager	St. Louis, Missouri	n/a	n/a	Wendy Reitz	n/a
c/o Wetherby Partners	Procurement Manager Fabricated Metal Components	Atlanta Relocation is available	n/a	n/a	Lisa Barnaby, Managing Partner	404.250.3276
c/o Wetherby Partners	Procurement Manager - Capital Equipment	Atlanta - relocation available	n/a	n/a	Lisa Barnaby, Managing Partner	404.250.3276
c/o Wetherby Partners	CORPORATE PROCUREMENT MANAGER ELECTRONIC COMPONENTS/CONTROLS	Indianapolis, IN; Relocation is available	n/a	n/a	Lisa Barnaby, Managing Partner	404.250.3276



# Procurement Fundamentals

Wednesday, October 26<sup>th</sup>  
8Am-4PM

\$250 members/\$325 nonmembers

Hosted by Peabody Energy

See [www.ismstlouis.org](http://www.ismstlouis.org) or

*contact the education committee for more details*

This program provides a detailed review of the ten key steps in the acquisition process including a review of industry standards. The course style is a combination of lecture with audience interaction as well as group exercises. The student will also design and implement four major purchasing documents: the purchase requisition, the RFQ, the purchase order and a contract.

## Course Objectives

Upon completion of the Procurement Fundamentals program, the participant will:

- Determine a purchasing need as the basis to begin the acquisition process including design of the purchase requisition,
- Identify, evaluate and approve suppliers including supplier benchmarking and rating systems,
- Communicate purchasing need through designing RFIs, RFQs and/or RFPs,
- Analyze supplier bids and proposals including price/cost analysis including key cost accounting, concepts such as indirect, direct, fixed, variable, mixed, learning curve and opportunity costs,
- Plan and deliver effective negotiations with a plan developed for Fortune 500 companies & key tactics,
- Develop purchase orders and contracts with key clauses and boiler plate terms and conditions,
- Understand key laws and regulations as it relates to purchasing including the U.C.C.,
- Explore the world of international purchasing including starting a program with scratch, establishing international buying offices, exchange rates and INCOTERMS,
- Develop a transportation and logistics program including negotiating freight rates,
- Utilize EDI and E-Commerce, including Reverse Auctions.

## Who Should Attend

This program is ideal for the person who is either new to the industry or is looking to advance into management and requires a basic knowledge of procurement and supply chain management. Anyone active in (or planning to become active in) the daily operations of, purchasing and materials management will benefit from this program.



# ISM-St. Louis



## October 2011 CPSM Review Program

Interested in obtaining your CPSM – *Certified Professional in Supply Management*?  
ISM-St. Louis is offering review sessions for both the Bridge Program\* and CPSM Module 1.

*\* Participants that have a C.P.M. in good standing only have to prepare for and take the Bridge Exam.  
All other participants without the C.P.M., must take the three separate exams.*

### What do the CPSM Exams look like?

#### **Exam 1 – Foundation of Supply Management**

165 questions (150 scored)  
2 hours and 45 minutes allowed

#### **Exam 2 – Effective Supply Management Performance**

165 questions (150 scored)  
2 hours and 45 minutes allowed

#### **Exam 3 – Leadership in Supply Management**

180 questions (165 scored)  
3 hours allowed

**Bridge Exam** – 180 questions (all scored)  
3 hours allowed

*\* All exam scores are valid for three (3) years*

**Bridge Review: October 25, 2011 - 8:00 A.M. – 4:00 P.M.**

**Cost:** \$150 members/ \$200 non members

**Module 1: October 27-28, 2011 - 8:00 A.M. – 4:00 P.M. each day**

**Cost:** \$300 members/ \$375 non members

**Or**

**All three module review sessions plus bonus study guides**

**Cost:** \$750 members/ \$1000 non members

**Course Content:** As soon as you register, you will be given access to an on-line tool with on-demand detailed instruction, including audio and downloadable study materials. Also included will be numerous simulated exam questions with answer logic and a comprehensive exam that you can take prior to the actual test and the instructor will provide you with feedback.  
The live classes will then cover the key CPSM alerts and the methodologies to approach the actual exam(s).

**Registration Information:** [www.ismstlouis.org](http://www.ismstlouis.org)

**Note: Module 2 will be offered December 7<sup>th</sup> and 8<sup>th</sup> and  
Module 3 will be offered February 9<sup>th</sup> and 10<sup>th</sup>.**



# The ISM Services Group Invites You to Attend a Free Web Seminar

Please register to attend

## Using Your Internal GPS to Attract Your Internal Customers

**Date:** Tuesday, November 8, 2011

**Time:** 12:00 PM Eastern Standard Time (11:00 AM Central Standard, 10:00 AM Mountain Standard, 9:00 AM Pacific Standard Time)

**Duration:** One (1) Hour; Continuing Education Credit will be given to those who register and attend

**Presenter:** Paula Shoup, founder and owner of internalGPS Consulting and Coaching

This web seminar will focus on information and techniques that will help you “sell” yourself and your supply management expertise to your internal customers. You will learn how to:

1. Create such a strong value statement that your internal customers will want your involvement “up front”.
2. Minimize obstacles and issues with a proven communication model.
3. Deliver so well that your colleagues wonder how they managed without you, and they will keep coming back for more.

**Your presenter will be Paula Shoup**, founder/owner of internalGPS, a consulting/coaching business. She is the prior Director of Strategic Sourcing for Medtronic, Inc., with a spend responsibility of \$400M. Paula is passionate about working with businesses and individuals to navigate their way to success more quickly with less stress. She has been a leader in multiple Fortune 100 and 500 high-technology companies, and has worked with many suppliers of varying sizes across many cultures. Her passion to work with businesses to succeed led her to create “internalGPS”.

Paula has spent 22 years navigating several large corporate businesses. She successfully moved up from an individual contributor to her current position at Medtronic, Inc. One of her signature accomplishments at Medtronic was her leadership of the creation of its supply chain organization in Puerto Rico. With United Technologies Hamilton Standard, prior to working for Medtronic, she was part of a unique self-directed team that established a start-up “Greenfield” manufacturing facility. She has also held various individual and leadership positions in Sourcing and Operations Management and Planning at Honeywell and Motorola.

Paula is an Associate Certified Coach (ACC) through the International Coach Federation (ICF) and is a graduate of the Coach University Core Essentials Program. She has a Bachelors of Science in Supply Chain Management from Arizona State University.

She volunteers as the President-Elect of the Phoenix chapter of the International Coach Federation (ICF) and as the Vice President of the Programs on the board of the Arizona chapter of the National Speakers Association. She also volunteers as the Board Secretary for the Alliance of Technology and Women (ATW).

***This will be a streaming-only presentation.*** You will listen to the presentation through your computer, using either the speakers or a headset. You will be able to ask questions by typing them in the appropriate field during the presentation.

Before the day of the event, you will receive an e-mail containing the URL to access the presentation. The e-mail also will contain a link for you to use in testing your computer’s compatibility with the Microsoft Live Office platform. Please be aware that, if you have not used this platform before, you may need to download software in order to access the presentation.

**To register for this event**, please use [this link](#) to provide us with your name and e-mail address. A day or two before the event, you will be sent an e-mail with instructions for accessing the Web seminar. Please note that you will not receive an automatic confirmation e-mail after you register.

***The deadline for registration is 5:00 PM Eastern Time on Friday, November 4th.***

If you have any questions, please contact Lynn Marstiller, ISM Affiliate Support, at [lmrastiller@ism.ws](mailto:lmrastiller@ism.ws).

# October Seminars



Seminars	Dates	Location
Administering Contracts: From Start to Finish #4309	Oct. 13—14, 2011	San Francisco, CA
Best Practices in Procurement #4461	Oct. 17—19, 2011	Atlanta, GA
Category Management: Cost and Leveraging Strategies for Supply Professionals #4220	Oct. 20—21, 2011	Las Vegas, NV
Contracting Basics: What All the Ts and Cs Mean #4485	Oct. 20—21, 2011	Cincinnati, OH
Power Negotiations: Unlock Your Powers of Influence and Persuasion #4576	Oct. 24—26, 2011	Nashville, TN



## Strategic Sourcing — Quick Wins to Boost This Year's Savings Total

Date: Wednesday, October 12, 2011

Time: 10:00 AM PDT | 1:00 PM EDT

Don't miss this No-Cost, 1-hour STREAMING ONLY web event hosted by ISM and sponsored by Capgemini.

<http://www.ism.ws/2934>

For over 20 years strategic sourcing has been a known procurement process, proven to identify costs and add savings value to the company. However there are still studies that show that compliance rates are still dismally low. While procurement professionals agree that sourcing is "low pain with high gain," surprisingly few large companies utilize the maximum effect of their sourcing agenda to really drive the compliance agenda.

Join our webinar on October 12 at 10.00 am PDT, 1.00 pm EDT to learn from experienced practitioners on how you can take charge of your strategic sourcing and the necessary tools in order to start generating savings — that you even can gain this year!

Featured Speakers: •Torbjörn Thorsén

Product Strategy Innovation Capgemini Procurement Services

Attendance of the live session of this web eeminar qualifies for one CEH credit at ISM.

# We're Looking for Corporate Sponsors!

---



As an organization of supply chain professionals in the St. Louis metropolitan area with approximately 300 professional members and over 160 companies represented. By becoming a Corporate Sponsor, your company will gain exposure to supply management decision makers and provide them easy access to your website. ISM-St. Louis is part of a network of over 40,000 members of the Institute of Supply Management ([www.ism.ws](http://www.ism.ws)) sharing supply management information and best practices.

\$200.00 per year

This rate includes your logo on the ISM-St. Louis website ([www.ismstlouis.org](http://www.ismstlouis.org)) sponsor page with a hyperlink to your website. It also includes your company logo on a special sponsor page in our monthly newsletter the : Buylines!

*Advertising space is on a first-come, first served basis. ISM-St. Louis reserves the right of placement based on space limitations.*

Corporate Sponsor is responsible for submitting advertisement via electronic file.

## **So how do you become a Corporate Sponsor?**

Interested persons or companies should contact J. Mark Bean by email at [corporatesponsor@ismstlouis.org](mailto:corporatesponsor@ismstlouis.org) or by calling 314-646-7442. Fax: 314-646-7442.

You may also contact the ISM-St. Louis Marketing Director at [marketing@ismstlouis.org](mailto:marketing@ismstlouis.org)



**institute for  
supply management**

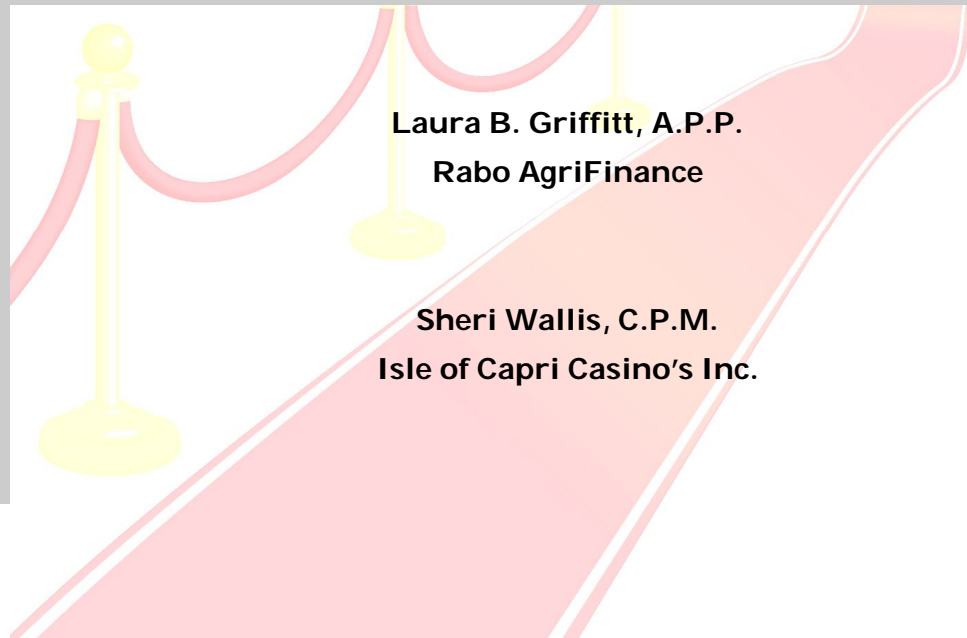
**ISM—St. Louis, Inc.**

P.O. Box 31673  
St. Louis, MO 63131  
Phone: 314-646-7442  
Fax: 314-646-7442

## Welcome New ISM-St Louis Members

ISM-St Louis welcomes our recent new members.

Thank You for your participation



**Laura B. Griffitt, A.P.P.**  
**Rabo AgriFinance**

**Sheri Wallis, C.P.M.**  
**Isle of Capri Casino's Inc.**

**[** We're on the WEB!  
www.ismstlouis.org **]**



---

## Corporate Sponsors



<http://www.ameren.com/>