

# Buylines



June 2005

*of the National Association of Purchasing Management – St. Louis, Inc.*

## Purchaser of the Year Award Presented to Kay Givens

**By Susan Vollmer, UniGroup**

Kay Givens, a veteran of health care materials management, received the NAPM award for “Purchasing Manager of the Year” for 2005 at the May meeting. Held at the Viking Holiday Inn, the award was presented with CEO Michele Meyer in attendance from Givens’ employer Des Peres Hospital.

Givens advised that her mentor over the years has been Norm Krumrey. “Norm was my boss back in ’85 when I was a buyer, and he was director of materials management,” Givens said, referring to Normandy Osteopathic Medical Center, which would undergo many changes to later become Des Peres Hospital. “He was the one who encouraged me to go to college,” Givens said. This was especially challenging as an adult working full time, with a husband and small children at home. She first heard about NAPM while attending a class at St. Louis Community College - Meramec in purchasing management. She not only obtained an associates degree but then a bachelor’s degree in business administration from Webster University.

Her experience in health care materials management spans more than 25 years. The first 12 years were at Normandy Osteopathic, then nine years at BJC Health-

Care and the most current four plus years at Des Peres Hospital. The importance of NAPM to her became reinforced when she was part of a downsizing that occurred at BJC. Her contacts and network at NAPM assisted when job hunting. She was hired at Des Peres Hospital the same day she applied.



**Kay Givens receives Purchaser of Year Award from Norm Krumrey, her former boss and mentor**

The main challenge facing the health care industry is that the cost of supplies keeps increasing while the reimbursements from insurance companies do not increase at the same rate. “Hospitals spend money on capital equipment, salaries for clinicians, doctors and things that bring in revenue,” Givens said. In the past, there was not always considered to be a return on investment (ROI) for spending money on software and technology. Now, her materials management area has moved forward with bar coding and scanning.

In the materials management department at Des Peres Hospital, the staff provides everything from bandages to cat scans to cath labs to radiology equipment to MRIs to capital equipment and construction projects.

Givens now has the position her mentor once had — director of materials management for the hospital. What a tribute to them both.

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## What You Missed...

By Julie Wulff, Director of Pro-D

Michele Meyer, CEO of Des Peres Hospital, gave NAPM members and past Presidents a glimpse into the challenges and strategies that are being used in the health care industry to control costs as the dinner speaker at our May 24 meeting. As consumers of health care, we are all aware of the impact that rising costs have on us individually. Michele gave us an inside look at how Procurement at Des Peres hospital is helping to manage cost and enable the hospital to meet it's mission.

Des Peres Hospital is a 167-bed hospital, with 9 operating rooms and 700+ employees. Des Peres Hospital has four primary service areas: cardiovascular, orthopedic, geriatric, and emergency care. Industry-wide, between 2004 and 2005, hospital equipment costs have doubled and supplies (which account for 20% of operating costs) have increased 4-6%. In addition, the cost of prescription drugs has increased 9-12% and is expected to skyrocket over the next 5 years. At the same time, inflation in the overall economy is expected to increase only 4-6%. Adding to the challenge, hospitals are paid through co-pays from patients and negotiated rates from insurance companies, which are only expected to increase 3-5% per year. With this data, it isn't hard to see that cost management is vital to any hospital. Cost increases are outpacing cost reimbursement!

Cost management for the hospital entails keeping the cost down of supplies, devices, and pharmaceuticals, managing the costs of facilities and equipment and strategically making new investments into new facilities and services.

From their experience in cost management, Des Peres Hospital has several strategies they have used to help manage cost in the procurement process. Here are some of their recommendations:

- Monitor spending on a monthly basis with each department
- Look for new ways to lower costs, and don't be afraid to get competitive bids and change vendors when necessary for certain supplies. Avoid "locking in" to one vendor.
- Bring outsourced services in house, as appropriate
- Take advantage of group purchasing
- Negotiate directly with device and drug manufacturers when appropriate
- Bring physicians and staff into the device selection process, to get alignment and best value to the sourcing process
- Keep inventories low through just-in-time or by acquiring high cost items on consignment where possible. (Des Peres hospital has eliminated their warehouse through this JIT strategy and currently have the highest turns of inventory in the Tenet system).

Through their efforts at cost management, Purchasing work at Des Peres hospital has saved \$2 million and is helping enable the hospital to fulfill it's mission to it's patients. Purchasing is clearly adding value to the organization and is valued for the results they deliver by the organization's leadership.

For a copy of Michele's presentation, you can request by contacting Julie Wulff at [jbwstl@charter.net](mailto:jbwstl@charter.net).

## WELCOME NEW VOLUNTEERS

Thank you to the following members that have joined committees.

**GREG LINVILLE**  
Briggs & Stratton  
*Membership Committee*

**VIJAY GOLLAPUDI**  
Jets N Toners  
*Education Committee*

**SUSAN VOLLMER**  
UniGroup  
*Marketing Committee*

## Welcome New Members

**BRYAN R. CHAPMAN**  
Supply Chain Director  
ABB Inc.  
707 Jonathon Dr.  
Watertown, SD 57201

**JIM S. HUNZIKER**  
Buyer  
TALX Corp.  
1850 Borman Ct.  
St. Louis, MO 63146

**STEPHEN H. KIENTZY**  
Warehouse Supervisor  
14738 Jwu 79  
Clarksville, MO 63336

**LYNN M. MILLER**  
Purchasing Secretary  
Rockwood School Dist.  
104 Forest Hills Dr.  
Eureka, MO 63025

**SUSAN K. VOLLMER**  
Mgr. Corp. Bus.  
UniGroup  
One Premier Dr.  
Fenton, MO 63026

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## PMI Survey Results For May



Dr. Ernie Goss,  
Creighton University

For the forth-consecutive month, the overall index from the monthly survey of supply managers and business leaders in Missouri declined. However, the May reading of 57.4, down from April's 58.5 and March's 60.6, points to growth in the months ahead. Component of the overall index from the May surveys were: new orders at 57.5, production at 61.5, delivery-speed at 53.3, inventories at 56.7 and employment at 55.7. "Surveys over the past several months for Missouri point to a rapidly expanding manufacturing sector, especially for the durable goods sector. However, I still do not expect Missouri to regain all of the manufacturing jobs lost of the past five years. Non-durable goods manufacturers report strong growth in new orders, production and inventories, but with no new job growth," said Goss. Waning: Motor vehicle manufacturing. Gaining: Aerospace products and parts manufacturing. Please visit

[www.outlook-economic.com](http://www.outlook-economic.com)  
for more information

## NEW MEMBERS

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### MRS. GERRY S. ESLOW

Purchasing Agent  
Edge Manufacturing, Inc.  
1120 Mason Circle South  
Pevely, MO 63070

### ROBERT MCDONOUGH

Purchasing Manager  
MasterCard International  
2200 Mastercard Blvd.  
O'Fallon, MO 63366

## Share Your Good News



Whenever you receive recognition at work, professionally or through community involvement, kindly let us know and share your good news. Examples of achievement could include: obtaining a college degree or certification, receiving an award or promotion, starting a new job, speaking at an ISM Conference or being in the spotlight for community service.

To share your information, please contact Susan Vollmer of the marketing committee by phone at 636-349-7387 or email at [susan\\_vollmer@unigroupinc.com](mailto:susan_vollmer@unigroupinc.com). You can also use the general e-mail address at: [napmstl@sbcglobal.net](mailto:napmstl@sbcglobal.net).

## Upcoming Events



### NAPM - St. Louis, Inc 2005

NAPM does not schedule meetings during the summer months of June, July and August. Our Fall general meeting schedule 'kicks off' in **September** with a speaking appearance from **Charlie Armey**. Charlie, as football fans know, is one of the architects who built our local football team into annual Super Bowl contenders. This meeting promises to be very popular and we are expecting a large group so we urge everyone to sign up quickly for this event. Please RSVP by emailing [napmstl@sbcglobal.net](mailto:napmstl@sbcglobal.net)

### Our meeting schedule is:

**September 27, 2005** - Charlie Armey, Rams General Manager

**October 25, 2005** - Joint Meeting NCMA: Legal Issues

**February 27, 2006** - Joint Meeting SLMBC

**May 23, 2006** - Michelle Cantor

Even though there are no Summer general meetings scheduled, the NAPM Board is continuously canvassing our networks to bring educational seminars, breakfast conferences and general dinner meetings to our organization. We encourage everyone to contact Julie Wulff, Director of Professional Development and Jim Schmitz, C.P.M., A.P.P, Director of Education at [napmstl@sbcglobal.net](mailto:napmstl@sbcglobal.net) if anyone has any topics and/or speakers they think will provide value to our members.

Finally please check the NAPM website at [www.napm-stl.org](http://www.napm-stl.org) and the monthly Buylines for NAPM news and announcements.



# on the web

**Looking for some good websites to enable your Supply chain work?**

Check these out. Some of these require membership and subscription once you get past the home page for the site, others are free for all users.

**Do you have a favorite website you use in your work to add to the list?**

We would love to hear from you. Email those links to [napmstl@sbcglobal.net](mailto:napmstl@sbcglobal.net) and let us know what you find helpful about the site!

## ECONOMIC DATA

**Bureau of Labor Statistics** [www.bls.gov](http://www.bls.gov)

Labor force data, employment, wages, prices, CPI, PPI, compensation data. A must have site for all sorts of economic data and statistics.

## DIVERSITY/MINORITY BUSINESS SITES

**Diversity Information Resources**

[www.diversityinforesources.com](http://www.diversityinforesources.com)

**National Minority Supplier Development Council**

[www.nmsdcus.org](http://www.nmsdcus.org)

**St. Louis Minority Supplier Development Council**

[www.slmbsc.org](http://www.slmbsc.org)

**Central Contractor Registration (Federal Gov't)**

[www.ccr.gov](http://www.ccr.gov)

## REVERSE AUCTION SITES

**Ariba** [www.ariba.com](http://www.ariba.com)

**Procuri** [www.procuri.com](http://www.procuri.com)

**Sorcite** [www.sorcite.com](http://www.sorcite.com)

## SPECIFIC COMMODITY DATA

**Kelly Blue Book** [www.kbb.com](http://www.kbb.com)

Value of new and used vehicles

## **OFFICERS AND DIRECTORS 2005-2006**

President

**Jeanne Karasek**

Enviro-Chem

President-Elect

**Kay Givens, C.P.M.**

Des Peres Hospital

Vice President

**Kimberly Butts, C.P.M.**

City of Kirkwood

Director of Education

**Jim Schmitz, C.P.M., A.P.P.**

Director of Finance

**Ardith Angelback, A.P.P.**

Correctional Medical Services

Director of Marketing

**Kimberly Butts, C.P.M.**

City of Kirkwood

Director of Professional

Development

**Julie Wulff**

Procter & Gamble

Director of Membership

**Eugene Kattak, C.P.M.**

Tyco Healthcare

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