



Utah Purchasing News

March 2000

<http://napmutah.org>

Monthly Happenings

Pre-Dinner and Dinner
Thursday, March 9th, 2000

Ogden Marriot
247 24th Street
Ogden, UT

Tour of Lifetime Products

Lifetime Products
Freeport Center
Clearfield, UT 84016
801-776-1532

Meet at Bldg. C11
North East Entrance
Tour will begin at 5:00 p.m.

6:00 P.M. Dinner
Scott W. Clark, JD
Negotiating Across Cultures

Dinner Menu:
Mexican Buffet

Luncheon
Wednesday, March 15th, 2000

Central Utah Branch
Provo Holiday Inn
1460 S. University Avenue
Provo, UT

11:45 A.M. Luncheon
Scott W. Clark, JD
Negotiating Across Cultures

Low Cost Seminar
Friday, March 24th, 2000

7:30 a.m. to 4:30 p.m.
Hyrum W. Smith Auditorium
Franklin Covey Campus
2200 West Parkway Boulevard
Salt Lake City, Utah

Look Who's Talking Now!

Mr. Scott W. Clark, JD, Author. Graduated from the University of Utah and McGeorge School of Law. Spent close to a decade in private practice counseling local companies in all areas of the law relating to their business affairs before becoming a consultant in international trade.

Mr. Clark now consults on matters relating to exporting, foreign direct investment, sourcing and negotiating across cultures. Mr. Clark also teaches at Utah Valley State College in the Business Department as well as in the International Department of the University of Phoenix. Mr. Clark has written the book, "Export/Import: Beginning Internationalization."

NAPM- Utah **Mission Statement**

NAPM-Utah serves as a center of excellence in the development of world class purchasing and supply management professionals by providing education, certification leadership and networking opportunities for its members.

NAPM INTERNET-DELIVERED EDUCATIONAL PROGRAMS

Through NAPM's Internet-delivered classes, you can now further your education without leaving work or home. NAPM is proud to announce the following Internet-delivered course this spring:

Supply Chain Management
4 Week/14 CEHs
March 10-April 7, 2000

To register for an NAPM Online Course, visit NAPM's Home Page "<http://www.napm.org>", select Education, then Distance Learning Opportunities, and then Online Courses. You may also register over the phone by contacting NAPM Customer Service at 800/888-6276, extension 401.

ARE YOU A WORLD-CLASS PURCHASER?

According to the Board of Directors of NAPM, the following describes a world-class purchaser:

The world-class purchaser is an individual who visualizes and approaches their job from a strategic perspective in dealing with the supplier-firm-purchaser firm-customer linkage. This individual continually validates and leverages their skills and knowledge of critical supply chain activities in a team environment to provide value in meeting organizational and customer objectives."

Taken from NAPM NEWSLINE Jan. 2000

How to Purchase Services

At our February dinner meeting, Richard McGurk, C.P.M. spoke to NAPM-UTAH about the differences in buying services vs. buying components or finished goods. According to Mr. McGurk, "it's like driving down the wrong street when you're on your way home from an overly festive evening, like an NAPM-UTAH dinner meeting! The road

looks familiar, the trees and sidewalks look the same, but you're on the wrong block."

So it is with negotiating an agreement for services. Parts of the process are the same but first of all it's not quite as easy to spot a provider of services as it is with tangible goods. And the specs are different. Services unlike goods require a "Statement of Work" or "SOW". In addition, problems or delays with services can become much more complicated than with the purchase of goods. For additional research, Mr. McGurk provided several Internet sites regarding Outsourcing of Services, see www.outsourcing-center.com, www.outsourcing-journal.com or www.outsourcing-legal.com.

NAPM-UTAH would like to thank Mr. McGurk for speaking to our membership and providing valuable information, which we can use in our workplace. Remember to mark your calendar for our meeting in March, the tour at Lifetime Products will be one you won't want to miss!

Tracey Stevens, C.P.M., CPPB
Vice-President NAPM-UTAH

NAPM-Utah Vision Statement

The National Association of Purchasing Management-Utah will be recognized as a center of excellence in establishing and promoting best -in-class professional standards of competency, ethics, education and certification for its members. We value and seek diverse membership and there are no barriers to full participation on the association.

Wilson Foods Company

by: Trent Baker, C.P.M.

Conveniently located in the Inter-mountain West, nestled between the Wasatch and Oquirrh mountain ranges in the Salt Lake Valley, Lynn Wilson's Fine Foods is ideally located to serve areas throughout the Western United States. As a USDA Inspected plant, Lynn Wilson's can produce a wide variety of food products to meet it's customer's needs.

Since its beginning, in 1938, the company has always paid close attention to the quality of it's products. Starting in the kitchen of a small house, Lynn and Eva Wilson produced potato salad, tamales, and chili by hand. Each recipe was created using the finest possible ingredients. Lynn echoed his personal commitment to quality when he said, "after all, my name is on the label and I have a reputation to protect...that's your greatest insurance of receiving consistently superior products." Working until his passing in March 1993, Lynn never let a day go by that he did not personally sample the products that carried his name.

With no less attention to quality, Lynn's son, David Wilson continues to maintain the "quality tradition" on which the company was founded. Everyday Samples are randomly selected and tested from each production run. This sampling, together with an active HACCP program, assures that each product meets the companies rigorous quality standards

Wilson Foods supplies products to the retail and food service industries. They have distribution throughout the Western United States. Wilson Foods employs about 150 employees with two purchasing personnel who purchase all of the ingredients and packaging for the finished products. A third buyer works within the maintenance department buying MRO type items.

Today, with more than 60 years of manufacturing fine food products and more than 125 different products, the companies commitment is still the same as expressed by its Mission Statement.

"We are committed to providing our customers with superior quality, value and customer service."

Flight 2000 Non-Stop Service to Success Membership Campaign

Take part in NAPM's 2000 Member-Get-A-Member Campaign and win! When you recruit others to join NAPM, you're helping to build one of the largest groups of purchasing and supply management professionals in the country, and actively taking steps to make our profession stronger as a whole.

Rewards will be given to individual members in the

form of \$10 coupons toward the purchase of any NAPM product, a \$100 coupon toward any NAPM seminar and a chance to win a trip to the 2001 NAPM Annual International Purchasing Conference in Orlando, Florida. The affiliates can earn a chance to win a free NAPM seminar, and at the district level the reward can be either \$2000 toward the cost of a keynote speaker or a free NAPM seminar.

This campaign runs from January 1, 2000 through December 31, 2000. Special Member-Get-A-Member applications must be submitted to receive credit for new members. These applications will be available at the lunch and dinner meetings or available on-line. Winners will be announced the 1st week in February 2001. Winners will have until December 2001 to redeem their rewards.

For more information please visit NAPM's Web site at "<http://www.napm.org>".

Observations

Mark A. Brown, C.P.M., A.P.P.

President-NAPM Utah

Spread the Word-March is *Purchasing Month!* As purchasing and supply management professionals, March is our month to shine, gain recognition, and communicate the value of our profession to the public.

This special month recognizes the role of purchasing and supply professionals in helping to build business and government in Utah and throughout the United States.

So many people within not only our organizations but the community in general have no real understanding of the purchasing and supply professional does to effect the profitability of their firms. We must take time to educate top management, and our internal customers how this profession adds value, instead of the common misconception that purchasing is just a clerk function.

Take time this month to sell your profession and the work that you do.

MARCH NAPM-UTAH CENTRAL UTAH LUNCHEON

The March Luncheon for the NAPM-Utah Central Utah Branch will be held on Wednesday, March 15th, at the Provo Holiday Inn (1460 S. University Avenue).

The month's program will be presented by Scott Clark, J.D. His topic will be: "Sourcing and Negotiating Across Cultures." Scott is currently a consultant in international trade. Previously he spent close to a decade in private law practice counseling local companies in all areas of business law. In addition to consulting, Scott teaches at Utah Valley State College and the University of Phoenix. Scott has also authored the book, "Export/Import: Beginning Internationalization."

Ruby River will be catering the luncheon. You may choose either the Prime Rib Sandwich or the Two Cheese Pasta. Please indicate your choice below on your RSVP. We will start seating at 11:45 a.m. and will begin serving the entrée at noon.

Please RSVP by **Thursday, March 9th**, to Cathy Gillies at TwinLab Utah by fax: (801) 763-0789 or by email: cgillies@naturesherbs.com. See you there!

MARCH NAPM LUNCHEON RSVP

COMPANY: _____

NAMES: _____

STANDARD LUNCH _____ PASTA LUNCH _____

In Celebration of Purchasing Month

NAPM - UTAH

PRESENTS:

Welcoming Change!

Come join other Supply Management professionals in this one day, Low Cost event.

FRIDAY, MARCH 24, 2000

from 7:30 a.m. to 4:30 p.m.
in the
Hyrum W. Smith Auditorium
on the beautiful
Franklin Covey campus
2200 West Parkway Boulevard
Salt Lake City, Utah

Cost

\$65.00 at the door

\$55.00 before March 8, 2000

\$45.00 per person when registering 3 or
more individuals at a time.

**Great Opening and Closing Sessions
Lunch and Breaks included in the cost**

Plus.....

choose 4 workshops to attend from the following:

**The Internet: Its Place in Research and Analysis
Lessons We Learn About Serving Customers from Sales**

The Advantages of Certification

Why and What to Measure in Purchasing

Many versus the Few: Strategic Supplier Alliances

The Battle of the Forms

All this, and CEU hours toward Recertification, too.

If you have questions, please contact:

James T. Phillips, C.P.M., A.P.P.
(801) 965-3836
or
jphillip@dot.state.ut.us

SEMINAR REGISTRATION FORM

Name: _____

Company: _____

Address: _____

Phone: _____

Make checks payable to NAPM - Utah and mail to:

NAPM - Utah
j James T. Phillips
Box 148260
4501 South 2700 West
Salt Lake City, UT 84114-8260

LEGAL ASPECTS OF PURCHASING

Including Internet Purchasing

When: April 27-28, 2000
Time: 8:00 a.m. to 4:30 p.m.
Where: Doubletree Hotel
255 South West Temple
Salt Lake City, Utah

You have found a supplier who is giving you the right product, right price, and the right delivery schedule—but it can still be the wrong deal without a good contract. At this seminar, you will receive the essential knowledge of a critical aspect of purchasing operations: the law. You will learn how general contract law and Article 2 of the Uniform Commercial Code (UCC) govern your purchasing decisions.

What you will learn

- Become familiar with the different types and classes of contracts
- Eliminate legal pitfalls in your purchasing contracts
- Prevent legal entanglements before they occur
- Simplify your purchasing agreements—while protecting your “purchasing rights”
- Ensure an efficient, trouble-free purchasing operation

How you will benefit

You will leave this practical course prepared to:

- Negotiate favorable terms and implement purchasing agreements that are clear, simple, and complete.
- Protect your company’s interest and ensure that products and services meet specifications.
- Avoid misunderstanding and disagreement in enforcing contract terms.
- Save the company thousands of dollars in litigation expenses.
- Solve—quickly and effectively—the common problems in negotiating contract terms and conditions.
- Gain an understanding of the legal “ins and outs” of e-commerce and Internet purchasing.

You will learn legal tips that will significantly strengthen your negotiating position at this important workshop.

Who should attend

This program is recommended for both new and experienced selling professionals, including buyers, purchasing agents, contract administrators, storeroom and purchasing managers, sales managers as well as directors, senior managers and vice presidents with responsibility for overseeing purchasing operations.

Seminar Leader:

F. Elgin Ward, JD, has taught this course for the American Management Association for several years. He is a practicing attorney with emphasis on corporation and other business structures, contracts, Uniform Commercial Code transactions, real estate and other areas of commercial law, sales and property tax, and estate planning. He has more than 18 years of experience as a contract negotiator.

Additionally, he has successfully supervised various portions of the administration of hundreds of contracts from preformation through formation and performance up to closeout. Mr. Ward has developed and taught numerous workshops and training seminars to hundreds of managers, buyers, and sellers on the drafting and use of contracts, purchase orders, performance and payments bonds.

Seminar Outline

Introduction to contract law

- Contract Formation
- UCC and the Law of Sales
- Trends in ADR

Formation of Contracts

- Types of contracts
- Ultra vires contracts
- Termination of offers
- Acceptance of offers
- Time of acceptance
- Mistake and misrepresentation

Battle of the Forms

- Purchase/sales order boilerplate
- Confirmations
- UCC vs. the "mirror image rule"
- Current developments

Types of Commitment Documents

- Sales orders/purchase orders
- Blanket agreements (proper use)
- Letters of agreement
- Letters of intent
- Custom contracts
- Confidentiality agreements

Written vs. Oral Contracts

- Statute of frauds
- Parole evidence rule

Contract Terms and Conditions

- Buyer's forms vs. seller's forms
- Sales/purchase order fine print
- Typical "boilerplate" terms

Warranties

- Express and implied warranties
- Disclaimers/limitations of liability
- Rejection of nonconforming goods
- Enforcing quality after acceptance
- Latent defects and effects on seller

EDI and Electronic Purchasing

- Internet developments
- Laws regulating e-commerce
- Technology options
- Electronic signatures
- Pros, cons, risks

Domestic/International Freight Terms

- FOB, FAS, CIF, C&F, others
- Risk of loss and payment
- Shipment contracts

Contract Loopholes

- Force majeure
- Unconscionability—avoiding onerous terms
- Changing conditions—impossibility of performance

Remedies for Breach of Contract

- Recovery of damages
- failure to make progress
- Withholding payments—when, why, and how
- Enforcing specific performance
- Injunction
- Buyer's and seller's right to cancel
- Revocation of acceptance

Law of Agency

- Independent contractors
- The purchasing agent
- Status of vendor's agents
- Liability of principal
- Unauthorized purchases

Creation of Bailment

- Buyer and seller responsibilities and risks
- Special types of bailment
- Preserving your rights

Antitrust legislation

- Remedies for price discrimination
- Enforcement of antitrust laws

The Federal Bankruptcy Act

- Voluntary vs. involuntary
- Exclusions

- Protecting yourself from the bankrupt seller/buyer

Patents, Copyrights and Trade Secrets

- Confidentiality agreements
- License agreements that compromise intellectual property rights
- Protecting against infringement

International Purchasing Law

- The European Community (EC) and purchasing
- Pending Free Trade Agreements and what they mean
- Letters of credit and currency fluctuations

Price: Normal charge is \$1,245, but is being offered to all NAPM-Utah members for a discounted price of \$645. Seminar fee includes a continental breakfast, breaks—lunch is on your own. All participants will qualify for 15 continuing education hours (2 C.P.M. points).

SEMINAR REGISTRATION FORM

Name _____

Company _____

Address _____

City, State, ZIP _____

Telephone _____

Choose a payment method:

- Check for \$645 enclosed
 Charge my Visa M/C

Send this form and fee to:

ALTA Seminars
 51 West Center, Suite 144 (PMB)
 Orem, Utah 84057
 Register: 1-888- 505-3295
 Fax: 1-888-809-1971

Card # _____

Exp. Date _____

**NAPM-UTAH
PRE-DINNER WORKSHOP
& DINNER RESERVATIONS**

TO: Tracey K. Stevens, C.P.M., CPPB Fax (801) 535-6190
Vice President, NAPM-UTAH

FROM: _____ **DATE:** _____
COMPANY: _____

| Name(s) | Pre-Dinner Workshop | Dinner |
|---------|---------------------|--------|
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |
| _____ | [] | [] |

Please remember that the association pays for all of the meals, which we estimate. In order to spend our association dues wisely, we rely on your RSVP to provide an accurate meal count to the hotel.

Please RSVP no later than 3:00 p.m. on the Monday preceding the dinner meeting by E-mail, fax, phone or mail.

E-mail: tracey.stevens@ci.sl.c.ut.us

Fax: (801) 535-6190

Phone: (801) 535-7944

Address: Tracey K. Stevens
451 S State, Room
Salt Lake City, UT 84111

If you must cancel your reservation, please contact me as soon as possible.

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