

<http://www.napmutah.org>

October NAPM Meeting

UPS Plant tour!

Thursday, October 8

NAPM-UT will be the guests of UPS at the

Salt Lake City hub
2040 W. Parkway Blvd. (2495 S.)
Salt Lake City, Utah 84119

You may choose to attend one of three tour times :

1:00 p.m.

1:30 p.m.

2:00 p.m.

Each tour will last one hour and will include:

A PowerPoint presentation,
a Plant Tour,
and a Free Lunch.

Space is limited—register early for the time of your choice!

Central Utah Branch

No separate meeting will be held in October—please join in on the UPS Plant Tour!

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President's Message

Keep it going and
keep it growing!

Do you feel stretched to the max, not a minute to spare? Do the requisitions, contracts, and "other duties as assigned" sitting on your desk seem to be screaming at you for first priority? I hope this is normal because that's how I feel most of the time. One thing you can do to help manage your workflow is to take a few minutes at the end of each day before you leave work to prioritize your projects and create a to-do list for the next day. That's when all of the day's work activities are fresh in your mind. Then, in the morning when you come back in and your battery is recharged, you can hit the ground running.

I also want to challenge you to take a few minutes each day (10-15) to read

an article, visit a link on the ISM web site, or visit one of our networking sites. Learn something new about your profession. We have so many great resources available to us at our finger tips. Engage with your peers, share ideas, and put some of your new-found knowledge to work!

Hope to see many of you at the UPS tour!

...take a
few
minutes
each
day...



Jerilyn K. Midthun,
C.P.M., CPPB
President, NAPM-Utah

Central Utah Branch News

Strategic Cost and Expense Management

Over the next several months, I would like to address the importance of Strategic Cost Management. Many of us feel that our corporate role is to simply "buy things". For our transactional responsibilities, that is exactly what we do, but strategically we should be looking at more than simply purchasing items. Strategically, we need to actively look at managing all company expenses.

How do we do that? How can I get started? What does it mean to be strategic? What about those departments that we are not working with? How can I change the company view of the Purchasing Department? What impact can I have? You may have other questions, but these are the ones most common ones asked.

Some of the topics to be discussed may be as follows:

How do I start? Can I do this on my own?

What departments should I work with?

What is total cost of ownership?

What is Supply Management?

What is Market Research?

Requests for Proposal, are they of any value.

Reporting the Cost Savings or Cost Avoidance.

Contract Negotiation and Contract Management

Finally, selling our efforts and impact upon the company.

It is important for us to change our paradigm, to think strategically. We need to make sure that everyone knows the value that our department is to the company. Remember, if we do not ask for it, we will not get it!



Steve Mastin, C.P.M
Central Utah Branch Director



Mark your calendars for the 2nd Thursday or 3rd Wednesday of each month for the NAPM-Utah Pro D and dinner or luncheon meetings.



VP Corner

Thank you so much to all those who attended our meeting last month. The messages regarding cost cutting and personal finance were timely and well presented. Thank you to the Hilton Garden Inn for very good accommodations and a great meal.

The LDS Church Purchasing Division has been focusing on the CPSM initiative of ISM concerning Supplier and Customer Relations. Our titles for Negotiation Agent or Contract Manager have evolved to Supply Relationship Manager and Customer Relationship Manager and eventually to Strategic Relationship Manager (SRM) which covers all relationships.

Relationships are a new focus. All directions in the past have been on price and cost. The new vision is to work together to drive down cost by all possible means, including logistics, packaging, payment terms, warranty and delivery time. We call this initiative QCT, representing Quality, Cost and Timeliness. QCT is

calculated using lifetime costs thus requiring the Supplier to work with the Customer to improve the product. This direction has resulted in significant savings and value for all of our Supply Management needs as Suppliers have improved the product to last longer and perform better and thus be rewarded with on time payment and extended contracts.

We are encouraged by the response from the Suppliers and look forward to further progress in the future as these relationships continue to develop and mature.

See you in October as we visit UPS for a great tour and learning experience.



David Stokes, C.P.M.
NAPM-Utah
Vice President

Our titles ...have evolved... Relationships are a new focus.

News from the Board

As we hear in the news, read in the ISM Report on Business , and heard from our dinner speaker from last month, Allen M. Hughes, all have reported that the economy is predicted to be on it's way to recovery. Now is the time to take a look at the contracts and agreements you have set up with your suppliers. Review your contracts and see if there are any adjustments that need to be made or can be made. Our responsibility as Purchasing Professionals is to act in the best interest of our companies. As the economy recovers we need to try to predict what may happen and what we can do to help our companies be the best in their market.

Membership in ISM provides many different tools we can use in our jobs to make us all better professionals. Visit the ISM website www.ism.ws on a regular basis for the latest information. You can also sign up for daily, weekly, or monthly e-mails on various websites to track and monitor the market in certain commodities.

Cody Branz, C.P.M.
NAPM-UT Board Member

Membership

As the new season begins we would like to encourage all of you to update or check your information.

Please go to the ISM web sight, or you can e-mail me at petersoncd2@comcast.net. We need to have your name, company, position, phone #, address, and e-mail address. Let us know if you hear that someone is not getting the c-vent notice. Encourage your co-workers to join. They will benefit and we will all learn.

Help us make this a wonderful year.



Claudine Peterson

NAPM-UT Membership Chair

Membership in ISM
provides many
tools...!

Mountain States Economy

Mountain States Leading Economic Indicator Drops Below Growth Neutral with Job Losses and Rising Inflationary Pressure

August survey results at a glance:

- Business conditions index slips below growth neutral.
- Region loses jobs for the month.
- Inflationary pressures were elevated for the month.
- Only 15 percent of supply managers report any positive impacts from the 2009 federal stimulus spending.

For Immediate Release: Sept. 1, 2009

Denver, CO –After rising above growth neutral in July, the overall index for the Mountain States region, a leading economic indicator for the three-state area, sank below 50.0 for August. The index, based on a survey of supply managers in Colorado, Utah and Wyoming, points to a wilting economic recovery.

The overall index, or Business Conditions Index, slipped to 47.0 from July's 51.5, but remained above June's weak 41.4. An index of 50.0 is considered growth neutral.

The August employment index inched up to 46.0 from 43.5 in July. "The region shed jobs at an annualized rate of roughly 3.5 percent over the past three months with more than 125,000 jobs lost for 2009. Based on surveys over the past few months, I expect the pace of job losses to slow in the months ahead even as unemployment rates rise," Goss Institute for Economic Research Director Dr. Ernie Goss said today. Goss also directs Creighton University's Economic Forecasting Group and is the Jack A. MacAllister Chair in Regional Economics (<http://www.ernestgoss.com/aboutus.html>). The Goss Institute conducts the monthly survey for Supply Management Institutes in the three states comprising the Mountain States region (www.outlook-economic.org).

"Even though the overall index was down for the month, the leading economic indicator has been trending upward over the past several months. Comparing this recession to that of 2001, our surveys then and now indicate that the current economic recovery will be significantly weaker," Goss said.

For the fourth time in the past five months, the regional inflation gauge was above growth neutral. The inflation gauge, which tracks the cost of raw materials and supplies, advanced to 56.0 from July's 52.1. "We are



Even though the overall index was down for the month, the leading economic indicator has been trending upward over the past several months.

Mountain States Economy (continued)

recording increasing signs of heightened inflationary pressures. I continue to expect that current Federal Reserve (Fed) interest rate policy and federal deficit spending will result in elevated inflationary pressures as early as the middle of 2010. Consumers, business leaders and investors need to brace for higher inflation and higher interest rates in 2010," said Goss.

"Surveys over the past several months are pointing to a weak economy with elevated inflationary pressures in the months ahead. The Fed is now sandwiched between a very weak job market and rising inflationary pressures in the pipeline. I expect the Fed to raise short-term interest rates or pull back on their purchases of mortgage back securities before the end of 2009. The Fed has got to prepare markets for a reduction in this record monetary stimulus or risk allowing inflation to get out of control," said Goss.

Looking ahead six months, economic optimism, captured by the confidence index, dipped to a still healthy 60.0 from July's 66.7 from June's 67.9. "Very low interest rates, both short-term and long-term, a stabilizing hous-

ing market, and aggressive federal economic policy have clearly lifted the economic outlook of supply managers in the Mountain States Region, while at the same time they have contributed to upward pressures on prices," said Goss.

Trade numbers for August reflected somewhat stronger economic conditions among trading partners with new export orders advancing to 50.1 from 42.9. On the other hand - and potentially indicating economic softness "at home" - imports plunged to 35.7 from 41.2 in July.

Supply managers in the three-state region continue to trim inventories. The August inventory index plunged to 35.7 from July's 43.5. "This is the eleventh straight month that the inventory index has dipped below growth neutral. We have yet to record any restocking of inventories for raw materials and supplies. Compared to the 2001 recession, companies have been much more vigilant in reducing inventories. However, I expect inventory replenishments in the final quarter of 2009 to help stimulate the regional economy," said Goss.

This month, we asked supply managers their assessment of the 2009 federal stimulus package. Only 15 percent indicated

that their firm has experienced positive impacts.

Other components of the August Business Conditions Index were new orders at 57.1, down from July's 59.2; production or sales at 47.8, down from 58.7; and delivery lead time at 50.0, down from 52.0.

The Institute for Supply Management, formerly the Purchasing Management Association, has been formally surveying its membership since 1931 to gauge business conditions (www.ism.ws). The Goss Institute uses the same methodology as the national survey.

The overall index, referred to as the Business Conditions Index, ranges between 0 and 100. An index greater than 50 indicates an expansionary economy over the course of the next three to six months.

The Creighton Economic Forecasting Group has conducted the monthly survey of supply managers in Colorado, Utah, and Wyoming since 1994 to produce leading economic indicators of the Mountain States region. The Goss Institute

Mountain States Economy (continued)

assumed operation of the survey in August last year, working with NAPM-Utah (www.napmutah.org) and NAPM-Western Wyoming (<http://www.ism.ws/sites/westwyoming/index.htm>).

Colorado: The state's leading economic indicator for August, based upon a survey of supply managers in the state, once again dipped below growth neutral 50.0. The August Business Index declined to 47.5 from July's 51.1, but was higher than June's 42.0 and May's 44.0. Components of the overall index for August were new orders at 51.6, production at 50.7, delivery lead time at 47.9, inventories at 39.4, and employment at 46.5. "The pace of job losses in the state has slowed significantly over the past three months; even so, pullbacks from durable goods producers more than offset upturns in non-durable goods manufacturers in the state. Colorado's economy is slowly crawling back to growth neutral according to our survey. The state is not likely to experience any positive growth until the final quarter of 2009," reported Goss.

Utah: The state's Business Conditions Index, a leading economic indicator, once again weakened and moved back below growth neutral for August. While the index has been trending upward, the state's recovery is far from robust. Based on the August survey of the membership of NAPM-Utah (www.napmutah.org), the overall index slipped to 49.0 from

July's 52.6 but it well up from June's 40.3. Components of the overall index for August were new orders at 62.8, production at 56.7, delivery lead time at 47.0, inventories at 36.0, and employment at 42.6. "The pace of job losses in the state has yet to slow. Durable and non-durable goods producers in the state are experiencing pullbacks in economic activity," said Goss.

Wyoming: For the ninth straight month, state's leading economic indicator fell below growth neutral. The Wyoming Business Conditions Index for August advanced slightly to 46.8 from July's 46.5. Supported by NAPM-Western Wyoming (<http://www.ism.ws/sites/westwyoming/index.htm>), surveys over the past several months indicate that the state economy has yet to begin any meaningful rebound. Components of the overall index for August were new orders at 42.7, production at 40.4, delivery lead time at 66.6, inventories at 44.0, and employment at 42.0. "After peaking in December 2008, the state has steadily lost jobs. Losses have been steep for mining with weakness in energy commodity prices continuing to restrain the state economy," said Goss.

For historical data and forecasts, visit our website at:

www.ernestgoss.com or
www.outlook-economic.com
www.twitter.com/erniegoss

For more Information
 Contact:
 Ernie Goss Ph.D.
 (303) 226-5882
ernieg@creighton.edu
www.ernestgoss.com

Rob Robinson
 (402) 312-4636
info@ernestgoss.com



Certification, Expirations and CPSMs

Congratulations to Tracey Stevens and Bryan Hemsley in obtaining their Lifetime C.P.M. Certification through the ISM.

Tracey is a Purchasing Agent with the State of Utah and holds a CPPB in addition to her lifetime C.P.M. status.

Bryan is the Chief Procurement Officer for the Salt Lake City Corporation and has the APP and CPPB certification in addition to his lifetime C.P.M. certification.

New C.P.M. recipients are:

| | |
|---------------|---------------------------------------|
| Bart Wiscombe | OC Tanner, SLC, UT |
| Kent Miller | Smith International, Provo, UT |
| Edwin Bradley | Black & Veatch Corporation, Ogden, UT |
| Debby Perkins | Hexcel Corporation, SLC, UT |
| Evie Richards | Questar |
| Edward Ortega | Questar |

Recertification of the C.P.M. recipients are:

| | |
|---------------|-------------------------|
| Craig Calvert | Riverton City |
| Patti Pittman | Westinghouse |
| Terry Ritchie | Becton Dickinson |
| Vickie Barber | |
| Aaron Cameron | Granite School District |

New CPSM recipients are:

| | |
|-------------|-----------------------------|
| James Smart | Tesoro Corporation, SLC, UT |
| Wes Nestor | ARUP Labs |

Expirations – Hey the C.P.M. is really going away! You have until September 30th, 2009 to register for the CPM Test through ISM. You have until December 31st, 2009 to take the test. Don't pass up this last, and I mean *the very last*, chance to obtain your C.P.M.! Nervous about the taking the exams, contact me for exam assistance.

John Carpenter

C.P.M., CPSM

NAMP-UT Certification Chair



NAPM-UTAH Board

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David B. Stokes, Vice President
Toni Johnson Secretary
Blaine Moon, Treasurer
Steve Mastin, Coordinator
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Aaron Cameron, Communication
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Claudine Peterson, MemberRoster
Douglas Simons, Education
Mary Louise Hughes, Newsletter
Claudine Peterson, Membership

We are on the Web!
www.napmutah.org

If you wish to contribute an article, or items of interest, please submit material to Mary Louise Hughes at mlhughes@purchasing.utah.edu

Upcomming...

NEGOTIATIONS WORKSHOP 2009

SPONSORED
BY

ISM MATERIALS MANAGEMENT GROUP
AND
NAPM-Utah, Inc.

Location: Hilton Garden Inn
250 West 600 South, Salt Lake City, Utah

Date: November 13, 2009
Time: 8:00 am to 4:30 pm

Fee: \$299 for ISM Members and \$399 for Non Members

SPEAKER

Dr. Ken Killen, C.P.M. is a very popular speaker and is a 20 year member of National Speakers Association. He has a way of adding the "light touch" to normally dry material. He can explain complex ideas in simple terms. This unique ability is the reason (over 40 years) for his popularity as a professor, speaker, and business trainer. From 1988 to 2003 he averaged presenting over 40 all day workshops per year. Besides the U.S., he has presented workshops in such international locations as: Bogotá, Caracas, Dubai, Jakarta, Kuala Lumpur, Mexico City, Penang and Singapore.

Before he began his teaching career, he worked for two major corporations, where he gained experience in general management, purchasing and transportation. He has since been a consultant to business, government, and health care organizations.

His management text (Published by Houghton Mifflin) was, also, published in Russia by the government when they were still under communist rule. He is co-author of: "Managing Purchasing: Making the Supply Team Work" and "Purchasing Manager's Guide to Model Letters, Memos and Forms." Killen is, also, co-editor-in-chief of the "Purchasing Handbook" (5th edition) He has written numerous articles on negotiations, business ethics, management and purchasing.

Dr. Killen is the recipient of many awards, including:

- J. Shipman Gold Medal Award

- NAPM Akron Speaker of the Decade

- Ted Thompson Purchasing Educators Award

- Ken is currently the Past Chair of ISM's Materials Management Group.

Dr. Ken Killen, C.P.M.**Speaker, Trainer & Consultant**

North America's Award Winning Purchasing and Negotiations Speaker
He is known for his expertise and great stories.



Dr. Killen is a very popular speaker and is a member of both the Ohio Speaker's Forum and National Speakers' Association. He has a way of adding the "light touch" to normally dry material. He can explain complex ideas in simple terms and can show you how to turn theory into practice. This unique ability is the reason (over the past 30 plus years) for his popularity as a speaker, teacher and industrial trainer.

Dr. Killen is a Professor Emeritus of Purchasing and Management. For over thirty years he headed up one of the largest college purchasing programs in the United States. Before he began his teaching career, he worked for two major corporations, where he gained experience in Purchasing, General Management and Sales. He has since been a consultant to business, government, and health care organizations, as well as corporate trainer.

Dr. Killen is co-author of: "Managing Purchasing: Making the Supply Team Work" and "Purchasing Manager's Guide to Model Letters, Memos and Forms".

He is co-editor-in-chief of the "Purchasing Handbook" (5th edition) and his management text was published in English and Russian. Ken has written over 175 articles and was a consulting editor for "Purchasing World" and "Midwest Purchasing" magazines. He has also written a monthly column for "Purchasing Management Bulletin" on successful negotiations. In addition, he has written, directed and appeared in two television courses: "The Principles of Management" and "Human Relations in Management".

Dr. Killen is the recipient of many awards, including:

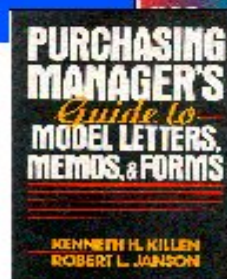
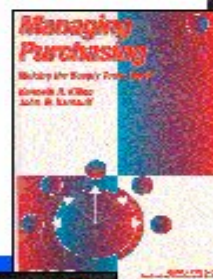
- Sixth District Professional Development Person-of-the-Year
- NAPM Akron Speaker of the Decade
- Lyle E. Treadway Award (6th District Purchasing Manager of the Year)
- Ted Thompson Purchasing Educators Award
- PMAC S. Holmes Mansfield Award (Purchasing Manager of the Year)
- IShipman Gold Medal Award (NAPM's highest honor)

Purchasing Workshops

- Negotiations
- 33 Ways to Drastically Reduce Purchasing and Materials Cost
- World Class Purchasing: 30 Critical Success Factors
- Supply Chain Management (Partnering/Strategic Alliances)
- C.P.M. REVIEW MODULES 1 through 4
- Basics for Buyers
- How to Drastically Reduce Inventory
- Legal Aspects of Buying and Selling
- Care and Feeding of Suppliers

Purchasing Keynote Speeches

- Buyer/Seller Ethics
- Management Myths and Realities
- Selling As The Buyer Likes It
- How To Handle Hardball Negotiations
- The Best Lessons I Ever Learned About Purchasing
- How To Make The Supply Chain Work
- 7 Mistakes Purchasing Managers Make



(440) 331-7703
 email: drkenk@earthlink.net

(800) 685-1219

Fax: (440) 895-1051
 web: www.drkenkillen.com

continued ↓

NEGOTIATIONS CONFERENCE 2009

RSVP and Payment Form

SPONSORED
BY

ISM MATERIALS MANAGEMENT GROUP
AND
NAPM-Utah, Inc.

Location: Hilton Garden Inn, Salt Lake City, Utah 84101

Date: November 13, 2009

Time: 8:00 am to 4:30 pm

Fee: \$299 for ISM Members and \$399 for Non Members

Name/Title: _____

Company Name: _____

Address: _____

Phone #: _____

Fax #: _____

Email: _____

ISM Member Yes / No, ISM ID# (if known) _____

Pay with credit card: Card Type: Mastercard Visa AMEX

Card # _____ Exp Date ____/____ Amount \$ _____

Name on Card: _____

Authorized Signature: _____

Send check to:

Salt Lake City Corporation

C/O Karl Harward, NAPM-Utah Inc.

PO Box 145455

Salt Lake City, Utah 84114-5455

(Or Fax registration form to 801.535.6618 to pay at the door)

Full payment must be received by Tuesday, November 10, 2009

Or Fax RSVP along with name and company info to pay at the door.

Questions may be directed to Karl Harward 801.535.6451 or by email: karl.harward@slcgov.com

Also Upcomming...

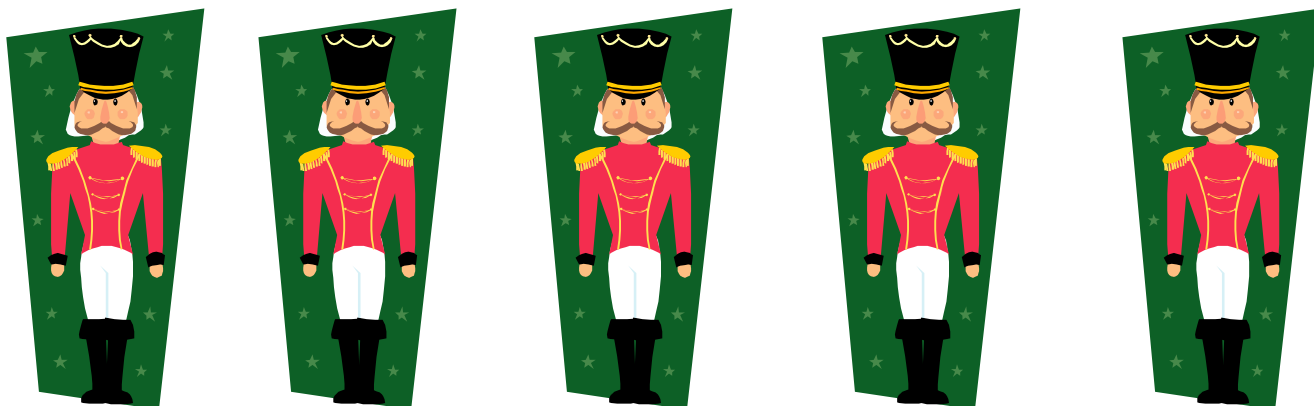
NAMP-UT Christmas Party

Thursday, December 10, 2009
At the

DESERT STAR THEATER
4861 S STATE STREET

NUTCRACKER, MEN IN TIGHTS

6:00 P.M.



NAPM will pay for the theater tickets, you are responsible for your own dinner.

You may eat there, which is about \$10 each, or before you arrive.

We only have 70 seats. We can not get any more.

Please email susanf@bmlabs.com with your confirmation.

The earlier the better, don't miss your opportunity to see this comedy.

Thanks,

Susan M. Fowler C.P.M.
NAPM UT Social Chairman

