



September 2009

Utah Purchasing News



<http://www.napmutah.org>

September NAPM Meeting

Welcome Back!

Thursday, September 10, 2009

Salt Lake City Pro-D & Dinner

Note New Location:

**Hilton Garden Inn
250 West 600 South, Salt Lake City**

4:30 p.m.—Pro D Workshop

Speaker: Steve Mastin, CPM
Sr. Buyer for Novell

Topic: **Re-Negotiation of Contracts for
cost reduction/ Best Practices**

5:30 p.m.—Dinner Meeting

Speaker: Allen M. Hughes, MBA, CFP, ChFC
Financial Planner, Deseret Mutual Benefit Administrators

Topic: **“The Economy from a Personal Finance Perspective”**

RSVP due by Thursday, September 3, 2009 at 6:00 p.m.

Wednesday, September 16, 2009

Central Utah Branch Luncheon

**Location: La Quinta Inn
1460 S University Avenue (exit 263)
Provo, Utah**

11:45 A.M. – 12:45 P.M.

Speaker: Allen M. Hughes, MBA, CFP, ChFC
Financial Planner, Deseret Mutual Benefit Administrators

Topic: **“The Economy from a Personal Finance Perspective”**

RSVP due by Thursday, September 3, 2009 at 6:00 p.m.

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President's Message

Presidential Project Management

It's time to get things rolling for the 2009-2010 year. I'm really looking forward to our educational events and to the overall camaraderie we experience as we meet and network. I'm also very impressed with our Board members this year. They have all demonstrated great commitment, excitement, and energy as we met this summer to start our planning. Combined, this group brings a wealth of knowledge to our organization in the field of supply management. Additionally they bring valuable experience from working with other professional groups such as ours. You will see what I mean as they take action and as the year's events unfold. I recently had some excellent training on "Project Management" so I'm going to view my role as president this year as a project manager. Here are a few things I learned are required skills of an effective project manager:

- Must be a leader
- Must know the business of the organization
- Must know current concepts of Management
- Must be able to negotiate, build consensus, work and play well with others

- Requires good people skills
- Requires self-esteem and self-motivation
- Must be able to deal with office Politics
- Must have Communication skills

These are skills that I will be developing and using this year as our Board and I carry out the planning and tasks required to fulfill NAPM-Utah's mission. What projects are on your plate today? I sincerely hope that the education offered to you this year through NAPM-Utah is filled with helpful ideas and insights to make every one of your projects a success!



Jerilyn K. Midthun
President, NAPM-Utah

This year...make every one of your projects a success!

Dinner and Luncheon Speaker— Allen M. Hughes



Allen M. Hughes
CFP, ChFC, CFS, MBA
Financial Planner for Deseret Mutual Benefit Administrators

“The Economy from a Personal Finance Perspective”

Allen has been a financial planner with Deseret Mutual since 2001, helping participants with finances and retirement planning through consultations and workshops.

Before joining Deseret Mutual, Allen worked for 16 years at American Express. As part of an American Express system of privately-owned financial advisory firms, Allen and his partners offered investment, insurance, estate and tax-planning advice primarily to small business clients and retirees. In 1996 it was Allen's idea to change the American Express system from company financial advisors to a chain of interconnected private firms. He opened the first American Express group practice in the United States.

Allen received the Chairman's Award for Quality from American Express in 1996 and subsequently traveled Throughout the United States showing other American Express advisors how to get private practices off the ground.

A Salt Lake City native, Allen received bachelor's degrees in finance and management from the University of Utah in 1982 and 1983 and an MBA from the same University in 1984. He is also a Certified Financial Planner (CFP), Chartered Financial Consultant (ChFC), and Certified Fund Specialist (CFS).

Allen is known around the office for his sense of humor.

Pro-D Speaker—Steve Mastin



Steve Mastin
CPM
Senior Buyer for Novell

“Re-negotiation of Contracts for Cost Reduction/ Best Practices”

Steve Mastin is a Lifetime C. P. M. currently working at Novell, Inc as a Senior Buyer. Steve graduated from Brigham Young University with a B.A. in History. He has an extensive background in Purchasing in both manufacturing and services industries. His experience includes being Vice President of Bank Purchasing for First Security Bank, Supplier Manager for Wells Fargo Bank, and Strategic Sourcing Manager for US Bank In addition he has been a Director of Purchasing and a Purchasing Manager. He has also worked for The Kroger Company as a Senior Buyer for their 35 manufacturing plants, purchasing raw materials such as fats and oils, fruits, flavors, and dairy products.

Steve has lived in Utah the past ten years, currently residing in Cedar Hills, UT with his twin 17 year old boys. He is actively involved with Lone Peak High School, especially with Lone Peak Lacrosse.

In spite of economic uncertainty, you can:

- Insulate yourself from economic trouble
- Focus on your personal financial goals
- Maintain key priorities

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

Important DATE!

VP Corner

Leadership
(Supply Manager Opportunity?)

In an Affiliate ISM Conference I attended in May of this year, Leadership was the theme for the Keynote address to begin the Conference. I have thought about that. How can we as Supply Managers exercise our leadership skills to enhance what we contribute to our respective companies?

Michael Taylor C.P.M. was the speaker. He pointed out the attributes of leadership are: Art? (feeling and practice to be good) Acquired skill? (work to be better) Inner skill? (can't just turn it on and off) Instinct? (listen, hear and understand) It doesn't matter which you believe, or how you learn to be a leader, the point is that "Leaders are different".

John Quincy Adams said: "If your actions inspire others to dream more, learn more, do more and become more, you are a leader."

Supply Managers are:

- Interested in keeping our organization healthy
- Expected to figure it out
- Required to use all of the resources
- Proactive not reactive
- Planning to achieve best results

Doctors Sandra Tanner-Simmons and Susan Williams said: "The label of leader has long been reserved for those professionals with CEO, VP or other lofty titles to their credit...yet, while many Supply Management professionals have a hard time identifying themselves as leaders on this basis, they learn from their experiences and must continually work

and study to improve what they have learned – just like any leader must."

John F. Kennedy said: "Leadership and learning are indispensable to each other."

Victor Parachin of Toastmasters gave these Laws for Positive Leadership:

- Give more than you expect others to give
- Combine optimism and perseverance
- See everyone as a diamond in the rough
- Express appreciation and accept responsibility
- Remain balanced
- Show respect for people around you
- Treat everyone as family
- Be a source of inspiration
- Stress cooperation not competition
- Maintain a sense of humor

Realize how important your position is to the operation of the company and contribute all you can to support and enhance the success of all you work with.

We look forward to a great year. Good luck to everyone as you lead the way to opportunities.



David Stokes, CPM
NAPM-Utah
Vice President

John Quincy Adams

If your actions inspire others to ...do and become more, you are a leader.

News from the Board

Welcome Back NAPM-UTAH Members!

As our summer months wind down and we look forward to our first NAPM-UTAH meeting in September, I encourage all of us to kick-start our certification, professional education and enthusiasm for the profession and our organization! I challenge you to set a goal to attend at least 80% of our meetings and to learn something new this year that will help your career.

I'm happy to say I've just submitted my lifetime C.P.M. application and recertification of my CPPB, too. I've been meaning to do it for some time but you know how that goes. It's a nice feeling to have it in process instead of on my TO DO stack. So, as we fall back into our NAPM meetings, take a little time for yourself and decide what you want to pursue this year in terms of certification and education. NAPM-UTAH is here to help you meet your goals; it's up to you to take that first step forward.

Here's to You!
Tracey K. Stevens, C.P.M., CPPB
Immediate Past President



Social Networking, It's Not Just for Kids Anymore

Social networking has expanded beyond teenagers keeping up with each other's social lives and taking quizzes to determine which Twilight character they most resemble. Businesses are jumping on the Social Networking bandwagon to market their products, land deals, and connect with their customers.

NAPM Utah is building its social network by setting up pages on LinkedIn and Facebook.

You might be asking yourself how these pages can serve NAPM Utah?

Firstly, our network of procurement professionals can post events, special occasions, webinars and upcoming conferences.

If we have a particularly unusual or challenging project we can post questions to our peers. Why reinvent the wheel, there's a lot of knowledge to be shared and that's why we belong to this organization anyway, right? Networking.

Also, On our social networking pages we can collaborate on new ideas, engage in discussions related to the purchasing industry, and post surveys. We can share useful articles and send links to our fellow procurement professionals.

Just got your certification? Post it on Facebook and LinkedIn for instant notification to your peers. You can also post updates on your career achievements such as promotions, job changes or new openings in your office.

Rising above their humble beginnings, social networking websites have left behind teen angst and entered into the business world with a vengeance. It's time to dust off your keyboard, find a decent picture of yourself, and hop on the networking train with the rest of us. Build yourself a Facebook page. It only takes a few minutes to get started at www.Facebook.com. When you're done send a friend request to NAPM Utah. Then sign up for the LinkedIn network at www.linkedin.com and link yourself to thousands of professionals in all aspects of business including NAPM-Utah.



Donna Beaupre, CPPB
NAPM Utah
Board Member

...Post it on
Facebook!

Mountain States Economy

Mountain States Leading Economic Indicator Rises above Growth Neutral but with Continuing Job Losses

July survey results at a glance:

- Business conditions index climbs above growth neutral.
- Region loses jobs for the month.
- Inflationary pressures elevated for the month.
- Despite economic upturn, approximately 48 percent of firms expect more layoffs in 2009

For Immediate Release: August 3, 2009

Denver, CO –The overall index for the Mountain States region, a leading economic indicator for the three-state area, climbed above growth neutral for July. The index, based on a survey of supply managers in Colorado, Utah and Wyoming, points to improving economic conditions in the months ahead.

The overall index, or Business Conditions Index, rose sharply to 51.5 from June's weak 41.4. An index of 50.0 is considered growth neutral with recent readings weak but improving.

The July employment index inched up to a less than healthy 43.5 from June's 40.9. "Government data show that on an annualized basis, the region lost jobs at a rate of 5.0 percent over the past three months. Our surveys over this same period indicate that job losses will continue, but at a slower pace. This month, business buyers were asked whether they expected more layoffs for their firms for the rest of 2009. Almost 48 percent expect more layoffs in the remainder of 2009. Clearly the job market has been, and will continue to be, much weaker than the overall economy," Goss Institute for Economic Research Director Dr. Ernie Goss said today.

"On a more positive note, readings over the past several months indicate that the region's leading economic indicator has bottomed out, with the region's Business Conditions Index likely to continue its upward trend in the months ahead. That is, I expect the regional negatives to get less negative in the months ahead as the Federal Reserve's accommodative economic policy, federal deficit spending and a stabilizing housing market have positive impacts," Goss said today. Goss also directs Creighton University's Eco-



"...readings ... indicate that the region's leading economic indicator has bottomed out [and is] likely to continue its upward trend..."

Mountain States Economy *(continued)*

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).

For the third time in the past four months, the regional inflation gauge climbed above growth neutral. The inflation gauge, which tracks the cost of raw materials and supplies, advanced to 52.1 from June's 42.9. "Accompanying the improving regional economy has been rebounding prices. We are seeing the first signals of heightened inflationary pressures and 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.

"I expect the Fed to raise short term interest rates before the end of 2009 in an early effort to combat rising inflationary pressures. The Fed interest rate setting committee next meets on Aug. 11. I expect no change at that meeting in the current funds rate of 0 percent to 0.25 percent, its lowest level since the Federal Reserve was created in 1913. I expect the Fed to raise short-term rates later this year at either the November or December meeting. However, this move will be too late to thwart excessive inflation surfacing in 2010," said Goss.

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

As in past months, trade numbers reflected weakness

among trading partners. New export orders advanced slightly to 42.9 from 42.0 in June and imports slipped to 41.2 from June's 41.7.

Supply managers in the three-state region continue to trim inventories. The July inventory index rose to 43.5 from 34.9 in June and 37.8 in May. "We have yet to record any restocking of inventories for raw materials and supplies. However, I expect replenishments in the second half of 2009 to help stimulate the regional economy," said Goss.

Other components of the July Business Conditions Index were new orders at 59.2, up from 41.4 in June; production or sales at 58.7, up from 42.3; and delivery lead time at 52.0, up from 46.8.

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 na-

Mountain States Economy (continued)

tional 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 assumed operation of the survey in August of 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 July, based upon a survey of supply managers in the state, climbed above growth neutral 50.0. The July Business Index advanced to 51.1 from June's 42.0 and May's 44.0. Components of the overall index for July were new orders at 57.3, production at 56.3, delivery lead time at 53.5, inventories at 42.3, and employment at 46.2. "I expect the state's seasonally adjusted unemployment rate to peak at 8.2 percent, its highest level since 1988, in the fourth quarter of this year. Colorado will continue to lose manufacturing jobs, both durable and nondurable, in the months ahead. However, the pace of these job losses will diminish significantly from the rate experienced earlier this year," reported Goss.

Utah: The state's Business Conditions Index, a leading economic indicator, points

to improving economic conditions in the months ahead. Based on the July survey of the membership of NAPM-Utah (www.napmutah.org), the overall index expanded to 52.6 from June's 40.3. Components of the overall index for July were new orders at 67.9, production at 66.7, delivery lead time at 47.0, inventories at 43.4, and employment at 38.3. "I expect the state's seasonally adjusted unemployment rate to peak at 6.0 percent, its highest level since 1987, in the fourth quarter of this year. Although Utah will continue to lose manufacturing jobs, both durable and nondurable, in the months ahead, the pace of these losses will diminish significantly from the rate experienced earlier this year," said Goss.

Wyoming: For the eighth straight month, the state's leading economic indicator fell below growth neutral. The Wyoming Business Conditions

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Index for July slipped to 46.5 from June's 47.1. 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 bottomed out, but an economic expansion is not yet in sight. Components of the overall index for July were new orders at 35.4, production at 38.0, delivery lead time at 70.6, inventories at 45.1, and employment at 46.4. "I expect the state's seasonally adjusted unemployment rate to peak at 6.5 percent, its highest level since 1989, in the fourth quarter of this year. Wyoming will continue to lose manufacturing and mining jobs in the months ahead with the pace of these losses matching rates experienced earlier this year," said Goss.

For historical data and forecasts, visit our website at:

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



Term of the Month

ASN:

Advance Shipping Notice: a notification in electronic data interchange (EDI) or extensible markup language (XML) format sent ahead of a shipment listing its contents and shipping information.

Kudos!

Bryan Hemsley, APP, CPM, CPPB
 Chief Procurement Officer
 Salt Lake City Corporation

Congratulations to Bryan Hemsley
 for receiving his
Lifetime APP and CPM Certifications!



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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