



ISM-Buffalo Buylines

September 2018

Program:

"Work would be great if I were there alone!"



The world of work continues to evolve at breakneck speed. Have you ever thought how great work would be if no one else was there? Sounds good in theory but the reality is not much that needs to get done would get done!

Join Larry Mietus, Founder of Speaking of Strategy as he guides an interactive dialogue about workplace dynamics including gender intelligence, multi-generational workplaces and building and protecting your corporate culture.

About the Speaker:

Larry Mietus, Founder, Speaking of Strategy

(www.speakingofstrategy.org)

Speaking of Strategy was founded on the belief that four critical factors each play a role in business and personal success: People, Passion, Plans, and Process. As an independent business consultant, corporate trainer, professional speaker and educator, Larry has served such clients as: Cobham, Buffalo Niagara Partnership, AAA Western & Central NY, InfoTech Niagara, Columbus McKinnon, and GM Tonawanda Powertrain. Affiliated with SUNY Buffalo's Center for En-



trepreneurial Leadership, he's a mentor, reactor and facilitator. Recently, Larry was featured on Business Innovator's Radio.

Educational Dinner Meeting

Wednesday, September 12, 2018

Banchetti by Rizzo's Banquets

550 N. French Road Amherst, NY 14228

5:00-6:00 p.m.... Registration, Networking, Cash Bar 6:00-7:00 p.m... Meeting & Dinner 7:00-8:00 p.m.....Program

Buffet

Chef Salad
Dinner Rolls & Butter
Relish Tray
Vegetable Platter
Stuffed Roast Pork Loin
Chicken Picatta
Asiago Potato Bake
Pasta
Seasonal Vegetable Medley
Brownie Sundae

\$30.00 - Members \$35.00 - Guests \$20.00 - Full-Time Students

Please reserve as early as possible by Fri. Sept. 7th.

Space permitting, reservations may be accepted later.

ismbuf@ismbuffalo.com or (716) 648-0972

*Please cancel if unable to attend; if last minute to Nancy's cell 481-3528. Cancellations after EOB Monday will be billed.

Earn (1) CEH

ISM-Buffalo Buylines

ISM-Buffalo, Inc.
PO Box 888
Hamburg, NY 14075-0888
Phone: (716) 648-0972
Fax: (716) 646-1599
E-Mail: ismbuf@ismbuffalo.com
or ismbuffalo@roadrunner.com
www.ismbuffalo.com

Mission Statement

The Mission of ISM-Buffalo, Inc. is to advance the supply management profession through high ethical standards of conduct and fairness and to encourage the social and educational opportunities of its members to be effective as possible in their profession.

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Affiliated with:

Institute for Supply Management www.instituteforsupplymanagement.org





Dear Members, Colleagues, and Friends-

As summer is winding down and fall is right around the corner, it's an exciting time for ISM-Buffalo to start our new program year.

We started off with a "cheesy" bang with our Plant Tour on Wednesday, August 29 at Culinary Arts Specialties' production facility on Union Road. Thirty-six of our members and guests enjoyed watching their cheesecake production in action. Shipped all over the world, their products are sweet! As a bonus, all of us were sent home with a whole sampler cheesecake! Thanks to ISM's Program Director Craig Hooftallen for setting this up, and special thanks to our CAS tour guides Deb Shapos, Jonathan Pawli and Marissa Elgie. In the words of member Victor Cap, "Deb's depth of knowledge of the products and processes was exceptional. It was one of the best plant tours that we have been on." We all agree!

The board has been working this summer to bring us new programs and Jim Austin has been booking some of our favorite places and a couple of new venues for our events.

This year, we will continue to share our mission and expand our networking with other professional associations. In addition to our joint meetings with APICS in October & January, and ASQ in May, we are putting together a program with PMI (Project Management Institute) on Thursday, April 9 at Tewksbury's Lodge on Ohio Street. We've lined up Lisa Maul, a business consultant from Alethian Strategies, LLC to present to the groups.

Education is very important to our membership. We are putting together a 1/2 day seminar in early November, and then a full day seminar for the spring. In addition, Tim Terrana is working on another program aimed at getting new members and providing our Certified Members more chances to earn CEH's.

In 2019 we are planning CPSM training with Dr. Phil Hancock for the three modules. These classes will be held in February, March and April. You have time now to order your Study Guide from ISM National and begin reading for the classes. We hope to find companies to host these classes to keep costs low for our members. Let us know if your business can accommodate hosting 10-15 people for classroom style training...whether you plan to attend or not.

I'd like to remind everyone that Nancy Boyd Haley's Facilities Management Expo is scheduled for Wednesday, October 17, at the Hamburg Fairgrounds Event Center. We are looking for members to "man the ISM booth" talking up membership, events, vendor display and advertising opportunities. Members are asked to forward Nancy names of potential show vendors. And of course, we hope that you'll attend and pass along the invitation to others within your company and network to come to the FM Expo. www.fmexpo.net for more information.

I'll see you all at the dinners! The first one is Wednesday September 12 with Larry Mietus presenting. Some will remember Larry's interactive and engaging presentation at the SCM Symposium in May 2017.

See you all on September 12th!

Deb Hasley, CPSM/C.P.M. 2018-2019 President

Read Buylines and Win a Prize!

- Write down the correct answer on the back of your business card.
- 2) Place it in the basket at the Sept. dinner meeting.
- 3) Win a prize. *



* If your correct answer is drawn. One entry per person.

This month's question is...

A commodity manager is attending a trade show in Europe. During a private conversation with a supplier, the supplier silently slides an envelope across the table toward the commodity manager. Which of the following is the MOST appropriate course of action for the commodity manager to take?

- (A) Pick up the envelope and look inside, as the supplier did not say what it contains.
- (B) Ask the supplier what is in the envelope before picking it up.
- (C) Ask the supplier to open and explain the contents of the envelope.
- (D) Leave the room and find a colleague to join the conversation.



Introduce Suppliers to ISM-Buffalo

Members are asked to spread the word to their suppliers and marketing department that we offer opportunities to get their message out to our 150 members.

At dinner meetings, vendors can sponsor the meeting & have a "Tabletop" display for only \$150. Vendors receive a table during our networking hour, a write-up in our *Buffalo Buylines* newsletter, and a meal at the program. A limited number of vendor spots are available at most of the meetings on our schedule.

Advertising is also available in this newsletter for as little as \$25.00 per month for a business card sized ad. Other sizes available as well.

Contact our Executive Director Nancy Boyd Haley at ismbuffalo@roadrunner.com or (716) 648-0972 to supply your leads or to get the flyers and applications.



EARNED VALUE MANAGEMENT SYSTEM (EVMS)

A management system and related sub-systems implemented to establish a relationship between cost, schedule and technical aspects of a project, measure progress, accumulate actual costs, analyze deviations from plans, forecast completion of events and incorporate changes in a timely manner.

QUALITY FUNCTION DEPLOYMENT (QFD)

A structured method for translating user requirements into detailed design specifications using a continual stream of "what/how" matrices. QFD links the needs of the customer (end user) with design, development, engineering, manufacturing and service functions. It helps organizations seek out both spoken and unspoken needs, translate these into actions and designs, and focus various business functions toward achieving this common goal.

Source:

https://www.instituteforsupplymanagement.org/Glossary/GlossaryAlphaChoose.cfm

- Submitted by Jim Austin, CPSM



Abigail Alexander

Technical Buyer/Planner
Multisorb Technologies

David A. Megger

Commodity Manager
Cobham Mission Systems

Joseph E. Marks

Commercial Compliance/Operations
Derrick Corporation

Kevin Meyers

Technical Buyer/Planner Multisorb Technologies

We welcome our new members and hope to see them at future meetings. Make sure you say hello to them!



JOIN US FOR THE 23RD ANNUAL FACILITIES MANAGEMENT & MAINTENANCE EXPO



Wednesday, October 17, 2018 from 10 am - 4 pm The Event Center located on the Hamburg Fairgrounds 5820 South Park Avenue • Hamburg, New York 14075



Attending the expo allows property personnel to meet face-to-face with solution providers in a relaxed & professional atmosphere.

WHY ATTEND?

- DISCOVER solutions to your facility challenges
- Get your HANDS ON the latest technology, products & services from leading suppliers
- SAVE TIME & MONEY meeting with an array of solution providers all under one roof
- LEARN by attending free seminars & demonstrations
- CONNECT with other industry professionals

Produced & Managed by: PPM BUSINESS SERVICES PO Box 888 | Hamburg, NY 14075



Show Manager: NANCY BOYD HALEY | (716) 648-0972 nancy@fmexpo.net | www.fmexpo.net





Supply Chain News: Eight New Ways Procurement Managers Can Drive Value

From Insisting Suppliers Buy Your Products to Bartering Some Interesting Ideas from Airline Procurement Exec

Aug. 14, 2018 SCDigest Editorial Staff

Procurement managers and organizations naturally cite savings from suppliers as the top way they add value to the enterprise.

But those opportunities eventually dry up, and new value sources need to be found. So says Sergii Dovgalenko, head of procurement at Etihad Airways, in an interesting recent piece for the UK's Supply Management web site.

After additional savings opportunities run dry, as eventually also will happen with stretching out payments to suppliers to improve the company's cash flow, many procurement organizations turn to strategic sourcing practices, Dovgalenko says. This approach in part emphasizes the early analysis of requirements to conduct negotiations with internal customers on excessive volumes, pumped up specs and overstated expectations.

These internal negotiations can often be more tense and difficult than working with outside suppliers, Dovgalenko writes.

But let's say strategic sourcing is also well in place – where can procurement managers turn next?

Dovgalenko offers eight interesting ideas, which we summarize below:

- 1. Effective Use of Savings: Where are the millions of dollars of procurement savings claimed each year? Usually, nowhere, Dovgalenko. They are hard notoriously difficult to calculate and track. He proposes several basic principles of savings management:
- · Savings is measured against the budget
- There's a distinct bucket of savings applicable to the current fiscal year ("cash" savings)
- · Reporting is approved by the finance department
- Benefit realization is monitored on the basis of actual consumption (not forecasts!)
- Approved savings of the current fiscal year is deducted from a respective business unit's budget
- 2. **Supplier Innovations:** There are many ways supplier knowledge and innovation can be leveraged to a company's benefit. Those include:
- Recommendations on quality improvement and cost reduction in the supply chain and product lifecycle
- Synchronization of roadmaps between your company and the supplier, so that their innovations immediately

- contribute to your product
- Business consulting, which suppliers are ready to provide free of charge or at a minimum rate to help your company optimize the business model, production process, marketing strategy, etc.
- 3. **New Revenues:** Often, suppliers consume something similar to your company's products, and perhaps are served by your competitors, Dovgalenko says. While attaching suppliers to your products will not be easy, especially if your competitors are already their customers, to get at least a portion of the supplier's budget is nevertheless quite realistic. A supplier's commitment to purchase your company's products should become a standard element of the negotiation strategy, Dovgalenko says.

In general, the mentality of buyers should be constantly tuned to not only cutting costs, but also to generating new revenues.

4. **Offloading the Balance Sheet:** Obsolete and faulty equipment, unallocated marketing materials, stands from past exhibitions, materials with an old brand - all these are tons of dead weight and millions of dollars on the balance sheet of the company, Dovgalenko says.

In general, the mentality of buyers should be const antly tuned to not only cutting costs, but also to generating new revenues.

Identifying them, sorting by usability, determining the book value, preparing for sale or disposal - this is an incredibly complicated process that few people want to deal with. Procurement and supply management can lead the process and generate additional revenue through the sale of potentially useful assets.

The financial benefit of this process sometimes exceeds traditional procurement savings, Dovgalenko says.

5. **Bartering:** Dovgalenko says you can barter any product or service produced or consumed by your company to eliminate sales, distribution or marketing overheads, and, most importantly, save cash. You can grow the client base, sell off dead inventory, or reduce bad debts.

There are a number of firms specializing in the barter process, Dovgalenko notes.

Continued on page 6

Continued from page 5

6. **Marketing Cooperation:** Dovgalenko says almost any large company has significant marketing assets, such as websites and social networks, regional offices or points of sale, even a fleet of vehicles. The key component is the clientele, thoroughly studied and classified. Dovgalenko says marketing assets can be offered to suppliers for advertising, brand promotion and targeted campaigns in exchange for revenues, discounts or similar assets to promote your own brand.

For example, if a company has a large fleet of companyowned cars, a company can conclude an agreement with the automaker and lease cars of its brand with a significant discount, as they will be part of the marketing program. In the airline industry, manufacturers are willing to pay airlines for the opportunity to serve their products (beverages, snacks and cosmetics) or branded napkins and cups to the passengers. You can co-brand a small outsourced warehouse or sell the name of a metro station, stadium or aircraft — "the possibilities of marketing cooperation are truly limitless," Dovgalenko argues.

7. **Preferential Buying:** All over the world, there are programs to support small private entrepreneurs, war veterans, local crafts etc., and this is a social obligation not only

of the state, but also of large companies. Dovgalenko says companies can factor preferences in procurement, for example, by allocating say 10-20% of the commercial tender rating to it. This helps a company realize its social responsibility and improve its public image.

8. Additional Staff Motivation: Dovgalenko says procurement can provide additional tools to motivate staff. For example, corporate travel discounts on air tickets and hotels can be extended to private travel of company personnel and their families. Your suppliers can provide offers to your staff or set up a temporary sales point in your office.

In some companies, there are sections of a corporate website with special offers from suppliers, and discount cards are issued. The staff discount program is specified in the employment contract, as one of the benefits provided to employees.

"The above examples are meant to demonstrate that procurement can add value not only by traditional price negotiations," Dovgalenko concludes. "The revenue increases, the image of the company improves, relationship with suppliers is strengthened, the brand is promoted - all thanks to the comprehensive professionalism of the buyers."

Source: http://www.scdigest.com/ontarget/18-08-14-2.php?cid=14557



Participation is the real key to benefiting from your membership. Sign up to help out... you'll be glad you did. **Earn CEH towards recertification** for volunteering!

Contact: Nancy Boyd Haley at ismbuffalo@roadrunner.com or 648-0972 with questions or to volunteer.

MEMBERSHIP ACTIVITIES COMMITTEE (MAC)

- □ **R**ecruitment
- □ **O**rientation & Involvement
- □ Attendance & Reception
- □ **R**etention

SPECIAL EVENT COMMITTEES

- ☐ Golf Outing
- ☐ Supply Management Month-Executive Night Dinner- March

EDUCATION TEAM

- ☐ Seminars, Workshops
- □ Webinars
- ☐ Program Speakers
- ☐ Plant Tours
- ☐ CPSM & CPSD (Certification)

MARKETING COMMITTEES

- □ "Buylines" Newsletter
- ☐ Public Relations/Photography
- ☐ Tabletop Displays
- ☐ Corporate Sponsorships
- □ Website
- ☐ Student Chapters
- ☐ Social Media Networking

OPERATIONS & ADMINISTRA-TION COMMITTEES

- \square House (Facilities Selection &
- Meeting Registration)
- ☐ Strategic Planning
- ☐ Constitution & Bylaws
- ☐ Business Survey
- ☐ Professional Placement



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Andrew Kurcsics

158 Reading Avenue Buffalo, New York 14220 716-743-2777 phone 716-743-2779 fax 716-583-8887 cell andy@partnerspackaging.net www.partnerspackaging.net

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Calendar of Events

Educational Dinner Meeting
Wednesday, September 12, 2018
Banchetti by Rizzo's, 550 N. French Rd., Amherst, 14228

Educational Dinner Meeting- Joint with APICS
Wednesday, October 10, 2018
Classics' V Banquets, Terrace Room, 2425 Niagara Falls
Blvd., Amherst 14228

Facilities Management Expo
Wednesday, October 17, 2018 - 10am-4pm
Hamburg Fairgrounds Event Center
www.fmexpo.net
Check seminar schedule for CEH opportunities.

Half-Day Seminar Friday, November 2, 2018

Educational Dinner Meeting Wednesday, November 14, 2018

Meeting/Social Event

December 2018

Educational Dinner Meeting - Joint with APICS Wednesday, January 16, 2019

Educational Dinner Meeting Wednesday, February 12, 2019

Educational Dinner Meeting -Supply Management Month Vendor Fair **Wednesday, March 13, 2019** Tonawanda Castle, 69 Delaware St., Tonawanda, NY 14150

Educational Dinner Meeting - Joint with PMI

Tuesday, April 9, 2019

Tewksbury Lodge, Ohio St., Buffalo, NY

SCM Symposium - Full day of Seminars Friday, May 3, 2019

Educational Dinner Meeting - Joint with ASQ
Wednesday, May 8, 2019
Curly's Grille, 647 Ridge Rd., Lackawanna, NY 14218

Installation & Awards Dinner Wednesday, June 12, 2019

Buy/Sell Golf Outing & Clambake Tuesday, June 18, 2019 (tentative)