

# Buy *Liner*



A monthly publication of the Institute of Supply Management - Nevada, Inc.

October 2009

## Upcoming Events

### October 2009

16 – 2<sup>nd</sup> Annual Diversity Business Summit and Trade Show, Are You Ready to “Go Green”? Las Vegas

21 – “ISM: What’s In It for Me?”  
FREE WEBINAR

21 – Breakfast Meeting – “Price Indexing for More Effective and Efficient Contract Administration” Las Vegas

22 – ISM Satellite Seminar  
“Navigating the Numbers: A supply Manager’s Guide to Defining and Applying Economic and Financial Concepts” Las Vegas

22 – ISM Satellite Seminar  
“Navigating the Numbers: A supply Manager’s Guide to Defining and Applying Economic and Financial Concepts” Reno

### November 2009

5-6 – ISM National Seminar,  
“Contracting for Purchasing and Supply Management: Beyond the Basics” Las Vegas

18 -- Board Retreat, Las Vegas

24 – Case Studies – Las Vegas

### December 2009

12 –Christmas Party – Las Vegas

Check out the details for all events at:

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

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## President's Corner

By June Weedon, C.P.M.

Our Board Retreat was small in numbers but mighty in results. The calendar of seminars and events for this next year is published on this web site; as are the minutes from the Board Retreat meeting that was held Saturday, September 12, 2009. There will be a Case Studies seminar on Wednesday, October 21 with additional details to follow. If there is a speaker you would like to hear from or a topic you would like addressed, please contact anyone on the Board, we look forward to hearing from you.

I can be reached at (702) 876-4627 and look forward to hearing from you!

Respectfully,  
June Weedon, C.P.M.  
President ISM-NV

**ISM - Nevada, Inc. – Capitol Area**

The next regular meeting of  
ISM - Nevada, Inc. Capitol Area

Thursday, October 22, 2009 at 7:00 a.m.  
in conjunction with the ISM Satellite Seminar...

**"Navigating the Numbers: A Supply Manager's Guide to Defining and Applying Economic and Financial Concepts."** The Satellite Seminar runs from 7:00 a.m. to 11:30 a.m. with a 1/2 hour break between 9:00 and 9:30 a.m. during which our brief business meeting will be held.

The Satellite Seminar will be hosted by:

***Purchasing Department  
425 East 9<sup>th</sup> Street  
Reno, Nevada***

Attendance is worth four (4) CPSM; C.P.M. & A.P.P. recertification hours.

There will be NO November or December meetings. So, hopefully, you'll be able to attend the ISM Satellite Seminar and the short business meeting on Thursday, October 22nd.

Otherwise, we'll see 'ya next year.

See you there!

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**Las Vegas Area ISM Satellite Seminar  
Hosted by:**

***Clark County School District  
4212 Eucalyptus Ave  
Las Vegas, NV***

**Date:** Thursday, October 7, 2009

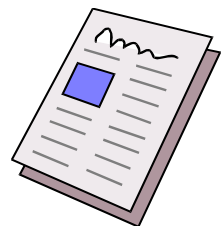
**Time:** 7:00 am – 11:30 am

**Cost:** Members Free  
\$5 – Non-members and Guests  
Includes morning snack

**"Navigating the Numbers: A Supply Manager's Guide to Defining and Applying Economic and Financial Concepts"**

Supply managers continue to find themselves immersed in a sea of numbers. To gain competitive advantage and navigate through today's rocky economy, supply chain professionals need the ability to make sense of a multitude of numbers -- what they mean, where they come from, how to forecast them, and how they impact supply management decisions. Flexibility has become the norm as we strive to keep up with ever-changing sources and regulations. This satellite seminar will help supply management professionals become savvy with various economic and financial concepts and terminology. Topics covered will include leading and lagging indicators, Gross Domestic Product, economic indexing, money markets and forecasting models, as well as how economic factors in business and the world affect purchasing and supply management.

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**Articles for the November newsletter are due on Monday, October 26, 2009**

## "Price Indexing for More Effective and Efficient Contract Administration"

Want the best prices on your contracts from Day One? Confused by price indexes and which one to use? At price adjustment time, not sure the supplier is asking for a fair and reasonable price adjustment? Missing out on cost savings opportunities by asking for price decreases? The goal of this workshop is to help your contract administration become more effective and efficient by helping you understand:

- The difference between the most common price indices
- How to choose the right one for your contract
- How to develop the best price escalation language for your contract
- The formula used to figure the percentage change in prices
- How to use the internet to easily verify the percentage change in prices for the most common indices

Attendees will take away suggested price adjustment language to help develop their own contract language and easy to follow instructions to determine a fair and reasonable price adjustment during contract administration.

**Sharon Hauht, CPSM, C.P.M.** has had a 20 year career in the supply management field with experience in both the private and public sectors. She started her career in private purchasing at retail stores and Zenith Data Systems in Michigan; then was a buyer at the Sands Hotel & Casino and Caesars Palace in Las Vegas. After that, she switched to public purchasing at Clark County, Nevada as a Senior Purchasing Analyst, the City of Las Vegas as a Quality Assurance Administrator, and is currently the Manager of Purchasing and Contracts at the Regional Transportation Commission of Southern Nevada.

She has presented on a variety of topics to the University of Las Vegas' graduate students, at the International Conference for the Institute of Supply Management, at the National Purchasing Institute Annual Conference and to several other audiences.

Sharon graduated from Michigan State University cum laude with a B.A. in Materials and Logistics Management, with an emphasis in Purchasing and Operations. She is a Certified Professional in Supply Management and a Certified Purchasing Manager. She is a member of the Institute for Supply Management and has served on several of its committees on both a local and national level, and most recently as member on the Conference Leadership Committee which plans the educational content at the International Conference.

**\*1 Continuing Education Hours (CEH) will be given to attendees**

**Time:** 7:00 am - 8:15 am

**Location:** **Omelet House**, 2160 W. Charleston Blvd, Las Vegas, NV, 89102 (1 block west of UMC)

**Cost:** \$10 Members  
\$15 Guests



**CPSM**

Rick Lloyd, CPSM -  
Tektronix

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## Just-In-Time (JIT)

Submitted by June Weedon, C.P.M.

According to a 10-year forecast for the 2000s, "Lean supply chains will be a competitive strategy" (P.L. Carter, J.R. Carter, R.M. Monczka, T.H. Slight, and A.J. Swan, "The Future of Purchasing and Supply: A Ten-Year Forecast," Journal of Supply Chain Management, Winter 2000, pp. 14-26.). Just-in-time philosophy is simple--inventory is waste. Inventory does not add value--it incurs cost and waste. JIT is an inventory strategy that improves a business's return on investment by reducing in-process inventory and the associated carrying costs. The carrying cost on inventory in the sanitary supply industry is about 2.5% per month of the cost of the goods maintained in stock. Henry Ford described JIT in his My Life and Work (1922) "We have found in buying materials that it is not worthwhile to buy for other than immediate needs". A JIT inventory system is having the right material, at the right time, at the right place and in the exact amount. In an ideal world, transportation would be perfect and there would be an even flow of materials guaranteed. It would not be necessary to carry any inventory whatsoever. With supplies coming in on a regular basis, workers are productive and the business is focused on meeting company goals. On the other hand, a

JIT operation could leave consumers open to supply shocks and large supply or demand changes. Very low inventory levels can mean receiving the same part more than once a day leaving the company susceptible to flow interruption. Long-term supplier relationships can assist with the JIT process. It is essential to maintain a high quality relationship with your entire supplier network. It is impossible to do the Just-in-time inventory strategy justice in one brief paragraph. There are a number of excellent articles on the ISM web site ([www.ism.ws](http://www.ism.ws)) under "Publications" to assist you with an in-depth study.

## Are You Ready to "GO GREEN"?



The 2<sup>nd</sup> Diversity Business Summit and Trade Show—Going Green is ready to kick off. The one day event is scheduled for Friday, October 16, 2009 from 8:00 a.m. - 4:00 p.m. at the Gold Coast Hotel Conference Center. The conference will be full of bid information, speakers and a trade show that revolve around thinking and being Green. The event will begin with a breakfast along with workshops on variety of green topics such as getting LEED certified; renewable energy and conservation programs; how going green can increase your bottom line and more; this will be followed by a Corporate appreciation luncheon and conclude in the afternoon with a trade show of vendors from all over the country.

For additional Information contact:  
NvMSDC at 894-4477.

## Mission

*The Nevada Association of Purchasing and Supply Management will lead supply management professionals in Nevada and other states through professional credentials, education, leadership development and networking.*



## WANT TO “SELF STUDY” FOR THE CPSM or C.P.M. EXAMS?

Some of you have already expressed an interest in attending the next scheduled ISM-NV CPSM (Certified Professional in Supply Management) Bridge Exam Preparation Workshop.

Others have expressed a desire to just study on their own – but with on-line assistance from ISM-NV - either for the three individual CPSM exams or the one Bridge Exam (for existing C.P.M.s only).

Still others, those from private, not public, organizations, have finally come to realize that without a college degree they cannot even test for the CPSM Exam so they MUST test for the C.P.M. if they are ever going to obtain a professional certification. Included in this group are those who have passed some of the four C.P.M. tests but not all of them and now realize that it is now-or-never time. These folks, too, have asked if ISM-NV will offer on-line assistance for preparing them for the C.P.M. exams.

Below I have identified the options, including the costs for each, available from ISM-NV:

For those attending the next CPSM Bridge Exam Preparation Workshop we will:

- Identify the study materials that MUST be purchased and read before the session
- Provide a list of other study materials, i.e. “suggested outside readings”, used by exam test question writers, that would be helpful for passing the test
- Provide a cross-reference between the Tasks of the Study Guides and the Chapters of the MUST HAVE textbooks
- Tell how to obtain the Sample Exams that are available, complete with explanations of why the correct answer is correct and the incorrect answers are wrong
- Provide other Sample Exam questions and answers
- Provide Feedback From Previous Test Takers that show what topics are being seen on the exams

The cost for this 1 ½ day pre-conference workshop has not yet been determined because it depends on how many students will be in the class. More students = less cost per student.

For those wishing to study on their own, the above information and handouts will be provided ALONG WITH on-line assistance. The cost for this on-line self-study program also has not yet been determined. Our Executive Director, Jim Haining, C.P.M., CPSM will determine that cost. Whatever it is, tho, will you be willing to self-study instead of getting the benefit of classroom training? Let Jim know.

For those still working on, and wishing to finish, their C.P.M. Exam Preparations, the only option will be to complete the program via the self-study route. There will be no more classes/workshops. For a fee, we will provide all of the above material (but, of course, geared only to the C.P.M.) ALONG WITH the on-line assistance that will help you. The cost per-module for this on-line self-study program will be \$60.

What other options are available to those who wish to pursue their certification as a CPSM, either by taking all three exams or just the one Bridge Exam, or C.P.M. through a self-study program? Below you will see what is offered directly by ISM:

**CPSM-RELATED:**

[CPSM® Exam 1 Online Review Course](#) #3969, Member: \$195 Non-Member: \$295 (10 CEHs) The CPSM® Exam 1 Online Course is for candidates who are preparing for the CPSM® Exam 1. Participants get an in-depth review and assessment of the material in the CPSM® *Study Guide* by tailoring their course to their specific study needs. In this course, participants will gain an understanding of the CPSM® program and of the breadth of content covered in the CPSM® Exam.

[CPSM® Exam 2 Online Review Course](#) #3970, Member: \$195 Non-Member: \$295 (10 CEHs) The CPSM® Exam 2 Online Course is for candidates who are preparing for the CPSM® Exam 2. Participants get an in-depth review and assessment of the material in the CPSM® *Study Guide* by tailoring their course to their specific study needs. In this course, participants will gain an understanding of the CPSM® program and of the breadth of content covered in the CPSM® Exam.

[CPSM® Exam 3 Online Review Course](#) #3971, Member: \$195 Non-Member: \$295 (12 CEHs) The CPSM® Exam 3 Online Course is for candidates who are preparing for the CPSM® Exam 3. Participants get an in-depth review and assessment of the material in the CPSM® *Study Guide* by tailoring their course to their specific study needs. In this course, participants will gain an understanding of the CPSM® program and of the breadth of content covered in the CPSM® Exam.

The three courses listed above includes an electronic CPSM® Exam Specification exam outline, CPSM® *Study Guide* materials, sample test questions, case studies and supplemental content developed by subject-matter experts. **NOTE: The cost does NOT include the CPSM Study Guide nor related textbooks.**

[CPSM® Bridge Online Review Course](#) #3968, Member: \$195 Non-Member: \$295 (21 CEHs) This course is designed as a review for current C.P.M. holders as part of their preparation for taking the CPSM® Bridge Exam. It is intended to enable candidates to assess the knowledge they have acquired through education and experience against the content areas covered by the CPSM® Bridge Exam. It is not intended for those planning to take the full CPSM® Exam.

In this course, participants will gain an understanding of the CPSM® program and of the breadth of content covered in the CPSM® Exam. The course contains content for all tasks for the CPSM® Bridge Exam. Content for this course includes CPSM® Exam Specification exam outlines, CPSM® study guide materials in an electronic format, question format and types and supplemental content developed by content experts. This supplemental content will provide candidates additional content for those tasks that may have more questions on the exam. **NOTE: The cost does NOT include the CPSM Study Guide nor related textbooks.**

**C.P.M.-RELATED:**

[C.P.M. Module 1 Online Exam Review and Preparation](#) #3936, Member: \$195 Non-Member: \$295 (10 CEHs)

[C.P.M. Module 2 Online Exam Review and Preparation](#) #3937, Member: \$195 Non-Member: \$295 (10 CEHs)

[C.P.M. Module 3 Online Exam Review and Preparation](#) #3938, Member: \$195 Non-Member: \$295 (10 CEHs)

[C.P.M. Module 4 Online Exam Review and Preparation](#) #3939, Member: \$195 Non-Member: \$295 (10 CEHs)

**NOTE: The cost does include access to the electronic version of the C.P.M. Study Guide but does NOT include the related textbooks.**

ISM also says in its website, "These courses supplement other exam preparation activities, are organized by job analysis tasks that correspond with actual exam material, and are closely aligned with the content in the *ISM C.P.M. Study Guide*. You will have easy access to the electronic version of the *ISM C.P.M. Study Guide*, many sample questions with answer rationale in the 'Q & A' section, and the ability to post questions to a Content Discussion Guide through the C.P.M. online content discussion boards. If you want a little more practice taking an online course, an *ISM Knowledge Center* tutorial is included to help you review all the computer and navigation skills you need."

If you are interested in pursuing your professional certification, whether it be the CPSM or C.P.M., if you have questions, or if you need clarification on any of the above, e-mail Bob Ashby, C.P.M., CPCM at [ashbybob@embarqmail.com](mailto:ashbybob@embarqmail.com).

## Free Webinar October 15: "ISM: What's In It for Me?"

**Date:** Thursday, October 15, 2009

**Time:** 1 p.m. EDT / 10 a.m. PDT

**Price:** No-Cost

**Length:** 60 minutes

Discover information, tools, resources and free products and services available to you as a member of the Institute for Supply Management™ (ISM). During this Web seminar, you will learn about membership programs and how they can help your career, as well as many of the important features of the ISM Web site, how and where to access information, and how you can take advantage of ISM's many member benefits.

The Web seminar will cover:

- An overview of ISM
- Free or low-cost CEH opportunities
- ISM-sponsored Web seminars and how you can earn CEH credits
- How you can progress in your career with the Certified Professional In Supply Management® (CPSM®) credential
- How ISM's Knowledge Center courses can save you time and money
- The many ISM events where networking opportunities abound
- How you can add your voice to ISM's professional Groups & Forums
- What's inside ISM's Inside Supply Management® magazine
- The role of CAPS Research
- An understanding of the *Report On Business*, ISM's Bid Specification Database, Online Resource Guides and Online Career Center

### Featured Speakers:

- **Cindy Urbaytis**  
*Vice President — Sales, Marketing and PR  
Institute for Supply Management™*
- **Jan Miller**  
*Vice President — Affiliate Group and Forum Support  
Institute for Supply Management™*
- **Special Guests:**
  - **Jack P. Peacock, C.P.M., A.P.P.**  
*Past President, ISM—Cooperative Utilities, Inc. Manager of Supply Chain Services  
Talquin Electric Cooperative*
  - **Julie B. Wulff, C.P.M.**  
*Past President, ISM—St. Louis, Inc., Associated British Foods  
Regional Category Leader — Americas, Food Chemicals & Ingredients*

### Moderator:

- **Mike Shirra**  
*Senior Associate — Marketing  
Institute for Supply Management™*

Attendance of the live session of this Web Seminar qualifies for one CEH credit at ISM. For details, or to register, [click here](#).