

## Achieving Cost Savings with Procurement Cards

Tuesday, June 20, 2000

Presenter: Glen Lewis

Procurement cards are becoming the standard for ordering many materials, supplies, repair parts and services requirements. Procurement cards, coupled with various system technologies, provide an excellent opportunity to streamline purchasing and accounts payable-related activities. Financial and operational control can also be realized in an uncomplicated way with the use of procurement cards versus the traditional requisition, purchase order and invoicing process. The presentation will cover current P-card applications and technologies including emerging microprocessor-based Smart Cards. Many real, practical examples will be presented.

### ABOUT THE SPEAKER:

Glen Lewis, Western Region Procurement Manager for Del Monte Foods will speak from real, battlefield experience

with P-cards. One of his responsibilities is Procurement Card Administrator for all of Del Monte's U.S. operations. Glen planned, prototyped and implemented Del Monte Foods' procurement card program in 1994-95 as part of major reengineering initiatives for U.S. operations. Significant cost reductions have resulted from Del Monte Foods' procurement card program which has been cited in many national benchmarking case studies. Glen has been a guest speaker at MasterCard's 1997 international conference.

Glen has been with Del Monte for 8 years. He has experience in production management, technical and laboratory services, engineering and power plant operations as well as procurement. He received his B.S. from UCLA and his MBA from The College of William & Mary in Williamsburg, Virginia. He is a member of the APICSacramento Chapter Board of Directors. ☀

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### RSVP by Friday, June 16, 2000

To RSVP for this dinner meeting, please call 916.650.8660 or e-mail Ed Mercado at [edmercado@email.msn.com](mailto:edmercado@email.msn.com) and provide the attendee's name, company, telephone number, fax or e-mail address.

5:30 Registration	\$22.00 Member
6:00 Dinner	\$25.00 Non-member
7:00 Membership meeting	\$18.00 Full-time student
7:20 Presentation	\$5.00 Speaker only

Presentation will be held at the Hungry Hunter Restaurant on Bercut Drive in Sacramento. Please call Hungry Hunter at 916.441.2844 for directions. Check our Web site [www.apicsacramento.com](http://www.apicsacramento.com) for maps of the area.

# President's Message

After several years on the board of directors for the Sacramento Chapter it has become necessary for me to focus on other aspects of my professional life. Fortunately, George Cusack has stepped up to take the leadership role for the chapter and was elected President at the last meeting.

You've probably seen the APICS message "Success Through Life-Long Learning." This is true in so many ways and those of you that know me personally are aware that I share the same philosophy.

The importance of this philosophy can be driven to an actionable level though by considering the results of recent education studies. The half-life of traditional education is 4-5 years. However, the half-life of technology education is 18 months.

In my work, the landscape has changed dramatically over the last few years and it is imperative that I step back from some volunteer work to pay attention to my life-long learning journey to prepare me for the ever-changing pace of technology and industry.

It is a journey I never really left, but one that I siphoned energy from to fuel volunteer endeavors. It is now time to reverse the energy flow and ultimately get back to an equilibrium where I can succeed at both.

We all make choices. It is the right choices that make us successful.

Karen Hess, CPIM, CIRM  
President

# Career Services

Throughout your membership, you are part of a support network of more than 70,000 members in 270 chapters throughout the U.S., Canada, and Mexico. APICS offers you access to industry experts and practitioners who will help you develop your abilities and skills to your fullest potential. The expertise and synergy generated throughout this network of industry professionals can be a valuable resource for you.

In addition, APICS provides a valuable service to



## APICS Sacramento Calendar

### June

- 6 Board of Directors meeting at Lyons on I-5 & Richards Blvd.
- 20 Professional development meeting. Glen Lewis will present: "Achieving Cost Savings with Procurement Cards."

### July

- 9 Board of Directors strategic planning meeting 9:00 AM at Café Bernardo, 1563 Eureka Rd & Douglas Blvd in Roseville.
- No professional development meeting scheduled this month.

### August

- 1 Board of Directors meeting at Lyons on I-5 & Richards Blvd.
- 15 Professional development meeting. Jill Becker-Bossi will present: "e-Procurement Lessons Learned: Experiences from the Battlefield."

### September

- 5 Board of Directors meeting at Lyons on I-5 & Richards Blvd.
- 19 Professional development meeting. Robert Couch will present: "ERP Implementation at Apple."

members seeking job placement, or recruitment: The APICS Employment Referral Program. The program links members and participating companies together to achieve their goals of filling crucial positions. ☀

# Supply Chain Management & e-business

Supply chain management (SCM) is about optimizing business processes and business value in every corner of the extended enterprise -- from your supplier's supplier to your customer's customer. SCM uses e-business concepts and Web technologies to manage beyond the organization -- upstream and downstream. Manufacturers and vendors can share sales forecasts, manage inventories, schedule labor, optimize deliveries, and improve productivity. Some of the processes included within SCM are:

- Procurement
- Inventory Management
- Forecasting
- Warehousing
- Logistics

How does SCM become e-business enabled?

Companies with a network of suppliers, vendors, and distributors need a fast, efficient way to disseminate information and enable two-way communications. This is done over the Web using:

- customized extranet sites
- Web servers
- groupware (e-mail-integrated collaborative software)

You can start Web-enabling legacy systems to provide visibility to selected partners, suppliers, and customers and to integrate the supply chain into your company's other processes. The table below illustrates the differences between a traditional supply chain and an e-business supply chain.

## The results

By using e-business based SCM solutions, companies can:

- Lower operating costs through reduced inventory requirements
- Improve customer satisfaction by maintaining adequate stock. This will keep your offerings fresh and attuned to marketplace trends and changes.
- Improve productivity through better data integrity, fewer order entry errors, less rework, and faster communications.

**e-busi-ness** (e' biz' nis) The transformation of key business processes through the use of Internet technologies.

The bottom line is an improved competitive position.

The Web is changing every aspect of our lives, but no area is undergoing as rapid and significant a change as the way businesses operate. As businesses incorporate Internet technology into their core business processes they start to achieve real business value. Today, companies large and small are using the Web to communicate with their partners, to connect with their back-end data-systems, and to transact commerce. This is e-business -- where the strength and reliability of traditional information technology meet the Internet.

*(Continued on page 5)*

Traditional supply chain		e-business supply chain
Dedicated private networks	INFRASTRUCTURE	Shared global network
Shared as feasible within the company only with great cost/complexity outside the company	INFORMATION	Whenever demand requires, with worldwide access, to whomever is authorized
Intra-company teams with additional members added with difficulty and requiring customized administration	TEAM	Inter-company teams, with global members joining and leaving quickly, securely, and with consistent, easy-to-use administration
Physically controlled by connection to internal corporate network and/or simple user ID and password access	CONTROL	Permission controlled, where data is accessible from anywhere on the globe, with sophisticated security for authentication and authorization
Physical models and face-to-face meetings with limitations such as travel and delivery of information	PROCESS	Virtual product modeling and worldwide simultaneous engineering with integrated video-conferencing, Internet phone links and visual notes



## Online CPIM Reconfiguration Tool

Find out which exams or combinations of exams you will have to take to become certified under the reconfigured CPIM program. It's as easy as 1,2,3. Visit the downloadable mapping program at [http://www.apics.org/Certification/tool\\_reconfiguration.htm](http://www.apics.org/Certification/tool_reconfiguration.htm) to get a personalized response for planning your certification path. ☀



## Summer Seminar THE VALUE OF MATERIALS MANAGEMENT

Ever thought about taking some classes in Materials Management? Perhaps you are not sure what it's all about. Find out by coming to this Summer Sampler program offered by CSUS Regional and Continuing Education. Get a feel for all the kinds of things that help a manufacturing or service industry to run smoothly.

Have you ever wondered where the materials for your job or business come from? Have you wondered how the right quantities get there at the right time? Or better yet, why it HASN'T occurred? If you answered "yes" to any of these questions, then this workshop is for you.

Most businesses, whether manufacturing, distribution, government or service, find they are reliant and dependent upon materials management. Participants in the seminar will receive a \$15 gift certificate

## APICSacramento e-Mail List

Would you like to receive local chapter news updates, seminar and course announcements, and upcoming meeting highlights via e-mail? Stay informed with late breaking chapter news. Send an e-mail with your area of interest to: [rbeck@apicsacramento.com](mailto:rbeck@apicsacramento.com) and we will add you to our e-mail list. This list is confidential, and will not be sold or given to anyone outside the chapter board of directors, and will be used only for chapter business. ☀

## CSUS/RCE Materials Management Certification Class Schedule

The Summer and Fall 2000 semester classes for the Certificate program are being scheduled.

Classes are held at Hewlett Packard in Roseville on Mondays and Wednesdays from 6:00 to 8:30 PM. For additional information, please contact Jackie Branch at 916.278.4433 ext. 115 ☀

good toward the first class of the Materials Management Certificate Program.

**Instructor:** Melanie Hoots is an engineer with Hewlett-Packard with more than 10 years in manufacturing and distribution. CPIM certified since 1990, she has a B.S. in industrial engineering, and an M.S. in mechanical engineering/computer integrated management.

Seminar Fee: \$59

Date: Saturday, July 8, 2000 8 am-12 noon.

Location: CSUS Campus, Mendocino Hall 1028

Course Code 00RSSA05A1

**To register, or if you need more information, or a map, call (916) 278-4433 Ext. 0 ☀**

# BENEFITS OF CPIM CERTIFICATION COURSES

Some students recently enrolled in the CPIM certification preparation courses had the following comments about APICS, CPIM certification, and the certification preparation courses held in conjunction with CSUS/RCE:

"I enrolled in the APICS classes for certification but have found an incredible wealth of useful and pertinent information. APICS makes me a better manager."

Vic Wursten  
Pride Industries  
May 3, 2000

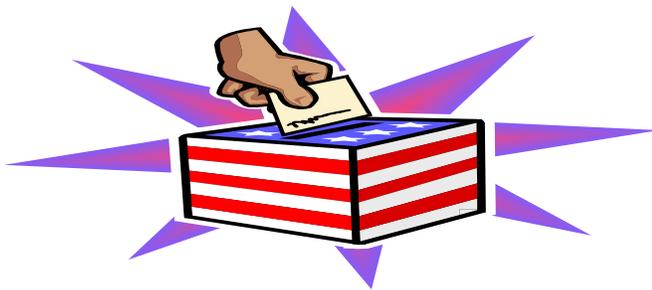
"The APICS courses have enabled me to see the differences and resemblances between military and pub-

lic/civilian inventory management. The knowledge gained has helped me understand what job recruiters are looking for when I write my resume."

Dwayne Matthias  
McClellan Air Force Base  
May 3, 2000

"Since I have less than five years of experience in a manufacturing environment, an APICS certification will make me more marketable to potential employers."

Ketch Rogers  
May 3, 2000  
☼



## Supply Chain Management & e-business

*(Continued from page 3)*

This new Web + IT paradigm merges the standards, simplicity and connectivity of the Internet with the core processes that are the foundation of business. The new killer apps are interactive, transaction intensive, and let people do business in more meaningful ways.

### It's about to change

An e-business is a company that can adapt to constant and continual change. To manage transitions smoothly you have to remember two important ideas:

- Start simple, but plan to grow fast
- Build on what you have

### It's about business, not technology

e-business isn't about re-inventing your business. It's about streamlining your current business processes to improve operating efficiencies which in turn will strengthen the value you provide to your customers -- value that cannot be generated by any other means, and value that will give you a serious advantage over your competition. ☼

## Board of Directors Election Results

Sacramento Chapter Board of Directors elections were held during the May Professional Development meeting. Chapter officers for the July 2000—June 2001 fiscal year will be installed during the June Professional Development Meeting, and are as follows:

President	George Cusack, CPIM
Treasurer/Secretary	Beverly Paul, CPIM
VP Marketing	Melanie Hoots, CPIM
Director of Administration	Michele Vitaich
Director of Technology/ Communication	Randy Beck
Director of Programs	Ed Mercado, CPIM
Director of North Valley Activities	Jerry Sanders
Director at Large	Glen Lewis
Director at Large	Bill Lodholz



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VP Marketing	Melanie Hoots, CPIM	916/785-7751	melanie_hoots@hp.com
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