

PDM Dinner Meeting

Balancing Supply and Demand with Sales and Operations Planning

By Donald Clark CFPIM, CSCP

Balancing demand with supply is the basic objective of every single enterprise. This is easy to state but, as it turns out, not so simple in practice. Some organizations meet this balance well, while others survive through crisis management.

Those that do not bring supply and demand into balance suffer the consequences. Excess inventory, disrupted production schedules, missed deliveries, etc., become the norm. All of these conditions create a huge amount of waste and the finger pointing begins, pitting departments against each other. Ultimately it is our customers who suffer, and sure enough, they will begin to go away.

A thorough understanding of demand, along with developing a comprehensive supply strategy to meet that demand, will allow organizations to effectively produce and deliver product, with greatly reduced waste. A vital tool to achieve this goal is the sales and operations planning process.

Agenda

- 5:30 Registration
- 6:00 Dinner & Networking
- 7:00 Membership Meeting
- 7:10 Presentation

Location

Lions Gate Hotel
3410 Westover Street
Sacramento(McClellan), CA 95652

Please RSVP with Tim Kott at
tkott@tescocontrols.com

* Please provide attendees name, company, telephone number, fax or email address. \$5 per person, or \$30 per person for dinner and speaker.

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Speaker's Biography

Donald is an ERP analyst for Clients First Business Solutions, a national organization specializing in mid-tier business solutions to a wide range of industry. He has more than 15 years experience teaching the APICS body of knowledge to a wide range of organizations as well as a variety of other operations related classes in numerous settings and to students with varying levels of experience as well as organizational position. Donald can be reached at dclark@clientsfirst-us.com.

President's Message

Dear Members,

Thank you all for your participation in a very successful plant tour at Sierra Nevada Brewery! There was an amazing turn out and even more amazing feedback. Our plan is to make this a yearly event.

We are still working to get through all the literature and correspondence that is sent out by APICS National and identify some of the benefits that APICS has to offer that many of you may not be aware of, such as fee waivers for the military and unemployed. Expect to see a listing of some of these this month.

A survey was sent out this week, please take the time to answer a few questions for us, so we can better understand what Sacramento APICS can do for you.

We are again working with Sierra College this year in their adult education program to provide the CPIM course. We are also considering hosting a Lean Management series, in-house in November. This will be a one week instructional, please watch for more details.

The board has committed to focus more energy on working with other professional groups in the Sacramento area. We have solidified two joint meetings in the coming year with ISM. This is not only an excellent opportunity to network, but will provide a greater insight into the membership and workings of ISM as well. I hope you can make plans to attend one of these events.

The Professional Development meetings will continue to be held at the Lions Gate hotel. Meetings will be on the third Tuesday of each month. I look forward to seeing you!

Thank you,
Pat McCarty

Calendar

October, 2009

- 6 Board of Directors Meeting
- OPEN TO ALL -
Location: Panera at I80 and Truxel
 - 20 Professional Development Meeting
Location: Lion's Gate Hotel
Speaker: Donald Clark
-

November, 2009

- 3 Board of Directors Meeting
- OPEN TO ALL -
Location: Panera at I80 and Truxel
 - 17 Professional Development Meeting
Location: Lion's Gate Hotel
-

December, 2009

- 1 Board of Directors Meeting
- OPEN TO ALL -
Location: Panera at I80 and Truxel

The will be no PDM in December



Editorial

Sierra Nevada Brewery Receives Engineering Magazine's "Sustainable Plant of the Year Award"

The term "craft beer" hadn't been coined 30 years ago when a smattering of entrepreneurs, many of them former home brewers, turned their passion into a profession and launched the first microbreweries.

Reuse of materials, minimization of waste, equipment innovation—resourcefulness and thrift were essential if they were to have any chance at commercial success. Most didn't make it, but a few survived and thrived in what is now a \$6.3 billion segment of the American beer market. Their early practices dovetail with the goals of sustainable manufacturing, and some are grabbing the lead in greenhouse gas reduction and renewable energy generation.

Ken Grossman was in the first wave of craft brewers. A former partner and he started Sierra Nevada Brewing Co. (SNBC) in Chico, CA in 1980, cobbling together used dairy equipment and packaging machines to make a distinctly hoppy beer for regional consumption. "Our early years of frugality and forced innovation gave us no choice but to be efficient," he remembers. Today, SNBC's beers are distributed nationwide. The Brewers Association ranks SNBC as the nation's second largest craft brewery, with 2008 production of 669,784 barrels—the equivalent of 36.9 million six-packs. Volume grew 150 percent in the last 12 years

With solar panels filling in the last few bits of open rooftop this summer, the brewery now boasts a solar array exceeding 10,000 panels. During June's long, sun-kissed days in California's Central Valley, solar delivered 247,263 kWh of electricity, reports Cheri Chastain, SNBC's sustainability coordinator. Another 678,266 kWh came from an on-site fuel cell stack. Operating the brewery, its brewpub, restaurant and ancillary buildings required almost 1.1 MWh, leaving the operation 159,072 kWh short of the goal of being completely off the grid.

The fuel cells are the plant's green-power workhorses. In the dead of winter, they meet almost 90 percent of the

plant's electrical demand, and solar fills the rest. The cells are powered by natural gas, with waste heat captured and converted to steam for the brewing process. Water and CO₂ are exhausted, and there are no transmission losses or carbon emissions, as would be the case if the electricity came from a distant, coal-fired utility plant.

Ambitious initiatives like fuel cells and solar arrays became feasible when production reached a critical mass. "A small brewery can't install fuel cells because they require a fairly stable energy load and round-the-clock production," Grossman points out. Thanks to booming sales, "today we've got more money so we can put in larger capital projects that have longer paybacks." Another example is the CO₂ recovery system commissioned in 2005.

Carbon dioxide is a byproduct of the fermentation process, and most brewers that produce 2 million barrels-plus have recovery systems that wash out the ethanol, organics and noncondensable gases before liquefying and storing the CO₂.

Breweries worldwide routinely recycle spent grain for animal feed. SNBC takes the practice to its closed loop conclusion: Through a cooperative program with California State University-Chico, SNBC's grain helps feed 60 head of cattle raised by UC-Chico ag students. This spring, 26 acres of barley planted a mile from the brewery were harvested. It will be malted and combined with fresh hops grown on nine acres next to the brewery. "It would be way too challenging to do everything with locally sourced raw materials," Grossman concedes, but autumn's debut of a limited edition brew called Chico Estate Harvest Ale is the brewery's salute to the ideals of locally grown, locally processed food.

This is an excerpt of an article from Food Engineering Magazine written by Kevin T. Higgins, Senior Editor. To view the full article, including details about Sierra Nevada Brewery's recycling program and waste reduction programs, please follow the link below. APICS Sacramento chapter would like to thank Sierra Nevada Brewery for sharing their brewery and excellent sustainment initiatives.

http://www.foodengineeringmag.com/Articles/Cover_Story/BNP_GUID_9-5-2006_A_1000000000000657035

International Conference

APICS International Conference & Expo October 4-6, 2009 Toronto, Canada

*Stay Relevant in the Global Economy at APICS 2009
Ensure you have the most current skills to keep your
career on solid ground*

Enhance your marketability, your capability, and your Global Ability at the 2009 APICS International Conference & Expo. Hone the skills required to help your company survive and thrive now and through the recovery.

This year, we've developed six Learning Paths designed to expand your understanding of a variety of best practices and techniques critical to success in today's global economy. From navigating the global supply chain and lean operations to sales and operations planning, and much more, the 2009 Learning Paths offer real-world education on today's most pressing topics.

To register for this event, visit www.apics.org.

PDM Dinner Review

APICS visited the Sierra Nevada Brewery in September for our second annual plant tour. This is a great plant to tour, which includes a full discussion of the sustainability initiatives SNB has undertaken. The tour concludes with a fantastic dinner. If you missed it this year, watch for it next fall!

*Photo (right)
Sierra Nevada Brewery in Chico, CA bottling and production
floor. This photo was taken during the plant tour.*

Hot Topics Spot

The New APICS Blogs Have Launched!

[APICS Blogs](#) will enable you to see the world through the eyes of fellow operations and supply chain management professionals, and share your point of view on a variety of topics. Connect with your colleagues interactively through APICS Blogs and grow professionally.

Visit the website at www.apics.org to see what the buzz is about!

APICS Survey

APICS Sacramento chapter will be conducting surveys to better serve its membership. Please take a moment to let us know how APICS can serve you better by following the link to the short survey.

Please act fast: This link will be active until October 5.

http://www.surveymonkey.com/s.aspx?sm=RRP_2bVr1c8Bt_2fFaqz4be8MA_3d_3d



APICSacramento Board Members

President	Pat McCarty, CPIM	916-374-3157	patricia.l.mccarty@siemens.com
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VP Marketing	Charles Withrow, CSCP		charles.withrow@atkearney.com
VP Education	Herbert Blake, CPIM, PhD	916-278-7106	blakeh@csus.edu
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Past President	Bill Lodholz	530-666-2493	lodholzb@wattsind.com
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Director at Large	Glen Lewis, CPIM, CSCP	530-752-7135	galewis@ucdavis.edu

APICS Society		800-444-APIC	http://www.apics.org
Chapter E-Mail			http://www.apicsacramento.com
Chapter Mailing Address	APICS Sacramento Chapter PO Box 13249 Sacramento, CA 95813		

Check Out APICS Career Opportunities Online

Are you seeking another job or career change? Don't forget to check out the APICSacramento Job Opportunities located at <http://www.apicsacramento.com>. A job opportunity can be discovered almost anywhere, so don't miss the chance to find one through your own local network.

And whether you are in the market for a job or just want to keep your options open, you will also want to search the APICS Career Center for available jobs, or to post your resume... the perfect fit could be waiting for you! <http://www.apics.org/Resources/careercenter>.

APICSacramento Organization Directory

The Listing below represents a sample of the companies and organizations represented by the Sacramento Chapter of APICS. If you are employed or affiliated with an organization not listed, please contact Charles Withrow at Charles.Withrow@atkearney.com. As a way of increasing our reach, we ask that each of you 'spread the word' of your membership affiliation with APICS. If you are interested in becoming a member or attending a PDM dinner meeting, please feel free to reach us for more information at info@apicsacramento.org.

Ames Company Incorporates

1485 Tanforan Ave
Woodland CA 95776

AMPAC Fine Chemicals

PO Box 1718
Rancho Cordova CA 95741

A.T. Kearney

255 California Street, Suite 1200
San Francisco, CA 94111

Baxter Planning Systems

7123 Cedar Oaks Drive
Granite Bay 95746

Comtek Computer Systems

3387 Industrial Blvd
Rocklin CA 95765

Constellation Wines

US4614 Turner Rd
Lodi CA 95242

Diamond of California

PO Box 1727
Stockton CA 95201

Digi International

2900 Spafford St
Davis CA 95618

Eigen

13366 Grass Valley Ave
Grass Valley CA 95945

Gel-Pak

31398 Huntwood Ave
Hayward CA 94544

Genetech

1000 New Horizon Way
Vacaville CA 95688

**Global Pharmaceutical Sourcing
Group-J&J**

700 Eubanks Drive
Vacaville CA 95688

HB Fuller Company

10500 Industrial Ave
Roseville CA 95678

Hewlett Packard

8000 Foothills Blvd
Roseville CA 95747

Intel

3031 Jimmy Way
Roseville CA 95747

Lares Research

295 Lockheed Ave
Chico CA 95973

Lifetouch National Schools Studio

2860 Fair Street
Chico CA 95928

NEC Electronic America

7501 Foothills Blvd
Roseville CA 95747

New Star Lasers Inc

9085 Foothills Blvd
Roseville CA 95747

Paragon Products

4475 Golden Foothill Pkwy
EIDorado Hills CA 95762

PASCO Scientific

10101 Foothills Blvd
Roseville CA 95747

PSGA

700 Eubanks Drive
Vacaville CA 95688

Russell Warner Inc.

2551 Albatross Way
Sacramento CA 95815

Seco Manufacturing Company Inc

4155 Oasis Road
Redding CA 96003

Siemens Healthcare Diagnostics

2040 Enterprise BlvdWest
Sacramento CA 95691

SMA

4031 Alvis Ct
Rocklin CA 95677

Thermogenesis

2711 Citrus Rd
Rancho Cordova CA 95742

Thompson Technology Industries

8451 Rovana Circle
Sacramento CA 95828

Thomson / Grass Valley

400 Providence Mine Rd
Nevada City CA 95959

Umbrella Systems

980 9th Street
Sacramento CA 95814