

UPCOMING EVENTS

October

12th NAPM-Houston Dinner Meeting
28th CPSM Bridge Review Seminar
29 - 30th CPSM Review Seminar,
Modules 1-3

November

9th NAPM-Houston Dinner Meeting

Check out the details for all events

www.napmhou.org

Pre-Meeting:

**Making Supplier Diversity
Work for You: What Every
Corporation Needs to Know**

Location:

**Sheraton Houston
Brookhollow Hotel**
3000 North Loop West,
Houston, Texas 77092

Cost:

\$27 with Reservation,
\$30 at the door without
reservation

When:

4:00 pm – Pre-Meeting
6:00 pm – Dinner
7:00 pm – Program
8:30 pm – Adjourn

October 12th General Meeting

“Journey to World Class Supply Chain Management in the Oil & Gas Industry”



Speaker:

Betsy Hosick

**General Manager - Strategic Capability,
Chevron Corporation, Houston, TX**

Betsy Hosick is the Corporate General Manager for Strategic Capability at Chevron Corporation, an integrated oil company. The Strategic Capability group manages enterprise wide process standardization, knowledge management strategies, strategic sourcing, quality systems, market intelligence, supplier diversity and the future direction of the Procurement and Supply Chain Management function for Chevron.

Betsy's 30+ year career spans positions in Human Resources, Field Operations, Marketing, Merchandising, Distribution and Procurement/Supply Chain Management. It is because of this vast experience that she can bring a unique perspective to a challenging business environment.

Betsy has been with Chevron since 1996. Her prior positions with Chevron include General Manager Midstream Procurement, Manager of C-Store Retailing, and Global Group Category Manager Marketing. Betsy has received numerous awards, including the coveted "Chairman's Award" recognizing her as "Better than the Best". She has also received Industry awards recognizing her as an innovative leader in Category Management and is highly regarded in the industry for people development, supplier relationships and a Win-Win attitude that delivers value to the customer and brings a competitive advantage to Chevron. She has a BS degree in Supply Chain Management from University of Phoenix and a Supply Chain Certificate from Arizona State University.

Please RVSP for dinner meeting by Thursday, October 7th by 5pm at napmhou@earthlink.net to reserve your seat

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PRESIDENT'S MESSAGE



The last several years we have been hearing much about change – both in the positive and negative sense. During these past few months, that word has taken on a dynamic of its own. For example, look at the workplace. Before we can learn a new process and be comfortable in navigating it, here comes a new, improved version. Sometimes we feel like we are just being continually bombarded with new technologies and systems.

Our roles as employees change almost weekly. When we think we have a wealth of knowledge stored up in our experience, suddenly with the onslaught of new information, we are humbled by how small our store of knowledge is compared to all the data that seems to be multiplying exponentially. It can be overwhelming to manage not only the volume of change but also the velocity of which it creates itself.

We can't deny that some changes do in fact bring improvement to our lives and we find ourselves eagerly embracing those enhancements. Other times, changes are fiercely resisted. I believe it is because change typically shakes our confidence. It's a natural phenomenon. As human beings we have a need a sense of control, of certainty. Change yanks us from our comfort level.

We are seeing changes in our affiliate. Our ad hoc committee has put in many hours and hard work collecting all the documentation to make our name change to ISM-Houston possible, which process is expected to be complete in January. There are some new faces on the board. There are new ideas floating around and unique events that are being planned. These new faces and ideas are the launching pad of a new era of change for NAPM-Houston. The thing that can stunt our growth and success is not whether the changes are effective but rather our main issue is our attitude. Are we going to resent change or are we going to use it to our advantage?

I would urge each of our members to rethink the concept of change. It is obvious that with change comes uncertainty. Let's allow ourselves to be a little uncomfortable – it's only natural. Let's look at what we want to accomplish within ourselves and our environment and especially within our affiliate. The most difficult thing to do is to acknowledge that we need to change our way of thinking in order to adapt to changes around us. So let's make an effort to explore the benefits of new ideas and try to be open to them and to the people that generate those new ideas. It is the lifeblood of our organization.

Jo Ann Prazak, C.P.M.

President, NAPM - Houston Inc
Direct: 281.423.0343

JoAnn.Prazak@SwiftEnergy.com

News & Notes

By: Joseph R. Britt, CPSM

- We wish Carol Montgomery's husband, Howard, a quick recovery after surgery in September.
- We wish continued health to Sharon Malkovicz's mother, Lil, after recent surgery.
- We hope Shelley Kirkendall's father continues his recovery after a recent hospital stay.

If you have news and notes for the newsletter, send them to Joe Britt, CPSM

P: 713.669.5384 / F: 713.669.5295

jbritt@Neighborhood-Centers.org

October Pre-Meeting

4:00 PM - 5:45 PM

“Making Supplier Diversity Work for You What Every Corporation Needs to Know”

The Supplier Diversity Buyer Group, in partnership with the Women’s Business Enterprise Alliance (WBEA) and the Houston Minority Supplier Development Council (HMSDC), has the pleasure of presenting the October Pre-Meeting. The program entitled, Making Supplier Diversity Work for You – What Every Corporation Needs to Know, will provide training to procurement professionals on the importance of Second Tier initiatives. Patricia Richards, along with Second Tier Committees from our partners WBEA and HMSDC, will discuss why Second Tier initiatives should be supported. Financial support for this event is made possible by BP, Center Point Energy, Chevron, ConocoPhillips, ExxonMobil, Halliburton, Reliant Energy, Shell Oil, Waste Management and Continental Airlines. You will not want to miss this opportunity for FREE training on such an important topic. Please make note that this Pre-Meeting will begin at 4:00 PM CST and last approximately two (2) hours. Continuing education credits will be presented to attendees. This event is expected to be well attended so please make your dinner reservations in advance

Academic Partnership

By: Tiffani Atkins - Chair

Volunteers Needed

Where: Scarborough Elementary School

Location: 3021 Little York Rd. Houston, TX 77093

When: Friday, October 15th, 2010

Time: 8:30 A.M. - 12:00 P.M. Distribution of books
1:00 P.M. Ceremony

Why: Celebration ceremony for an \$125,000 Brand New Library Grant

*Each student will receive 7 free library books!

*Volunteers needed with distribution of over 5,502 books in the morning for students.

Contact: Tiffani Atkins at
NAPM.Houston.School.Partnership@gmail.com or
281.682.8443

NAPM - Houston Mentorship Program

PURPOSE

To provide avenues for professional growth and development for N.A.P.M. Houston members. One way to address such an opportunity is through building and strengthening mentoring relationships.

The mentorship program will help to develop a relationship that provides for the exchange of information and knowledge built on a foundation of trust, truth and compassion offering insight and perspective.

OBJECTIVES

- Successfully match Mentees and Mentors
- Provide a program promoting information sharing and trust building
- Encourage participation from all levels of the organization
- Enhance knowledge of about Supply Management

GOALS

- Provide an avenue for development
- Further personal and professional growth
- Cultivate positive relationships across and within N.A.P.M. Houston

PROGRAM OVERVIEW

- Program Length: October 2010 through September 2011.
- Mentor and Mentee meet at least once per month – at least 8 hours total for the 12-month duration
- Mentees should initiate the meetings. Mentors should be proactive in the beginning because Mentees might initially be apprehensive.
- Define the boundary of the mentoring relationship – define which areas are open for discussion, for example.
- Keep open lines of communication, try to send quick emails or phone calls between meetings where possible
- If either party is not comfortable with the match after 2 months duration, the Mentor or Mentee should contact the Chairs of N.A.P.M.-Houston’s Career Services program.

PROGRAM CONTACTS

At any time during the program, please contact the following N.A.P.M.-Houston Career Services chairs:

- Chair, Career Services – Hether Benjamin Brown – benjaminhe@calpine.com
- Co-Chair, Career Services – Jonathan Heath – jheath@mdanderson.org
- Co-Chair, Career Services – Kathy Limper – klimper@calpine.com

CPSM Bridge and CPSM Review Seminars

Thursday, October 28, 2010 CPSM Bridge Review 8:00 A.M. – 5:00 P.M.
Friday, October 29, 2010 / Saturday, October 30, 2010 8:00 A.M. – 5:00 P.M. Exams 1-3 will be covered

Dr. Russell Morey is Professor Emeritus of Supply Chain Management at Western Illinois University. He is President of Morey and Associates and has conducted training programs for more than 25 Fortune 500 Corporations in North America and Europe as well as numerous professional associations throughout the U.S. Dr. Morey published multiple articles and cases and is contributing author of an Introduction to Management textbook. He has received more than 100 awards and Certificates of Achievement for his contributions to education and the purchasing profession while very active in professional certification. Dr. Morey is one of the original presenters of the first C.P.M. Review Workshop sponsored by ISM in 1977.

LOCATION: **Aramco Services Company, Auditorium, 9009 West Loop South, Houston, TX 77096**

Security measures at Aramco Services Company require 2 forms of photo ID and advance registration. If you are not registered, you will not be allowed entrance.

TIME: **Arrive 7:30 a.m. for check in.**

Review begins at 8:00 a.m. All review days include Continental breakfast and lunch as well as class materials.

REGISTRATION FEE: **CPSM Bridge only \$180.00 CPSM Review \$180/day (\$285 both days)**

Seating is limited and reservations will be on a first come/first served basis.

REGISTRATION DEADLINE: **Friday, October 15, 2010.**

All payments and registration forms must be received no later than Friday, October 15, 2010; Handouts cannot be guaranteed if registered after the deadline.

INFORMATION:

For more information about this seminar, visit N.A.P.M.-Houston's Website at www.napmhou.org.

For more information on the certification program, visit ISM's Website at www.ism.ws.

For additional questions, please contact Carleen Glasgow via email at cm_glasgow@hotmail.com.

CERTIFICATION CREDIT: Participants will receive up to 8 CEH's for each day.

October 2010 Dinner Menu

Mixed green salad
 Seared skirt steak drizzled with mushroom wine reduction
 German style mashed potatoes
 Steamed vegetables
 Rolls with Whipped Butter
 German chocolate cake
 Vegetarian and chicken dinners available upon request.
 Please notify us at the time your reservations are made.
 You must request an alternate entrée' or vegetarian meal in advance.

NAPM - Houston, Inc. - Policy Statement

NAPM-Houston, Inc. shall conduct all association functions in a professional manner, and without malice or discrimination, by word or action, with relation to race, religion, national origin, color, sex, age, or disability. Anyone who feels an offense against them has transgressed, or has infringed upon, or violated their protection under this policy, should contact any member of the Board of Directors Executive Committee for resolution under the established rules and regulations adopted by NAPM-Houston, Inc. Board of Directors.

NAPM - HOUSTON BUSINESS REPORT

For further information, contact: Mike Valant, C.P.M., A.P.P. (281) 240-4972

Press Release

September 10, 2010

Houston Economy Unchanged! Purchases and Sales Leading Indexes

The National Purchasing of Managers — Houston reported this month that the Houston Purchasing Managers Index PMI was **52.5** in August. The Houston Purchasing Executives reported that economic activity in the Houston area although positive for the last twelve consecutive months, is close to the lowest level in 2010. This is a continuing indication that economic growth is improving in our area, but the federal government new healthcare and financial legislation passed recently and the deep water drilling band is delaying expansion.

The PMI, which indicates likely shifts in Production volume three or four months in advance, now shows a signal that production is still continuing to move forward, but not at the pace seen earlier in 2010. The PMI has a possible range of 0 to 100. Reading's over 50 indicate production gains over the near term; readings below 50, show coming contraction.

The Houston PMI is based on diffusion indexes for eight indicators. (A diffusion index is simply the percentage of respondents reporting increases from the previous month less the percentage reporting declines.) The Houston PMI which is based on eight components had four of the eight reporting increases during August.

The leading indicators were the Purchases index, which rose from 0 to **19**, while Sales increased 11 points from 5 to **16**. But these nice rises were offset by a 9 point fall of Prices Paid (Major Purchases) to **-2** PMI. Plus the 7 point declines in Production to **9** and Employment to **-9** PMI from July. Lead Times at **19** were up 3 points, while the finished goods Inventory was up 5 points to 0.

The change in Employment was the result of a 7% reduction in our respondent's bringing back workers. This new number takes us back to the employment level in February, 2010. Although another fall back, we are still indicating 77% had the same or Increased Employment levels. This is continued bad news for those looking for work. The Houston PMI has averaged **53.6** over the last twelve months. There has been an improvement in the PMI number of 25.7% since March, 2009.

The National Association of Purchasing Management - Houston has published the Houston Purchasing Managers Index monthly since January, 1995 as a service to its members and the wider Houston business community

Commodities in Short Supply:

Delivery delays, some now caused by shortages of drivers/trucks/trailers, Copper Flake Vendor is at max capacity and unable to keep up with Demand, Nickel Flake continues to haunt production, but improving, Titanium Dioxide (restricted supply), Silicones (Some under allocation), Some packaging being direct shipped from the manufacturer to the Plant, Castings, Forgings, None that affect our Corp., Lead times for PCB increasing due to supplier capacity, Not buying much. No problems at present.

Commodities UP in Price:

Titanium material and parts, electric motors, Base oil prices (100, 500, and 1200) continue to creep upward, Copper reversed its downward slide and started to climb, Titanium Dioxide has risen 12% since April with at least one more raise planned, Zinc/Zinc Products have reversed their downward trend of the last three months, Forged Hooks up 4 to 7%, Natural gas, industrial gas, equipment rental, Caustic soda.

Commodities DOWN in Price:

Janitorial services and insurance premium renewals, Poly Resins have had another published price drop. Plastic pails have stabilized, Heavy 55 Gallon metal drums have dropped due to recent competition, Contract labor, fuel, crane rentals.

August 2010

	UP	SAME	DOWN	N/A
Sales	40%	30%	23%	7%
Production	28%	42%	19%	12%
Employment	14%	63%	23%	0%
Purchases	37%	44%	19%	0%
Prices Paid (Major Purchases)	16%	65%	19%	0%
Lead Times (from Sellers)	28%	63%	9%	0%
Purchased Inventory	21%	47%	14%	19%
Finished Goods Inventory	19%	44%	19%	19%

Index 2009 -2010 (9 months)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
Sales	19	25	16	11	23	30	12	5	16
Production	12	18	20	20	26	28	19	16	9
Employment	-21	-20	-11	-2	0	9	5	-2	-9
Purchases	2	27	25	27	28	26	9	0	19
Prices Paid (Major Purchases)	-7	7	16	18	28	26	12	7	-2
Lead Times (from Sellers)	0	7	14	16	23	26	21	16	19
Purchased Inventory	-19	18	11	7	0	19	9	12	7
Finished Goods Inventory	-7	-5	7	-7	-9	-12	-16	-5	0

Note: Each monthly index was calculated by subtracting the "DOWN" percentage from the "UP" percentage. The indices are not seasonally adjusted.

	Sep09	Oct09	Nov09	Dec09	Jan10	Feb10	Mar10	Apr10	May10	Jun10	Jul10	Aug10
Composite PMI	50.0	50.6	51.2	51.9	53.2	53.3	55.3	58.1	59.0	55.6	52.4	52.5

The NAPM-Houston Business Report began publication in January 1995.

Subscriptions to the report are available through NAPM-Houston.

NAPM - Houston, Inc. is an affiliate of the Institute for Supply Management

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