

# Houston Buyline



NAPM - Houston, Inc. Monthly Publication

May 2005

## UPCOMING EVENTS

### MAY

10 "People, Power & Possibilities"  
Dinner Meeting

16 & 17 **Advanced Purchasing Strategies**  
University Of Houston Clear Lake  
Center for Advanced Management  
Programs (Camp)

18 & 19 **How to Purchase Services**  
University Of Houston Clear Lake  
Center for Advanced Management  
Programs (Camp)

19 **NAPM Houston Golf Tournament**  
Cypress Golf Club  
21602 Cypress Dr. – Spring, TX  
8:00 AM: Registration

### JUNE

9 **ISM Satellite Seminar**  
"Discovering Supply Management's Social  
Conscience"  
Aramco Services facility

Check out the details for all events  
[www.napmhou.org](http://www.napmhou.org)

**Think Service**  
**Think Value**  
**Think NAPM-Houston**

## May 10, 2005 General Meeting



### *Donna Fisher*

### **People, Power & Possibilities**

*Author of Professional Networking for Dummies, Power Networking,  
People Power and Power NetWeaving*

Donna Fisher believes that you have the power to create unlimited possibilities by working effectively with the people in your network. For over 15 years she has been researching, writing and speaking about how to make connections that make a difference. She is an introvert who not only learned how to network, but then networked her way to entrepreneurial success. She is the president of both Donna Fisher Presents, a provider of keynotes and trainings for corporate meetings, conferences and conventions, and HiHat Inc., a manufacturing and retail business for drums and percussion instruments. She is also the founder and designer for Soft & Luxurious custom designed and handcrafted fashion accessories. Her books, *Professional Networking for Dummies*, *Power Networking*, *People Power*, and *Power NetWeaving* have been translated in 5 languages, recommended by Time Magazine and used as reference books in corporations and universities. Ms. Fisher brings to you a passion for having people communicate with clarity and respect to create great opportunities. Please visit her at [www.donnafisher.com](http://www.donnafisher.com)

**Location:** **Sheraton Houston Brookhollow Hotel**  
**3000 North Loop West (I45 to 610 to T.C. Jester Exit-Hotel on Right)**

**Cost:** **\$27 (Reservations Required by Thursday 5/5/05, 5pm)**

**When:** **5:00 pm – Pre-Dinner Meeting (worth 1 CEH)**  
The meeting room location will be posted at the registration table

**6:00 pm – Dinner**

**7:00 pm - Program by Donna Fisher**

**8:15 pm – Adjourn**



### **Pre Meeting: Graphic Arts Purchasing**

Judy Myers, Publisher with Printers Exchange Southwest will discuss the topics of graphic arts purchasing. Working as a nucleus for the print community, Printers Exchange facilitates print purchasing offering cost saving information and ways to eliminate costly errors. She will also feature the latest technology in the graphic arts field.

Please RVSP for dinner meeting by Thursday May 5<sup>th</sup> at 5pm at [napm-houston@houston.rr.com](mailto:napm-houston@houston.rr.com)

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# PRESIDENT'S MESSAGE

I read an article recently that stated "When we fail to make thinking a priority, we develop what the author Gordon MacDonald calls "mental flabbiness." This may not sound like a life-threatening condition, but some ways, it can be quite dangerous. Here's how MacDonald explains it:

"In our pressurized society, people who are out of shape mentally usually fall victim to ideas and systems that are destructive to the human spirit and to the human relationship," he writes. "They are victimized because they have not taught themselves how to think, nor have they set themselves to the lifelong pursuit of growth of the mind. Not having the faculty of a strong mind, they grow dependent upon the thoughts and opinions of others. Rather than deal with ideas and issues, they reduce themselves to lives full of rules, regulations, and programs."

Fortunately, there is an antidote to mental flabbiness: making time to think. I realize this can be a daunting assignment for people whose schedules are already bursting at the seams. And yet, when we don't make thinking a priority, we're actually sabotaging our own creativity and success."

Thinking also comes through training and that is the main purpose for NAPM – Houston and ISM. Please take a close look at the many opportunities available from both organizations to beat mental flabbiness.

I told you about the 90<sup>th</sup> Annual International Supply Management Conference being held in our back yard - San Antonio May 8 – 11, 2005. Although this is not an inexpensive conference, the speakers and subjects are excellent and worth the expense and time. Check it out all of the details on the ISM website. There are three easy ways to register: Via the ISM website at [www.ism.org](http://www.ism.org), select Conferences & Programs to complete the registration on line. This will save you \$25.00 and always favored by us frugal purchasers. Or get a registration form from any NAPM officer and fax or mail that in. It appears that the conference may have openings for more volunteers. That would may allow you to sit in the workshop and hear the presentation, but assist the speaker with handouts and surveys. There is no charge and conference meals are provided when you commit for the day. Contact me if you are interested and have not already done so.

Let's all take the time to investigate the educational opportunities of NAPM – Houston and ISM and avoid the mental flabbiness. Come join us as the first step toward meeting your mental fitness.

*Mike Valant, C.P.M., A.P.P.*

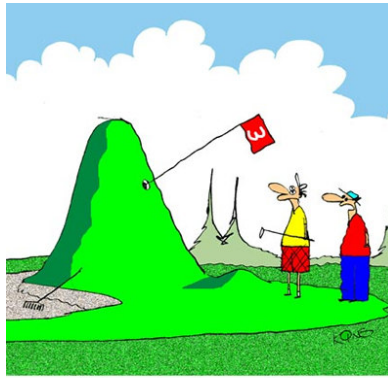
## Recent A.P.P. Accreditations / C.P.M. Certifications of NAPM-Houston members

Odion Aisiri, A.P.P.  
Edward McIntosh, C.P.M., A.P.P.  
Thomas Nash, Lifetime C.P.M.  
Chris Nguyen, A.P.P.  
Anthony Osague, A.P.P.  
Sashindra Rao, A.P.P.  
Johnny Sylve, A.P.P.

## NAPM Golf Tournament

May 19<sup>th</sup> is just around the corner and we are looking forward to a great day of fellowship and fun at Cypresswood Golf Course. We continue to solicit your support and help. If you have not entered, there is plenty of time to do so. Also, as you speak with your supply base, let them know of the outing and encourage them to put together a team. All forms, both for entry and sponsorship, are located on our web site. Thanks in advance for your support and participation.

See ya on the first tee!!



"I hear this is one of the tougher greens to putt on."

**Cypress Golf Club**  
**21602 Cypress Dr. – Spring, TX**  
**8:00 AM: Registration**  
**9:00 AM: Shot-Gun start**  
**2:00 PM: BBQ Meal**

## 2005-2006 Voting Results in on NAPM-Houston Board of Directors Positions and Vice President

We appreciate your taking time to vote for future Board for the upcoming 2005-2006 year. I am proud to introduce to you the results of the ballot pole.

Congratulations to newly elected Vice President, Linda A. Love, C.P.M. Linda will begin her 3-year term on June 1<sup>st</sup>!

We are also pleased to introduce three new Local Directors to our membership. Congratulations to Brian Foster, Harris County Hospital District, Laurie D. Oberhoff, Tecmag, Inc., and Lin Peterson, C.P.M., A.P.P., Texas Children's Hospital. Your new Local Directors will each serve 2-year terms.

### Satellite Seminar "Discovering Supply Management's Social Conscience" June 9th

**Time:** 9:00 AM - 1:30 PM (Please arrive around 8:15 AM for sign-in)

**Program Length:** 4 Hours (There will be a 30 Minute break starting at 11:00 AM)

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

**Cost:** No Charge

A supply professional needs only to look at the front page of the *Wall Street Journal* to be reminded of the importance of social responsibility. Ethical improprieties concerning accounting and finance, as well as safety, environmental, and human rights issues often make front-page news. Conversely, companies that have exemplary records in these areas of corporate social responsibility (CSR) can market their efforts to customers, shareholders, employees, and other stakeholders including suppliers. As a key interface with suppliers' service providers in supply chain areas such as transportation and logistics, the supply management function can play an important role in an organization's CSR efforts. This satellite seminar examines the types of activities that supply managers can engage in to support their organizations' CSR initiatives, and how to initiate, sustain and measure the results of a CSR program.

To Register Contact: Dora Valdez , email: [da.valdez@aramcoservices.com](mailto:da.valdez@aramcoservices.com)  
Phone: (713)-432-4174 / Fax (713)-432-8402

Security measures at Aramco Services Company require advance registration, if you are not registered you will not be able to attend.

Upon sign-in on the morning of the seminar you will be required to present two (2) forms of picture ID and show proof of company and / or student affiliation.

## Advanced Purchasing Strategies May 16<sup>th</sup> & 17th

This elective course is designed for those who have successfully completed the Essentials of Purchasing® course and for the more experienced buyers who would like to improve their skills. Gain a competitive edge by updating your skills using the most up-to-date purchasing techniques. This course will allow you immediate practical application through the use of case studies and videotaped exercises.

## How to Purchase Services May 18th & 19th

Traditional approaches to purchasing tangible items don't work well when applied to purchasing services. In this elective course, you will learn to purchase services with the same confidence as purchasing "hard goods." Discussions include how to find the right service suppliers and pin down what you are getting at what cost. You will discover proven ways to develop definitive service contracts and monitor service quality and supplier performance.

### General Information/Registration Details

Location:

University of Houston-Clear Lake,  
2700 Bay Area Blvd.,  
Bayou Building,  
Houston, TX 77058

Time: 8:30 a.m. - 4:30 p.m., with check-in 8-8:30 a.m.

## Student Research Paper Contest

We will be sponsoring another contest for this Spring semester for our UHD students. Scholarship money will be awarded for 1st, 2nd and 3rd place papers. We need judges to assist with the scoring. Please contact Pam Washington, C.P.M. if you can assist with judging.

## 2005 Awards & Presentation Dates

Billie Jean Sommer Award	May 10, 2005
Perfect Attendance Gifts	May 10, 2005
President's Plaque	June 14, 2005
President's Medallion	June 14, 2005
President's Gavel	June 14, 2005
President's Gift	June 14, 2005
James O. Cox Award	June 14, 2005
Arnold Yauch Award	TBD

## A.P.P. Program Changes Update

ISM would like to clarify the changes in the A.P.P. program. The original announcement about timeline for an individual to become an A.P.P. has caused some confusion. It has appeared as if February 28, 2005 was the end all deadline to register for the A.P.P. exam. This is not correct. The actual date is February 28, 2007. This is the date by which you must postmark your A.P.P. application, after passing the exam for Modules I & II. So it doesn't matter when you register for the exams – only that your application be sent in before the deadline date. ISM regrets the imprecise wording of the original notification.

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## Successful UH-D Roundtable Event

The March 31st event was well attended by the students. Speakers were Larry Burton of Dawson Consulting Group, Thomas Crimi of UH-D and ChevronTexaco, Bob Engel of Resources Connection and Kimen Metzger, C.P.M. of HP. A very special thanks goes to Laurie Bond for spearheading the event, Nancy Reingold for facilitating and presenting the speakers and Darin Workman, President of the SSCMA for coordinating with the college and advertising to the students. This was the 5th annual Roundtable and is held to encourage students to expand their knowledge in the field of purchasing and supply chain management.

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## Billie Jean Sommer New Member of the Year Award

The Billie Jean Sommer Award is for new members, who will most likely not have served in a Chair or Vice-Chair capacity. The member must have accepted and retained a committee position for a minimum of 6 months and performed in an above average manner. The Chair of the committee on which the member served shall make nominations for this award. This award may be presented annually IF there are deserving candidates, but it is not mandatory.

After determining that nominees have meet the minimum criteria as described in the Manual of Duties, the committee shall evaluate the nominees and the nominee receiving the most votes shall receive the award. In the event of a tie, the MAC Committee chair shall cast the deciding vote. This plaque for this award would be presented at the May 10, General dinner meeting by Mara Stanfield, C.P.M. Membership Activities Chairman.

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## School Partnership Committee Update

by Debbie Newman

As the 2004 – 2005 school year is about to come to a close, the committee is working with our adopted schools to plan several recognition events. Scarborough Elementary will recognize honor roll students and those with perfect attendance. For McReynolds Middle School, we will assist with recognition of the Popcorn Factory student participants.

The committee would like to remind our members to watch for items that might be donated to our adopted schools. One man's trash is another man's treasure. If your employer is acquired or changes the company name or logo, there may be lots of letterhead sent to the trash. Our students would be thrilled to have the paper. If your children or grandchildren are getting older and you have a pile of books, toys or puzzles that are unloved, the students will put them to good use. We've received all types of donated office equipment & supplies over the years and our adopted schools are almost always able to put it to good use. We'll even arrange for the items to be picked up and delivered to the school.

If anyone is interested in working on specific events (judging a science or history fair, the fall festival, career day, etc.) please phone (713-431-4849) or email [debbie.a.newman@exxonmobil.com](mailto:debbie.a.newman@exxonmobil.com) and let me know. It great fun working with these young people and they really appreciate all of our efforts on their behalf.

## TENURE CONGRATULATIONS

Joe Huggins was presented his 50 year Membership certificate at the April 12 General meeting. Joe's father-in law, L.H. Kennon was the PMAH President in 1929. Joe's son, Bill Huggins is a current member. Congratulations Joe!

### May 2005 – 5 Year

William "Bill" M. Scadden

### May 2005 - 10 Year

Mildred P. "Patty" Brimlow

### May 2005 - 15 Year

John H, Hagyard, Jr.

### June 2005 - 5 Year

Catherine D. Thorton

Greg R. Cain

### August 2005 - 5 Year

Frank Yards

Gracia Rosslow

Phillip R. Jackson

### August 2005 - 10 Year

Phillip M. Ellison, C.P.M.

Rick Jones

Due to the Installation of Officers in June, the Tenure Certificates for May, June and August will be presented at the May 10, 2005 General meeting.

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## 2004 – 2005 Perfect Attendance Award

The Perfect Attendance awards will be presented at the May 10, 2005 General meeting. All NAPM-Houston Members are eligible by attending General dinner meetings of September, October, January, February, March & April (excluding the Board of Directors) Those who qualify will be presented a perfect attendance gift. Congratulations to our recipients!

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The next Pro-D Meeting will be held the **latter part of June**. Exact date, time and place will be announced later.

# NAPM - Houston Business Report

April 11, 2005

by Douglas R. Miller, C.P.M. 713-988-7306

## ECONOMY SHOWS STEADY GROWTH

### MORE FIRMS HIRING, PURCHASES INCREASE

Houston's economy continued growing in March for the twenty-seventh consecutive month, as the PMI was 58.2 for the month, slightly less than the 59.0 recorded in February. Purchases of goods and services grew significantly in the past month, adding to the overall growth rate, as many firms evidently made new efforts to increase their inventory holdings. This increase would appear to reflect heightened confidence in near term Sales growth.

Sales for the month grew at the same rate as in the prior month with thirty-seven per cent of survey respondents reporting increased Sales while only eleven per cent reported a drop in Sales for the past thirty days. The Production component of the PMI slowed its growth rate slightly in March with twenty-four per cent of Houston's supply chain executives reporting Production increases while thirteen per cent saw overall Production declines.

Employment in the Houston area was reported higher by twenty-six per cent of survey respondents with only eight per cent of participating firms reducing their manpower. Net job growth has now been seen for sixteen months while two-thirds of those reporting are maintaining a steady workforce.

Prices continued increasing overall as reported by fifty-seven per cent of survey participants although the Prices Paid index in March was the lowest reported since February of 2004, but just barely. Prices are being reported by an increasing number of Houston businesses as falling overall, but very slowly. The rising cost of energy is going to make further price softening very difficult, but economics of scale are being achieved and will likely produce more positive results as cost-cutting or cost-leveling efforts continue.

Lead Times rose moderately in March as more buyers were chasing supplies that are still not increasing at the same rate as are demands. Both Purchased Materials and Finished Goods Inventories were augmented significantly in the past month. Only twice in the past ten years, in January of this year and in February of 1997, have inventories been increased at a greater rate than in the past month. Cost does not appear to be a roadblock to building an inventory in order to capture a larger share of a constantly expanding market.

**Items in short supply:** Prevnar vaccine, special machined parts, connectors, valves, filters, regulators, transmitters, packing, seals, couplings, castings, forgings, workover rigs, inland barge rigs, marine equipment, rugs, speed barges, shale barges, TiO<sub>2</sub>, Co-poly resin, light gage SS.

equipment, anything petroleum based, refrigerants, plasticizer, co-poly resin, hom-polymer resin, TiO<sub>2</sub>, wood pallets, aluminum & aluminum products, copper, transportation, plastic resins, PVC & CPVC pipe, fiberglass products, forgings, iron castings, forged flanges, fabrications.

**Prices on the DOWN side:** Computers & components, OCTG & line pipe, IT services, electrical components, carbon steel.

**Prices on the UP side:** Alloy elements found in enhanced steel products, pipe, valves, fuel, surcharges, vaccines, diesel fuel, tires, marine

#### MARCH

#### Index 2004/2005 (9 months)

	UP	SAME	DOWN	N/A	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Sales	37%	39%	13%	11%	+52	+33	+40	+48	+21	+21	+46	+26	+24
Production	24%	42%	13%	21%	+40	+37	+24	+11	+19	+17	+29	+14	+11
Employment	26%	66%	08%	00%	+23	+27	+17	+15	+12	+16	+25	+15	+18
Purchases	50%	39%	11%	00%	+37	+31	+40	+26	+26	+29	+38	+18	+39
Prices Paid (Major Purchases)	57%	35%	08%	00%	+52	+53	+51	+52	+63	+65	+54	+52	+49
Lead Times (from Sellers)	42%	55%	03%	00%	+44	+45	+31	+42	+40	+44	+32	+35	+39
Purchased Inventory	29%	32%	08%	31%	+06	+17	+06	+17	+02	-02	+26	+02	+21
Finished Goods Inventory	29%	29%	21%	21%	+06	00	-13	+03	-14	-02	+09	-02	+08

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

NAPM - Houston	04/04	05/04	06/04	07/04	08/04	09/04	10/04	11/04	12/04	01/05	02/05	03/05
Composite PMI	64.6	62.9	60.5	64.4	62.8	62.7	60.2	60.8	60.5	61.7	59.0	58.2

A reading above 50 indicates that the Houston economy is generally expanding; a reading below 50 indicates that it is generally contracting.

The NAPM-Houston Business Report began publication in January 1995.  
**Subscriptions to the report are available through NAPM-Houston**  
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**NAPM-Houston, Inc.**  
P. O. Box 771203  
Houston, TX 77215-1203

**Address Service Requested**

**May Menu:**

Rosemary and Garlic Clove Roasted Porkloin  
with a Sun-dried Tomato Pesto on Basil Risotto  
Salad, Dinner Rolls, Dessert  
Coffee, Tea, Water  
Chicken or Vegetarian dinner available upon request.  
Please notify us at the time your reservations are made.



**Southwest Supply Chain Forum**  
59<sup>th</sup> Annual Southwest Purchasing Conference  
**October 4 – 8, 2005**

**GALVESTON: EXPERIENCE THE BAY  
OF KNOWLEDGE**

**Location:**

San Luis Resort, Galveston, TX  
[www.sanluisresort.com](http://www.sanluisresort.com)

For General Conference Information, please contact: Connie Mullins,  
[connie.mullins@benham.com](mailto:connie.mullins@benham.com)

More details are available on  
our Web site:  
[www.ismswscf.org](http://www.ismswscf.org)

**Newly Certified?**

If you've recently received your C.P.M. certification or A.P.P. accreditation allow us to recognize your accomplishment! Let us present it to you at one of our general meetings. It can be a real encouragement to those considering taking up the challenge of attaining certification.

Contact Jo Ann Prazak, A.P.P., Professional Development Chair at  
[jprazak@paraengr.com](mailto:jprazak@paraengr.com) for more information about any of the events.

**News & Noteables**

If you have "News" or "Noteables", please contact : Edward M. Wahowski  
[edward.m.wahowski@williams.com](mailto:edward.m.wahowski@williams.com)  
713-215-4211 \* FAX: 713-215-4212

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**Lin Peterson, C.P.M., A.P.P., Chair**  
**Laurie D. Oberhoff, Vice Chair**

The Public Relations Committee of NAPM-Houston, Inc. publishes the Houston BuyLine throughout the year. All comments, inquiries, and suggestions are welcome and may be submitted to:

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