

Houston *Buyline*

NAPM - Houston, Inc.

NAPM - Houston, Inc. Monthly Publication

September 2006

UPCOMING EVENTS

September

- 12th Dinner Meeting – “Services Procurement”
- 25 – 26th “Essentials of Purchasing” – University of Houston-Clear Lake
- 27 – 28th “Contract Writing for Purchasing” – University of Houston-Clear Lake

October

- 4-6th Southwest Purchasing Conference – Albuquerque, NM
- 10th Dinner Meeting
- 12th ISM Satellite Seminar – “Finance for the Supply Professional”
- 30th “Advanced Purchasing Strategies” – University of Houston-Clear Lake

Check out the details for all events

At:

www.napmhou.org

Think Service
Think Value
Think NAPM-Houston

September 12th General Meeting "Services Procurement"

Speaker: Theresa Metty, C.P.M.



Theresa Metty, C.P.M., is CEO of Metty Advisory Group. She formerly was senior vice president and CPO for Motorola, Inc., where she oversaw all direct purchases, ranging from components and materials to third-party services and software. Prior to being CPO, Metty served as senior vice president and general manager of the supply chain for Motorola's largest business unit — Mobile Devices.

Prior to joining Motorola in November 2000, Metty was vice president of procurement at IBM, responsible for \$45 billion in purchases. Metty was a key driver of change at IBM and achieved outstanding results in procurement transformation, cost reduction and client satisfaction, which contributed to IBM's winning the Medal of Professional Excellence in 1999. (Cont'd on pg 2)

September 2006 Pre-Meeting: Volunteer Fair

All committees & GROUPS sponsored by NAPM-Houston will be participating in the traditional pre-meeting time slot from 5:00 p.m. to 6:00 p.m. Come visit with the committee representatives and learn about their respective committees. If you have questions or just want to express your thanks for their hard work and efforts, this is the time. If you are interested in volunteering, this is definitely your opportunity to find out what would be best for you! Volunteering provides a benefit to your association and your own personal growth. Nobody loses! We have a place for you and you can make a difference!

- AWARDS
- COMMUNICATIONS/WEB
- MEMBERSHIP ACTIVITIES
- PUBLIC RELATIONS
- HEALTHCARE BUYERS GROUP
- SPECIAL ACTIVITIES (GOLF TOURNAMENT)
- PROFESSIONAL DEVELOPMENT (PRO-D)
- BUSINESS SURVEY
- GREETERS
- PROGRAMS
- SCHOOL PARTNERSHIP
- SUPPLIER DIVERSITY GROUP

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

Cost: **\$27** (Reservations Required)

When: **5:00 pm** – Pre-Meeting
6:00 pm - Dinner
7:00 pm – Installation of Officers & Program
8:15 pm - Adjourn

Please RSVP for dinner meeting by Thursday, September 7th at 5pm at napmhou@earthlink.net

EXECUTIVE BOARD

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PRESIDENT'S MESSAGE

After a summer break in July and August, NAPM-Houston, Inc., will be resuming our monthly dinner meetings beginning September 12, 2006. We have an exciting year planned, so we invite you come join in on the fun!

September is Volunteer Month, so in place of our usual Pre-Meeting, beginning at 5:00PM, we will have tables manned by representatives of each of our committees. You will be able to meet with each committee and learn their committee function. You may also find one you'd like to join. Committee responsibilities cover varying amounts of commitment, so if your discretionary time is limited, consider looking into the many short-term committee tasks available.

Being a committee member has many rewards. You'll get to know other members better and even learn new skills that you can apply to other facets of your life, so I encourage you to give it a try.

Also, it's 'Back to School' time. NAPM-Houston, Inc. has partnered with Scarborough Elementary and Patrick Henry Middle Schools for several years to assist the lower income students with school supplies and other necessities. Please remember to bring pencils, pens, notebook paper, spiral notebooks, etc., to the September dinner meeting for collection and delivery to these schools.

Please mark your calendars for the second Tuesday of each month beginning in September to come join us for a good meal, good fellowship, and an interesting keynote address. You are always welcome!

Sincerely,

Linda Love, C.P.M.

Theresa Metty Bio (cont'd from Page 1) A graduate of the University of Hartford's School of Business, Metty is on the Purchasing Council of the Manufacturers Alliance for Productivity and Innovation (MAPI). She is also an active member of the Executive Advisory Board for Supply Management, and serves on the Advisory Board for the R. Gene Richter Supply Management Scholarship Program. Metty has served on the boards of directors for the National Minority Supplier Development Council and the Women's Business Enterprise National Council. She is a frequent speaker on supply management and procurement issues and enjoys spending time with those interested in this exciting profession. Metty is also an active mentor for dozens of women seeking professional growth and advancement.

Energy Buyers Group Announcement

The Energy Buyers Group has been formed to provide networking opportunities, hold informational supplier visits, and conduct industry-specific roundtable discussions to any and all members of NAPM-Houston who work for or are involved with the energy industry. Other members of NAPM-Houston that are interested in the energy industry are welcome to join and/or attend meetings.

Meetings will be held once every two months, with the inaugural meeting to be held on September 26th. If you are interested in attending the meeting or joining the group, please contact Chris Newton at chris.newton@enventuregt.com

Tenure Awards

Twenty Years

Ralph G. Kauffman, PhD, C.P.M.
Michael A. Parsons, C.P.M.

Fifteen Years

Clark Alexander, C.P.M.
Guy Humphrey, Jr., C.P.M.

Ten Years

Michael S. Harrington
Pat Hilgert

Five Years

Therese Borden
James F. Brecker, C.P.M.
Christine L. Cassel
Christina "Christy" L. Cox
Michelle K. Dueitt
John E. Filiatrault, C.P.M.
Stanley Ganderson, C.P.M.
Michael K. Kyme
Marla Richbourg, C.P.M.
Greg L. Smith, A.P.P.
Tracy Stephens
Robert J. Talbot
Leonardo Zammarano

News and Notes:

Our sincere sympathy is expressed to Carlene Jackson in the passing of her father, Frank C. Madden, June 18th.

Buford Fendlason, long time member and past president, also lost of his wife, Nadine, on June 21. Our deepest sympathy to Buford, as well.

Best wishes go to Diana Hunter while she recovers at home following an illness and hospital stay. Cards and notes can be sent to Diana at 12585 Thompson Road, Willis, TX 77318-7568

Electronic Commerce Group has a new Beginning

Under new leadership the Electronic Commerce Group is having a new Beginning. The idea arose from a presentation during a meeting following an election of

the Board. Presentation highlighted the explosion of Web-based B2B (business-to-business) services, combined with rapid advances in electronic commerce applications, that is transforming the business scenery. The Board unanimously voted to ask Nancy Wimberley to serve as Chair and she graciously accepted. E-Commerce Group offers to their members the opportunity to promote the interchange of ideas and discussion of mutual challenges in the Electronic Supply Management. The Group's Goal is sharing information leading to new education in the Electronic Supply Management a new procurement alternative, which is growing in popularity, work together to reinvent the E-Commerce Group, and network within ISM/NAPM Houston and other industry alliances.

Not already a member of this Group? We want to invite those who have an interest in or are just curious about technology in supply management, to join our Group and contribute. We encourage Purchasing professionals and all members of the supply chain management team to keep abreast of the evolution of the electronic marketplace. Additionally, if any of you have information or questions that pertain to our Group, please contact our new Chair, Nancy Wimberley, C.P.M. Email: NWimberley@fbssvcs.com

Membership Spotlight

Linda Love, C.P.M.

PRESIDENT – NAPM-Houston 2006/2007

Linda Love, C.P.M., has been a member of NAPM-Houston, Inc., since 1995, and has served on the Career Services and Programs committees as Chair, as well as served as Local Director, prior to being elected Vice President in 2005. She obtained her C.P.M. designation in November, 1996.

Linda also has been active in serving on the Board of Directors of her neighborhood civic association, St. George Place. She has served as Underwriting Chair for the Susan G. Komen Foundation 'Race for The Cure' for the past three years, and is a breast cancer survivor.

Linda is employed by Science Applications International Corporation (SAIC) as a Sr. Subcontract Administrator providing software license management services, contract negotiation, and contract administration for petrotechnical software applications in support of the upstream petroleum industry.

SATELLITE SEMINAR – October 12, 2006

“Finance for the Supply Professional”

Understanding finances and the ability to use financial ratios and concepts have become critical to the success of each supply professional. The key to understanding, application and decision making lies in knowing what to look for and how to interpret and use what you find. This program will explore balance sheets, income statements, profit and loss, cost control, credit ratings, annual reports, financial ratios, spend analysis, cost reduction, and other topics related to finance. Join us as we remove the mystery to all of the numbers.

The next one scheduled is Thursday, October 12, 2006 at the Aramco Services facility. This seminar is worth 4 CEH's.

To register contact Dora Valdez at DA.Valdez@AramcoServices.com.

Linda "Lin" Peterson, C.P.M., AP.P. Receives NAPM-Houston 2005 – 2006 James O. Cox Outstanding Member Of The Year Award

By: Gary Lyon, C.P.M., A.P.P.

Every year since 1953, NAPM-Houston, Inc. recognizes the accomplishments of one of our members with the presentation of the James O. Cox Outstanding Member of the Year Award. To be considered for this prestigious award, a member must be a regular member of NAPM-Houston, Inc. for a minimum of ten consecutive years; must have served either a voting member of the Board of Directors for at least 2 consecutive years or been chair of a committee or combination of committees for at least 3 years. If a voting Board member, he/she must have attended at least 7 of 10 boarding meetings in the same year. A sitting President is not eligible for this award during their presidential year. The nominee must have demonstrated leadership and managerial capabilities, must have performed their assigned task, and must have attended a majority of the General Meetings.



On Tuesday June 13, 2006, the 2006 recipient of the James O. Cox Outstanding Member of the Year Award was presented to **Linda (Lin) Peterson, C.P.M., A.P.P.** Lin Peterson became a member of N.A.P.M. - Houston, Inc. in early 1988 and immediately went to work in several different committees. Working with Professional Development (Pro-D), Membership Activities (MAC) and chairing the Communications Committee all during her first year and half, Lin then founded the

Company Coordinator Committee with her spare time. This remarkable Lady proceeded to work on the Houston Purchasing Exhibition from 1989 through 1992 as both a member of the committee and chairman of some internal subcommittees; and at the same time still actively work on both Professional Development and Membership Activities. When the exhibition type fund raiser became extinct, Lin has worked in many chair capacities for our Golf Outing since inception in 1992 and work the Forum Conferences in registration for 1995, 2001 and the National Conference in 2005.

1998 was another milestone for Lin, she decided to improve herself by both working on her college degree and earning her C.P.M. She graduated in 2003 with both her BBA in Purchasing & Supply Chain Management from University of Houston Downtown and obtained her C.P.M. and A.P.P. from ISM. What makes Lin stand-out for accomplishing this feat is at the same time she chaired the Registration Committee for the 2001 Forum Conference, chaired a committee on every Houston Golf Tournament, worked with the new Health Buyers Group, and attended 98% of every General Meeting. She has not stopped her work with the local association. She chaired both Public relations Committee and the Health Care Buyers Group from 2003 through 2005. She was elected Local Director and has just finished serving on the Board in that capacity.

Lin Peterson is well deserving of this prestigious award given by her peers at N.A.P.M.-Houston, Inc.

2006 Billie Jean Sommer – New Member of the Year Award.

By: Edward. M. Wahowski - Immediate Past President

The Billie Jean Sommer – New Member of the Year award was presented during the June 13th dinner meeting to Jami Coop with Hewlett Packard.

In 1988 The Billie Jean Sommer, Outstanding New Member Award was established to recognize an individual who has been a member of NAPM Houston under two years and has accepted and retained a committee position for a minimum of 6 months and performed in an above average manner.

Billie Jean Sommer C.P.M. was our Associations 70th President during the 1990 – 1991 program year and this award is meant to capture the spirit and vitality of our new members that join us in volunteering to help operate our association through its committees and different programs. This award represents our associations future in attracting and retaining our new members and recognizing those new members that immediately get involved and volunteer their time for the benefit of all.



Our recipient this year **Jami Coop** has given untold hours to our association be it through direct committee involvement or support of our associations programs and events.

Starting with our summer workshop in August 2005 where we put the final plans together for the upcoming year and continuing to our planning meetings associated with our Trade Expo and Golf Tournament fund raising events and various seminars and programs Jami was always present.

She accepted the position as our Programs Committee co-chair this past year and assisted in the planning and execution of our monthly dinner meetings.

In her professional career Jami is a 2005 Honors Graduate of Arizona State Universities W.P.Carey School of Business Supply Chain Management, and was a recipient of the Gene Richer National Scholarship that is awarded to the top 6 university students majoring in Supply Chain Management / Procurement.

Please join me in congratulating Jami Coop with Hewlett Packard as our 2006 recipient of the Billie Jean Sommer Outstanding New Member Award.

From Pro-D

By: Jo Ann Prazak, A.P.P.

Professional Development ("Pro D") mission is to provide education, professional development and networking opportunities within our region. Upcoming activities to assist "Pro D" to achieve this mission are as following:

- The first Pro D meeting was held Monday, August 21, 2006 at the Sheraton Brookhollow Hotel. Pro D is looking for New Members to join the committee. The next meetings will be held Thursday, October 26, 2006.
- Pro D will present the winners of the 2006 University of Houston (UHD) student writing contest at the NAPM-Houston September monthly meeting. Please come out and Congratulate the UHD student winners.
 - 1st Place – Shirley Whyte, Radio Frequency Identification
 - 2nd Place – Dominic Tee Giuliano, Guidelines for Managing Hazardous Materials
 - 3rd Place – Edward Lipscomb, Supply Chain Management Risk: Identification & Avoidance
- Pro D committee members will be participating in The Susan G. Komen Breast Cancer Race For The Cure on September 30, 2006. If anyone wants to join the team; visit the website www.komen-houston.org, and search for team name **NAP-NAPM-Houston Pro D**.
- Receive a **FREE Gift** for attending 3 of the 4 ISM Satellite Seminars this 2006/2007 year. Pick up your attendance card at the NAPM-Houston September Monthly meeting. The 1st Satellite Seminar will be held Thursday, October 12, 2006.

BE ALL THAT YOU CAN BE WITH HELP FROM NAPM-HOUSTON PRO D

School Partnership Committee Update

During June, the Committee made several donations to Scarborough Elementary (funds to assist with perfect attendance awards and summer school incentives) and Patrick Henry Middle School (funds to assist with printing plaques and trophies, bus expenses for a field trip, and refreshments for the Promotion Ceremony and year end recognition event).

***REMINDER: At the September General Meeting we'll collect donations for our adopted schools. (Over the summer watch for sales on school supplies.) Each member is asked to donate one or more of the following:

- A book to be donated to a student. Consider a favorite book you enjoyed as a child or one you've enjoyed reading to one of your children or grandchildren; or
- School supplies for elementary or middle school students (especially spiral notebooks & binders); or
- Hygiene supplies (shampoo, deodorant, soap, toothpaste, etc.) for middle school students.

Our adopted schools also still need:

- Used Furniture for the Life Skill Special Needs classroom at Patrick Henry. They would like new or gently used leather or vinyl loveseat & chairs, coffee table & end tables and an area rug. Let us know if you have even one of these items to donate.
- Flowering plants or shrubs are needed for two large & empty flower beds at Patrick Henry.

As always, please keep our adopted students in mind if you are cleaning up around the house or office, moving, or your employer had a name change. Letterhead, pens, binders, etc. may not have value to your company if they are imprinted with an old address or name, but the schools can always use miscellaneous office supplies, used office equipment, used puzzles or books.

If you are interested in volunteering for an event, have something to donate, have an idea for the committee, or need more info – please contact Debbie Newman by email: debbie.a.newman@exxonmobil.com or phone: 281-654-2905.

Minority and Women's Enterprises as Strategic Suppliers

(By Richard J. Hernandez, CPCM, E-MBE.Net)

Introduction: A strategic supplier provides a product or service that is essential to a company's core business. These specialized partnerships have prevailed as the business model of choice, spawned by the Japanese Auto Industry and replicated by American Manufacturers.

Supply Management Programs in every industry including the private sector and government, are working to reduce both the numbers and the levels of suppliers that they manage to increase productivity and reduce cost. One of the results of this transition is the creation of a cadre of strategic suppliers in each major commodity and service. Unfortunately, however, this practice has the effect of squeezing out many minority and women-owned businesses (MWBs) as suppliers, due to the increased capacity and broad geographic requirements that are inherent in these strategic supplier relationships.

Purpose: This article shares the insights of a long-time supplier diversity consultant, Reginald Williams, CEO of Procurement Resources, Inc. (www.CorporateDiversity.biz). Williams is credited with coining the term "supplier diversity" and has been a consultant to more than half of the Fortune 100 for more than 30 years. He is arguably one of the most recognized names on the subject of supplier diversity.

In this article, he shares some of his observations on the recent transition to strategic supplier relationships. His perspectives provide valuable lessons for small, minority- and women-owned businesses as well as major

corporations who support supplier diversity.

According to Mr. Williams, here are four criteria that are used to determine if a company is, or can be a strategic supplier:

Strategic Supplier Criteria: The following are key criteria for a company to be considered a strategic supplier:

1. The supplier provides a product or service that is mission critical or essential to their client's core business. Example: a provider of hops and barley might be a strategic supplier to Anheuser Bush. Another example would be a Coca-Cola bottler.
2. The supplier is in a product or service that represents a growth industry. Example: wireless telephony or Internet security where there is significant potential to expand the market base.
3. Suppliers exist with the demonstrated technical expertise having the capability to be developed into strategic suppliers for a specific, unique requirement. Example: NASA Mars Rover solar battery system which was designed and manufactured by an MBE firm through the development of NASA technical support.
4. There must be genuine and demonstrable commitment to make the corporate investment necessary to ensure the success of this strategic relationship.

The deciding factor in engaging MWBEs in these strategic alliances with Corporate America will be the sincerity of corporate leadership to make it happen.

Williams further states that being in the National Minority Supplier Development Council (NMSDC) "Corporate Plus" program does not necessarily mean an MBE is a strategic supplier; it does not meet these criteria. Williams notes that several MWBE firms are doing well as strategic suppliers in three major industry groups: aerospace, automotive and consumer products. Examples are:

Aerospace

- Boeing, Lockheed Martin, and other major corporations enjoy a long track record of success working with minority and women-owned strategic business partners.
- The role of small and minority business became a critical element in NASA's 'Return to Space' program.

Automotive

There are a number of successful strategic partnerships with minority companies in this industry. They include such companies as:

- Johnson Controls
- Ford Motor Company
- DaimlerChrysler
- Lear Seating
- General Motors, and
- Toyota

Consumer Products

In addition, Williams points out that several consumer products companies such as The Coca-Cola Company, Pepsi Cola, and Proctor & Gable who have a least one MWBE strategic supplier partner among their supplier base which includes bottling companies an packaging suppliers.

The Business Model: While there is no set process for

developing a strategic supplier partnership, it has never occurred where there is no significant gain in market share or expansion of the supply base. That means, supplier diversity is the "gravy and not the mashed potatoes", of this exercise. Moreover, there are no precedents for deciding who pays to develop an MWBE firm into a strategic supplier.

Summary: There are too few MWBE firms serving as strategic suppliers to major corporations to sustain supplier diversity at the point of product origin as well as the point of sale. William's conservative estimate is that the lack of these strategic supplier relationships has cost the minority business community an estimated \$100 billion in lost contract sales over the last 10 years. Not having strategic suppliers helps explain the fact that despite 30 year of supplier diversity minority businesses still receive less than 5 percent of total corporate purchasing dollars.

To be effective, supplier diversity programs have to include initiatives that extend beyond purchasing from minority and women companies. Rather, we must begin to focus on developing strategic long-term relationships that will sustain the partnership.

For Assistance: Procurement Resources, Inc. (PRI) of Atlanta, GA (678) 423-0447 (www.corporatediversity.biz). PRI provides services to corporate management within major corporations who want to expand their supplier diversity initiative through strategic partnerships. E-MBE.net (www.e-mbe.net) offers services directly to MWBEs who want to position themselves as strategic suppliers.

NAPM - HOUSTON BUSINESS REPORT

For further information, contact:
Bette J. Bryan, C.P.M. - 713-803-8758

JUNE MARKS 3½ YEARS OF ECONOMIC GROWTH FOR HOUSTON

SALES NUMBERS STILL STRONG LEAD TIMES AND PRICES CONTINUE UPWARD TREND

HOUSTON July 10th, ----- June marks the forty-second consecutive month of economic growth for Houston, recording a PMI of 61.1, down less than one point from May's 62.0. A PMI of over 60 indicates extremely strong economic health.

The Houston PMI, which can range from 0 to 100, is a leading indicator for industrial production, typically forecasting change by three to four months. A reading above 50 indicates that the Houston economy is generally expanding. A reading below 50 indicates the economy is generally contracting. The PMI is based on a monthly survey of some 80 purchasing executives in leading Houston industries, including oil and gas exploration and production, manufacturing, engineering and construction, chemicals, distribution, business and financial services, and healthcare, among others.

"Lead times extended again this month as indicated by 59% of the purchasing professionals, and Prices Paid for Goods and Services were also reported up." said Bette Bryan, Chairman of the Business Survey Committee for N.A.P.M.-Houston, Inc. "These two components figured heavily in this month's PMI." There are eight components of the PMI, including Sales, Production, Employment, Purchases, Prices Paid, and Inventory levels.

"The Purchased Materials Inventory component had a strong showing this month." said Bryan, "The high figure seems to show that purchasing groups have adjusted to longer supplier lead times in order to keep inventories in line with production requirements."

Items in Short Supply: Memory dimms, aluminum conductor, all steel and steel-based products, copper wire, all engineered equipment, electric motors, petroleum-based components, castings, forgings, Pevnar vaccines, Vacta, ice makers, fabrication shop capacity.

Prices on the UP Side: Welded line pipe, plasticizers, boxes, hard drives, tires, all resin-based materials (plastics), lubricants, fork lift batteries, motors, switches, petroleum-based items, aluminum, steel, tubing, specialty metal products, gasoline, bronze bar and castings, stainless steel products, copper and copper products, fabrication costs, welded pipe.

Prices on the DOWN Side: Homopolymer resin, computers and components.

June 2006

Index 2005/2006 (9 months)

	UP	SAME	DOWN	N/A	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Sales	48%	30%	11%	11%	+26	+50	+44	+59	+47	+55	+60	+55	+37
Production	26%	48%	04%	22%	+17	+39	+35	+63	+33	+50	+40	+29	+22
Employment	33%	52%	15%	00%	+20	+14	+17	+30	+33	+29	+40	+29	+18
Purchases	44%	44%	11%	00%	+23	+39	+35	+53	+33	+46	+28	+29	+33
Prices Paid (Major Purchases)	52%	37%	00%	11%	+62	+55	+41	+40	+40	+46	+28	+48	+52
Lead Times (from Sellers)	59%	41%	00%	00%	+37	+34	+38	+37	+33	+42	+56	+52	+59
Purchased Inventory	33%	22%	08%	37%	+15	+00	+00	+16	+06	+25	12	+30	+25
Finished Goods Inventory	18%	52%	15%	15%	+06	+00	-02	-6	-10	-4	20	+18	+03

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

NAPM - Houston	07/05	08/05	09/05	10/05	11/05	12/05	01/06	02/06	03/06	04/06	05/06	06/06
Composite PMI	63.7	62.9	62.1	59.2	63.9	62.5	67.9	64.4	66.0	64.2	62.0	61.1

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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Address Service Requested

September 2006 Dinner Menu

Garden Green Salad
London Broil with a Sherry Mushroom Sauce
Green Beans Almodine
Buttered Parsley Potatoes
Key Lime Pie

Dinner Includes: Dinner Rolls, Coffee, Tea, Water
Chicken & Vegetarian dinners available upon request.
Please notify us at the time your reservations are made.

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.