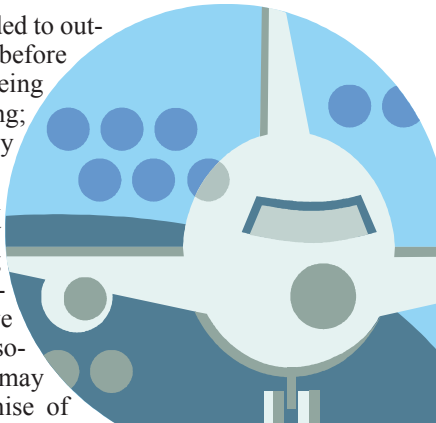




Sourcing: Prosperity or Peril? Lessons Learned from the Boeing Dreamliner

When developing the Dreamliner 787, Boeing decided to outsource more of the production than had ever been done before (an increase to 80% from a prior average of 51%). Boeing expects substantial long-term benefits from outsourcing; however Dreamliner production has been plagued by delays and cost overruns.

Did Boeing make a decision that put itself in peril or in a position to prosper? I will share a preliminary analysis of the sourcing and development of the Boeing Dreamliner. As part of this discussion, I invite attendees to participate in a brief exercise designed to delve deeper into the question of the prosperity and perils associated with sourcing. Lastly, I will share insights that may help avoid the peril, while helping realize the promise of prosperity.



About the Presenter: David Hall

David Hall is currently pursuing a Ph.D. in Supply Chain and Operations Management at Clemson University. He holds a M.E. in manufacturing engineering, a M.S. and B.S. in engineering management emphasizing industrial engineering from the University of Missouri-Rolla. His research interests include supply chain management, supply chain decision making, supply chain disruptions, and new product development in the supply chain.

Before returning to pursue his doctoral degree, David worked for a major aerospace defense contractor. During this time he held various quality and reliability engineering positions. His responsibilities included production part approval (commonly referred to in the automotive industry as PPAP), acceptance sampling of supplier parts, supplier quality development, supplier appraisal and vetting, and interacting with suppliers to redesign products or processes to ensure product reliability.

Pre-Meeting Forum: 4:30-5:15 P.M.

NAPM-Buffalo Connects through Social Media Sites

A new MBA Student Member of NAPM-Buffalo responded to our plea for social media assistance in the last newsletter. **Dominic LoTempio** is a Master's student at UB (Supply Chain and Operations Management) with previous purchasing and operations experience. As **our new Social Media Coordinator**, Dom has already set up a Facebook and Twitter page for NAPM-Buffalo.

In tapping into social media, our goal is to quickly and easily get out multiple messages and articles to those interested. Another goal is to recruit and involve a younger crowd of members. Twitter is a great tool to post informative business articles, while Facebook is a great way to post events, pictures, and let followers talk and comment.

In setting this up and monitoring these sites for NAPM-Buffalo, Dom is also available to anyone who has questions or would like help in setting up their own social media sites.



Educational Dinner Meeting

Wednesday,
January 12,
2011

Protocol Restaurant

6766 Transit Rd.
Williamsville, NY 14221
(near Exit 49 off NYS 90)

4:30-5:15 p.m.....Pre-
Meeting Forum

5:00-6:00 p.m.....

Registration, Vendor
Displays, Networking &
Cash Bar

6:00-7:00 p.m.....Dinner &
Business Meeting

7:00-8:00 p.m.....Program

\$25.00 Members & Guests

\$15.00 Full-Time Students

Entrée Choices:

- 1) Pasta, Garlic & Olive Oil w/
Roasted Root Vegetables
- 2) Chicken Marsala w/ mush-
rooms & Marsala wine sauce
- 3) Panko Breaded Pork Chop
- 4) Atlantic Salmon Filet w/ a
dill cream sauce

Reservations requested* by
Monday, January 10th
Phone 648-0972 , or email:
napmbflo@roadrunner.com

* Please try to reserve early;
late reservations will
still be accepted. Please
cancel if unable to attend
after reserving.

Buffalo Buylines

National Association of Purchasing
Management-Buffalo, Inc.
PO Box 888
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Phone: (716) 648-0972
Fax: (716) 646-1599
E-Mail: napmbflo@roadrunner.com
www.napmbuffalo.com

Mission Statement

The Mission of NAPM-Buffalo, Inc. is to advance the purchasing profession through high ethical standards of conduct and fairness and to encourage the social and educational opportunities of its members to be effective as possible in their profession.

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vincent.perrello@verizon.net

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SOCIAL MEDIA COORDINATOR

Dominic LoTempio

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From the President

NAPM-Buffalo Fellow Members -

Happy New Year! It's hard for me to comprehend that the first decade of the 21st century is over. I remember fretting over Y2K, the tragedy of 9/11, the Iraqi war, the recession, the bailout, Windows XP, Windows Vista, the demise of Arthur Andersen LLP as one of the "Big Five" accounting firms, the explosion of Web 2.0 with the multitude of social networking sites, Twitter, Facebook, LinkedIn, the first manned space vehicle by a private company to actually fly into space... there was a bunch of stuff happening in the past 10 years!

ISM changed a lot in the last 10 years as well. It changed its name, it changed the certifications, it changed the membership criteria, and now it wants to change the Bylaws to establish what it calls a "simplified fee structure" for corporations or other employers to "easily enroll all of their supply management professionals as ISM members." The change would allow companies to bypass the local ISM affiliate, and although ISM claims this is good for the affiliates, the most likely scenario is a significant reduction in the affiliate memberships. The reason is the corporate members would have to process and pay for two annual membership applications (one for ISM and one for the affiliate) instead of just one. The NY/NJ Forum has recognized this danger and has taken a stand encouraging all affiliates to ask their members to vote "NO" on this proposal.

The deadline for casting your vote is January 13, 2011. Online voting commenced on December 6, 2010. I encourage each of you to cast a vote AGAINST this proposal (Action 2 of Option II in the Proxy Ballot). I would also like to point out that two of the four board candidates do not have any professional certifications. While I'm sure they are highly trained and skilled supply chain managers, my personal opinion is board members should have gone through the rigors of certification that ISM so strongly purports to be essential for any supply chain professional. That's just my opinion, and I'm not asking you to vote for or against these individuals, but do consider them carefully.

Arthur D. Aramino, C.P.M.
2010-2011 President

Purchasing Pros Sought

Do you know an individual that exemplifies a consummate purchasing/materials management professional? Someone who has remained abreast of new developments in the industry? Who takes time to impart knowledge and experience to other? Who best demonstrates leadership and excellence in our field? If you do, we'd like to know about them. Please take a few moments to **nominate that person (member or not) for NAPM-Buffalo's "Purchasing Professional of the Year" award.**

Please include a brief note of why you feel the person should be considered and send it to President Art Aramino, C.P.M. at art.aramino@fnfg.com. The deadline for nominations is February 28. Past recipients include: John E. Domres, Sr., C.P.M.; Jim Bergman; Ann Marie Wayne, C.P.M.; Robert Richardson; Craig Sando; Brian J. Alsford; Debora Alessi, C.P.M.; Dennis J. Badame, C.P.M.; William R. Ellis, C.P.M.; and Arthur J. Williams, C.P.M.





**New
Members-
Join Now &
Save \$
Recruiters to be
Rewarded**

With new budgets and resolutions for the New Year, now is the ideal time for supply chain professionals to join NAPM-Buffalo and ISM.

A new member joining **between now and April 1, 2011** will have the one-time administrative fee waived. So, that is a **savings of \$30.00** for Regular Members, and \$10.00 for Associate Members. Act now and save!

For current members, you can **earn a \$10.00 gift card** from a major local retailer for each and every new member that you sign up during the membership drive. Just make sure that the new member fills in your name on their application where asked who recommended that they join.

"Where do I find potential members", you ask? Besides the obvious of asking co-workers, you can ask your suppliers for the names of their purchasing and supply chain personnel. Or, as you travel the roads of WNY or read publications, make note to check to see if companies have members represented in NAPM-Buffalo. You can easily see if a company has members by logging onto our web site at www.napmbuffalo.com and sorting the Member Directory by company. Call our Executive Secretary Nancy Boyd Haley for member login information if you've forgotten how to gain access.

If you'd like to join the membership committee, we'll supply you with some member prospect leads to contact and recruit. Drop me a line so you can get going on earning your gift card incentives.

A revised **membership application is available for printing off our web site at www.napmbuffalo.com**, or contact our office to have it emailed to you.

An added bonus for helping to expand our network and recruit new members...your name in the hat for an additional prize drawing for each new member you recruit.

Any questions, please don't hesitate to give me or Nancy Boyd Haley a call.

Mary Smith
NAPM-BUFFALO MEMBERSHIP DIRECTOR
Senior Buyer, Servotronics Inc.
655-5990 x1189 or mary.smith@servotronics.com



Corporate Sponsors & Vendors

January 12 ♦ Protocol Restaurant

Stop in to see them during our networking meeting...or give them a call.

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For a Better Day at the Office™

NAPM-Buffalo welcomes Vendor Sponsors & TableTop Displays at most meetings. Please contact our office at napmbflo@roadrunner.com or call Nancy at (716) 648-0972 for more information. Members are especially encouraged to invite their vendors to participate.

Jeff Mertz
Project Manager

Address
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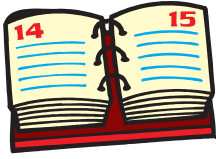


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Mark Your Calendars...

Wednesday, January 12, 2011

Educational Dinner Meeting

Program: "Sourcing: Prosperity or Peril? Lessons Learned from the Boeing Dreamliner"

Presenter: David Hall, Ph.D. Student in Supply Chain & Operations Management, Clemson University

Place: Protocol Restaurant, Transit Road

Wednesday, February 16, 2011

Educational Dinner Meeting

Joint Meeting with APICS

Panel Program: "Vendor Risk Management"

Place: Salvatore's Italian Gardens, Transit Road

Wednesday, March 16, 2011

Educational Dinner Meeting

Supply Management Month

Place: Sean Patrick's Restaurant, Getzville

Dale Carnegie Training: Investing in People To Improve Performance, Productivity, Relationships and Results!

We are currently in our open enrollment period for the following classes:

♦ **Effective Communications & Human Relations Course** Wednesday evening sessions (12); from 5:00pm to approx. 8:30pm; targeting a mid-January start.

♦ **Leadership Training for Managers Course** Tuesday morning sessions (7), from 8:30am to approx. 12:00pm. Class start is Tuesday, January 4, 2011.

NAPM members not only receive the benefits of Dale Carnegie training, but also receive a \$100 discount off the 2011 public tuition rates for these classes. In addition, courses may qualify as continuing professional education units. Classes are held at the Ramada Conference Center, 2402 North Forest Rd., Amherst (Near UB North Campus)

Please contact Tom Tiberia to register or for further information: Cell: 553-077; Office 688-8100; Email: tom_tiberia@dale-carnegie.com. Tom would be happy to talk with you about both standard and customized programs for your professional development.



Promote Your Company To Fellow Purchasers

Members are encouraged to spread the word to their marketing department that we offer opportunities to get their message out to our over 250 members. The following opportunities for exposure are also open to your vendors and other businesses as well.

At our general meetings, we welcome a limited number of companies to have vendor "Tabletop" displays. For only \$150, vendors receive a table during our networking hour, a write-up in our *Buffalo Buylines* newsletter, and a meal at the program. A limited number of vendor spots are available at most of the meetings in our schedule.

This newsletter accepts "business card" advertising for only \$35 per month, or \$25 for multiple ad commitment. We appreciate our advertisers and their continued support!

For great exposure to our professional purchaser members, consider becoming a "Friend of NAPM-Buffalo" through its corporate sponsorship program. Packages have been developed that include advertising on our association web site in addition to the vendor display and newsletter advertising.

Contact our Executive Secretary Nancy Boyd Haley at napmbflo@roadrunner.com or (716) 648-0972 for the flyers and applications on any of these programs.



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Dominic LoTempio

MBA Student
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Patricia R. McPherson

Buyer/Planner
Alstom Power Inc.

Jerome Muscarella

Student
Phoenix University

Holly Smith

Corporate Purchasing Agent
NOCO Energy Corp.

Awards Available to Members

Joseph Hutka Professional Purchasing Paper Award

OBJECTIVE: To provide a means of recognition on an annual basis of the author of a superior professional purchasing paper which effectively communicates ideas in the Purchasing/ Materials Management area to members of the Association and the academic community. The paper is to be of high professional standard based on research, thought development, effective communication skills, and organized presentation.

ELIGIBILITY: Any regular or associate member of the NAPM-Buffalo, Inc., or student, or non-member of the Association is eligible to present a paper. They must meet the requirements of length (7-10 pages, double spaced), topic (Purchasing/Materials Management), and the deadline (to be received on or before February 28, 2011).

AWARD PROVIDES: The Board of Directors will handle determination and selection from the applications. The successful author will receive a \$100.00 U.S. Savings Bond. The paper will be published in a future *Buffalo Buylines* newsletter.

Contact the NAPM-Buffalo office at (716) 648-0972 or napmbflo@roadrunner.com for an application.

William Conners Memorial Scholarship

An Educational Grant that the association awards to an NAPM-Buffalo, Inc. **member who does not receive monetary reimbursement from their employer.** Applications are due by February 28, 2011 and winner(s) will be announced in March. Contact napmbflo@roadrunner.com or 648-0972 for an application and more details.

OBJECTIVE: To give members of NAPM-Buffalo, Inc. the opportunity to continue their education through Purchasing, Materials Management, and/or related courses offered at accredited institutions of higher education, through business institutes or through participation in NAPM-Buffalo, Inc sponsored or affiliated seminars or workshops for which they offer CEH.

ELIGIBILITY: Any regular or associate member of NAPM-Buffalo, Inc. who is working toward his/her professional certification or re-certification and who is NOT benefiting from their employer by reimbursing them for the educational costs.

AWARD PROVISIONS: One (1) award per member (maximum value of \$250.00) will be paid as reimbursement for qualified educational coursework, seminar, or workshop.



Vincent J. Perrello, C.P.M. SPHR was presented with a framed certificate commemorating his Honorary Membership in NAPM-Buffalo. Pictured with Vince at the December 8 meeting are Patricia Gordon, C.P.M. and Arthur Aramino, C.P.M.

Vince has been an active member since joining in 1993. Since 1999 he has served the association as chairman of the Professional Placement Committee, a confidential service that assists members seeking employment, and area businesses who seek qualified job candidates. Although Vince has officially retired from his purchasing position at Diamond Saw Works, he will continue to serve the association.

Renew Your Membership Now

2010 Membership Dues are now past due.

For your convenience, NAPM-Buffalo accepts MasterCard, Visa and Discover.

If you need another copy of your invoice or you wish to discuss payment options, drop us a line at the NAPM-Buffalo office at napmbflo@roadrunner.com or (716) 648-0972.



New Upcoming Education:
Original
CPSM® Exam Review Sessions



NAPM-Buffalo wishes to support those members seeking CPSM certification. For those members who don't already have C.P.M. certification and are planning to take the full CPSM exams, we are offering a review course to help prepare you for the exams. To that end, the following provisional training dates and times are proposed: four 4-hour sessions (dates are tentative and venue will be local):

- (1) Tuesday, February 22, 2011 -- 6:00 - 10:00 p.m.
- (2) Tuesday, March 1, 2011 -- 6:00 - 10:00 p.m.
- (3) Wednesday, March 30, 2011 -- 6:00 - 10:00 p.m.
- (4) Wednesday, April 6, 2011 -- 6:00 - 10:00 p.m.

Candidates must bring their ISM CPSM® Study Guide, which can be obtained directly from ISM at www.ism.ws. The guide sells for \$59.00 for ISM members and \$89.00 for non-members or associate members.

There is a minimal fee of **\$25.00 per session (discounted to \$80.00 for all four sessions)**, including a light snack and a very useful note-pack. It is important that you sign up now with Nancy Boyd Haley at napmbflo@roadrunner.com as walk-ins unfortunately cannot be accepted.

The deadline to sign up is January 31, 2011.

INSTRUCTOR/MENTOR: Philip Hancock, PhD, MBA, CPSM, MCIOB
Education Director, NAPM-Buffalo

For questions on CPSM and the exams, check the ISM web site at www.ism.ws.

Questions or comments about the review session, contact Phil Hancock at hancockp@live.com.

Register me for: Session 1 Session 2 Session 3 Session 4

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