

A Buyer's Guide to the Fine Art of Wine



Presented by Mike Taylor, C.P.M.

Wine production has become a major industry in Washington State. With hundreds of wineries, the Yakima Valley, Red Mountain and Tri-cities viticulture appellations are producing world-class wines. Many grape varieties are grown and blended into

tasty red, white, sweet, fruity and dry wines. Unfortunately, for most people, the wine production process remains a mystery.

Finding a new winery to visit, tour and taste is a great way to spend an afternoon. You don't have to be a wine expert to enjoy wine tasting. The language and alchemy doesn't have to be intimidating. With a few simple ideas in mind, you can walk in with confidence and enjoy the visit. In this workshop, we'll look at the basics of wine production and translate the wine tasting lingo. The wineries enjoy meeting new people and want you to try their wine. This workshop will enhance your experience.

Mike Taylor, C.P.M. has been living in or near wine growing regions for over 30 years. During that time, he has acquired a taste for wine and spent enough time at wineries to learn a little about the production process.

Mike is an Acquisition Specialist for Fluor Hanford, Inc. His experience in leading, supervising and managing also includes volunteer organizations. He helped found the National Association of Purchasing Management, Columbia Basin (NAPM-CB) in 1980 and has held many offices in the Association as well as chairing the Pacific Northwest Purchasing Conference.

Mike's professional experience includes preparing conducting seminars, speeches and workshops at professional meetings, conference workshops, supplier and public forums and company training programs.

Tuesday, March 15, 2005
Members Luncheon Program

LOCATION

Gonzaga University COG
702 E. Desmet Avenue
Washington/California Room

AGENDA

11:30 Registration & Networking
11:45 Business Meeting
12:00 Lunch
12:30 Program

MENU:

Chicken Saltimbocca
(white wine sauce & seasonings)
Caesar Salad
Seasoned Vegetables
Angel Hair Pasta
Cheesecake
Ice water and Ice Tea

COST \$12.00

Please RSVP by March 11th
To: Alice Sanders at
alice_sanders@hollister-stier.com

Our meals are catered. All no-shows are charged for and will be billed.

Join us in March for Supply Management Month

You don't want to miss our March Members meeting as we celebrate "Supply Management Month" with lots of prizes and give-aways. Sharpen up your knowledge of Purchasing facts as you are invited to participate in a challenging and thought provoking quiz where the right answer can get you great gift certificates or maybe even \$\$\$\$!

Bring a potential member and you'll be rewarded with a \$5.00 Starbucks gift card from the Membership committee.

President's Message



By Bob Boyce

I don't know about the rest of you, but this weather has me baffled. This is supposed to be winter and even though the nights are chilly, there is no snow in sight. Regardless, it is already March and the 2004-2005 term for our affiliate is on the downward side. March, however, is an exciting month for our affiliate because it

is Purchasing Month; the month to celebrate the purchasing profession.

As a highlight, the March Membership Meeting will feature a presentation by Mike 'Mr. Purchasing' Taylor. We all know someone in our organization with great passion for purchasing and who always seems to have the right answer (or knows where to find it). Mike is the consummate purchasing professional and has made purchasing his life's work. He will speak on a subject that is dear to him and we will all once again have the opportunity to network with each other. Additionally, prizes will be presented at this meeting; so don't miss your chance to take something with you.

In an effort to promote purchasing month and the purchasing profession, ISM has a running theme called 'Maximizing Opportunities'. Although opportunities present themselves in many ways, sometimes it is difficult to determine if the one in front of you is one you should take. In my former profession, I was continually asked by others:

Test Your Knowledge

February Question: 'Which of the following departments is LEAST likely to participate in a "make-or-buy" decision?

- a. Engineering/systems
- b. Purchasing
- c. Production/operations
- d. Legal

Answer: (d.) Legal. Although Legal may interpret the fine print to protect the company interests, they generally do not make purchasing decisions.

March Question: 'True or False: A Seller's Market exists when the demand exceeds supply or the capacity of the market is tight.'



'Do you think I should take this opportunity?' I always told them that if they were asking, they probably should. I also asked them to answer this question for themselves: 'If you don't take this opportunity, will you regret it later?' Almost without exception, they took it. NAPM-Spokane has an abundance of opportunities with seminars, review classes, workshops, member meetings, Board positions and committee involvement. You have the choice of whether or not to take one of these opportunities; if you don't, will you regret it later?

Come celebrate Purchasing Month with us at the Membership Meeting on March 15th. It promises to be enlightening and entertaining. I hope to see you there!

"Celebrating Supply Management Month"



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And did you know that.....

- Prior to 1900 – Purchasing was recognized as an independent function by many railroad organizations.
- Prior to WWI (1914-1918) – Purchasing was regarded as primarily clerical.
- During WWI (1914-1918) and WWII (1939-1945) – Function increased due to the importance of obtaining raw materials, supplies, and services needed to keep the factories and mines operating.
- During 1950s and 1960s – Purchasing continued to gain stature as the techniques for performing the function became more refined and as the number of trained professionals increased. The emphasis became more managerial.
- During 1970s and 1980s – As the profession's skill in obtaining needed items from suppliers at realistic prices increased, more emphasis was placed on "purchasing strategy",
- During 1990s – Purchasing became more integrated into the overall corporate strategy.
- Current – The field is experiencing increasing integration with supply networks and information technology. The field has changed from "purchasing" to "supply management" to reflect the transition from a transaction-based, tactical function to a process-oriented, strategic one.

Ours is a great profession so come and celebrate with us on Tuesday, March 15. You won't want to miss it. SEE YOU THERE!

Membership Committee



By Margaret Hooley

Just Some Data About Purchasing

Membership Month is coming in March!

Let's bring a prospective member to our meeting. If you do, you will receive a gift certificate. We will gladly send your guest either the electronic copy or hard copy of the information they need to join our organization.

If a member brings a perspective member to a membership meeting, they will be rewarded with a gift certificate. Let's go get those prospective members and grow our membership. The more members we have the more educational seminars we can provide, and therefore all of us benefit.

Compensation of Purchasing and Supply Management Professionals

The Bureau of Labor Statistics reports that average salaries for purchasing and supply management professionals are generally higher than the average for occupations with similar education and training requirements.

Over 95 percent of NAPM members earn an annual salary that exceeds \$25,000 per year while over 40 percent earn an annual salary that exceeds \$55,000. The average salary for purchasing professionals was \$54,700. Also noted was that on average, purchasing professionals must accumulate ten years of experience before they begin to earn higher-than average salaries.

Our membership sub-committees are busy working items listed below:

Welcoming Committee: Leader: Sally Hoeck, Member, Greg Mead

Incentive Committee: Leader: Chris Holland

Chris will be announcing our new "Bring a Member" program. He will be actively assisting in aiding the completion of the prospective associate into the membership of our organization.

Prospective, New and In-active Membership Committee: Leader: Chuck Perkins, Member Marty Bacon

This sub-committee has actively pursued a list of in-active and new prospective members to become active members of our Spokane NAPM group.

We always welcome volunteers to our sub-committees. If you would like to participate, please contact Sally at (509) 926-6277x1457, Chris at (509) 777-6229, Chuck at (509) 444-4317 or me at (509) 777-6273. We would love to have you on our membership team.



The Washington State Chapter of NIGP

is sponsoring two upcoming educational opportunities.

- Leadership for Procurement Professionals - May 12, 2005 — Shoreline, WA
- Developing & Managing RFP's - July 11-13, 2005 — Olympia, WA

You may see full details at the NAPM-Spokane website. Visit www.napmspokane.org and click on Educational Events.

Want to know?

Board of Directors
 Upcoming Seminars
 Job Opportunities
 About NAPM-Spokane
 Meeting Schedule



Visit www.napmspokane.org !

Education Committee



By Alice Sanders, C.P.M.

The Education Committee for NAPM-Spokane presents what's happening in Spring 2005 for your educational opportunity.

C.P.M. Classes

Module 3 Value Enhancements Strategies

- March 3, 10, 17, 24, 31
- March 3 (Thursday) will begin the 5-week series of study review

classes for the third module. Steve Lunden of Gonzaga University will be teaching the course.

Module 4 Management

- April 21, 28, May 5, 12, 19

March 15 Membership Meeting:

- Lunch meeting at Gonzaga University, 11:30 am
- "A Buyer's Guide to the Fine Art of Wine" with Mike Taylor, C.P.M.

April 14 Satellite Seminar

- "Supply Chain Research Trends and Market Intelligence" at SCC, 7:00 am – 11:30 am

April 19 1-Day Seminar with Mary Lu Harding

- "Calculating and Managing Total Cost" at Gonzaga University, 8:00 am – 4:00 pm

April 19 Membership Meeting

- Lunch meeting at Gonzaga University, 11:30 am
- "Ethics" with Mary Lu Harding

If you need additional information about any of our programs or have a suggestion, please contact Alice Sanders at 482-1718 or alice_sanders@hollister-stier.com.

You can also find further information about upcoming events on the website at www.napmspokane.org.

Meet the Member

Russ Kenworthy

*Strategic Purchasing Manager
Itron, Inc.*



Where are you from originally? (And how did you get here?)

I was born and raised in Spokane and graduated from East Valley High School. I attended Eastern Washington University and earned a B.A. in Operations Management.

Why did you join NAPM-Spokane?

I joined NAPM to help stay abreast to industry trends and educational opportunities in the Purchasing profession.

What do you hope to get out of your membership?

Educational experience gained through interaction with other Purchasing professionals and insight as to how they deal with the challenges we're faced with on a daily basis.

Tell us something about your previous jobs?

I've worked for several companies in the Spokane area over the years (Itron, Key Tronic, Output Technology, Itronix) in various Purchasing capacities (Buyer, Commodity Manager and Purchasing Manager). In addition, I spent over three years as an Account Manager (Sales) for a major electronics component distributor, Avnet Electronics.

What do you like the most about working for your employer?

I enjoy my job. I'm empowered to make decisions as I see fit in the execution of my duties. Itron provides a great work environment with competitive benefits, thus making it an enjoyable place to work.

What is the most interesting or unusual project you have worked on?

The most interesting assignment I've had with Itron is managing our Supply Chain Management Group in Vienne, France. This was a very enriching experience both professionally, as well as on a personal note. I learned a great deal about Supply Chain Management in a foreign country and I now have a much greater appreciation for the French culture.

What do you find is the biggest business challenge for your employer?

One of the biggest challenges is keeping up with the changes in the global market in order to maintain a competitive edge over our competition.

What is the biggest challenge facing our purchasing profession?

Education and adapting to change. We need to continuously educate ourselves on new tools and processes available in order to increase efficiency / effectiveness. We also need to adapt to our ever changing environment so we're able to consistently add value in the services we perform and ultimately impact the bottom-line.

Tell us a little info about your spouse, children, hobbies, etc.

My wife Kim and I have two children, Ryan and Cassie. Ryan is 18 and a freshman in college and Cassie (16) is a sophomore at Central Valley High School. We enjoy spending our summer camping and boating. In the fall, Ryan and I spend our weekends hunting.

Welcome New Member

James Giachetti
Purchasing Supervisor
Sterling Saving Bank



Nominations Sought for NAPM-Spokane Annual Awards

BILL PEACOCK AWARD OF MERIT

President Bob Boyce is soliciting the names of qualified individuals for consideration for this award. The Bill Peacock Award of Merit honors the memory of an outstanding association member whose dedicated service greatly enriched our Association and the individual lives of fellow members with whom he/she worked.

This award is given to an active NAPM-Spokane member who has demonstrated meritorious service to the Spokane Association. Service expected of an individual as he or she fulfills the duties of his or her office is commendable and serves the association well. Such service is not, however, that “above and beyond the call of duty” service that this award seeks to recognize. Rather, this award is presented annually to an active NAPM-Spokane member for continuing personal commitment to the overall growth and well being of the Association. The award selection committee consists of the current President (who is not eligible for nomination) and two past presidents appointed by the President. Any member may submit a nomination for the Award of Merit. Former recipients of this prestigious award include Lorrie Engle, A.P.P., Laurie Hitchcock, C.P.M., Charlie Gutierrez, C.P.M., and Kim Crumpacker, C.P.M. CPIM.

MEMBER OF THE YEAR

The NAPM-Spokane Member of the Year Award is designed to provide formal recognition to an active NAPM-Spokane member who has uniquely performed one or more exemplary achievements over the course of this fiscal year resulting in a major contribution to the Affiliate.

A primary reason for establishing the Member of the Year Award was to provide a means by which an active NAPM-Spokane member who has made an exemplary contribution to the Affiliate could receive local recognition. Potential recipients may be selected from either of the following:

1. An NAPM-Spokane member who performed a single task or such major contribution to the Affiliate as to warrant an award and special recognition.
2. An NAPM-Spokane member whose efforts have resulted in a contribution to the Affiliate and the profession, such as the development of a course of study, writing a book, the preparation, implementation, or effect upon a regulation, or other related specific act performed during the year of the award.

EMPLOYER OF THE YEAR

The NAPM-Spokane Employer of the Year Award is designed to provide formal recognition to a NAPM-Spokane associated business for continuing corporate commitment to the growth and well-being of the Affiliate.

A primary reason for establishing the Employer of the Year Award was to provide a means by which an NAPM-Spokane associated business who has made a continuing corporate commitment to the Affiliate could receive local recognition. Potential recipients may be selected from either of the following:

1. An NAPM-Spokane associated business that provides support to their employees to join and attend meetings or provides direct support to NAPM-Spokane.
2. An NAPM-Spokane associated business who performed a significant activity in support of the Affiliate of such importance as to warrant an award and special recognition.

Submission of Nominations: Please e-mail your nomination for any of these awards by April 8th to: Bob Boyce at bob_boyce@mei.memec.com . Please be specific about why you feel your nominee qualifies for the award, and be sure to give us your name and your employer’s name.

Award Selection, Notification and Presentation: The presentation of the awards will be made at the May Membership Meeting. In addition, the employer of individual award winners will be notified by letter, and appropriate news releases will be sent to the media.

LET’S RECOGNIZE OUR VOLUNTEERS!

NAPM-Spokane, Inc.

Presents
A One-Day Seminar Entitled:



Calculating and Managing Total Cost

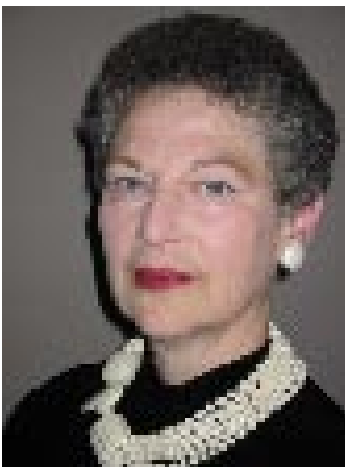
Tuesday, April 19, 2005

A thorough knowledge of the composition of costs, both at our suppliers and within our own organization, is at the heart of the skill set for every purchasing professional.

This seminar will provide an analysis of how to understand and categorize each type of supplier cost, along with how to properly evaluate supplier proposals based on their stated cost structure. It is essential that we know what are valid and appropriate costs for the various components of a supplier's work, as we negotiate the final purchase. An analysis of an organization's internal process costing system will also be presented. This will help in understanding what the real savings are when suppliers do portions of the work for us.

Time will be devoted to assisting you in formulating a total cost picture applicable to your specific situation. Please bring a calculator and as much of the following information as possible:

- What cost issues are most difficult for you now?
- What factors do you currently use to evaluate and measure suppliers?
- Internationally, what factors do you include in the evaluation of relative costs?
- What is your estimated carrying cost of inventory?
- What is your estimated cost of a purchase order?



Mary Lu Harding is an educator, trainer, consultant and seminar leader with more than 25 years experience in the supply management field. She co-authored the textbook *Purchasing* and a video film entitled *Systems Contracting*. Harding is also a contributing author to the *C.P.M. Study Guide, 6th Edition*, and has written and reviewed questions for the C.P.M. examination. A frequent writer and dynamic speaker for NAPM/ISM and APICS at the chapter and national levels, Harding holds a B.A. degree from the University of St. Thomas and an M.A. degree from the University of Texas. She and her husband reside in Vermont. Registration form is available at www.napmspokane.org/seminars.html



BRIDGING
NORTHWEST
SUPPLY CHAINS

2005 Supply Chain
Management Conference

April 12-13, 2005, Portland Oregon

For complete information and registration form www.napmspokane.org



The Northwest Purchasing Education Council serves ten ISM affiliates in Washington, Oregon, Idaho Montana, Alaska and Hawaii by sharing educational and professional development opportunities among affiliates and encouraging networking among the supply management professionals in our region. Visit us at www.nwpurchasinged.org.



ISM's 90th Annual
International Supply Management Conference
and Educational Exhibit

San Antonio, Texas • May 8 to May 11, 2005

Use this opportunity to reinforce your skills, follow new trends and hear the buzz on supply management. ISM's 90th Annual International Supply Management Conference promises to provide what you need to lead your group forward. Find out how to impact your organization through innovative and proven supply management strategies.

With over 100 workshop sessions and 2,000 supply professionals on hand, you'll reap the benefits of Texas-sized knowledge and best practices. Each session comes complete with success stories, tools and practical solutions. Turn your biggest challenges into minor bumps when you learn from the experts, the pioneers and your fellow practitioners.

Five distinct learning tracks help you focus on current challenges and our hot topic areas concentrate on leading edge solutions.

Early registration ends March 3, 2005.

For more information or to register online go to the ISM website at www.ism.ws