



**National
Association of
Purchasing
Management**

®

The Purchasing Pipeline

April 2015



**institute for
supply management**

**N.A.P.M.—OKC, INC.
AFFILIATED WITH
THE INSTITUTE FOR
SUPPLY
MANAGEMENT™**

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28TH ANNUAL BUYER VENDOR ROUND UP

WHEN

April 14, 2015

6pm – 8pm

WHERE

Castle Falls

820 N. MacArthur Blvd., Oklahoma City, OK 73127

PRESENTED BY ·

National Association of Purchasing Management – OKC

REASONS TO ATTEND

Great networking event and chance to meet new vendors

PLUS

Raffles and door prizes donated to NAPM-OKC (must be present to win)

Finger foods

Cash bar

CONTACT

Elizabeth Jones - (405) 727-1966 [elizabeth.jones@](mailto:elizabeth.jones@williams.com)

williams.com

The President's Pen



March was quite the whirlwind of a month. It blew by too fast for me anyways. Between it finally getting warmer, breaks and vacations being taken, and tornado season kicking off, it was quite a bit to take in for one month. Speaking of the weather, I hope everyone has stayed safe over these past couple of weeks and continue to do so as these next couple of months continue. It is a crazy time of the year, with Easter and Mother's Day and graduations coming up very soon, so enjoy the season and always keep one eye on your weather apps.

Speaking of events this time of year, our 28th annual Buyer Vendor Round Up is almost here!! We need all the help we can get, so please reach out if you can help in any capacity. The

information for the venue and time and date are all here, so

be sure to plan ahead and mark it off on your calendar now! There are already several new vendors attending, so let's show them the enormity of our membership by having record numbers show up! Not only can you network with vendors, but you can also get to know your fellow members better. Add in dinner and a cash bar and I am not sure how much better it can get!

Also, we are already in that time of year that nominations for offices are coming up! We are finalizing the nominating committee now, so soon you will be able to know who to go

thinking about if you would like to take that next step to help our organization reach new heights. We would love to have you!

In the meantime, let me know if you or any of your vendors have any questions leading up to the BVRU event. I cannot wait to see all of you there!

With care,

Elizabeth Jones – N.A.P.M.-
OKC President

spring
is
here!



to for your interest in being nominated for office. Start

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- Visit our website or see contact information above for more information:

WWW.NAPM-OKC.ORG

**ALL BUYERS
WELCOME
AND FREE OF
CHARGE!**

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- Finger foods**
- Cash bar**

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elizabeth.jones@
williams.com**

BENEFITING

**Scholarship
opportunity given to
students in Supply
Chain Management
program at the
University of Central**

Upcoming ISM Conferences and Events

Below is the list of ISM Conferences and Events:

For seminar details, please call the ISM Customer Service Department at 800/888-6276 or 480/752-6276, extension 401, or visit the ISM Web site at www.ism.ws and select Education



2014-2015

Conference	Date	Location
Fundamentals of Purchasing: The Building Blocks of World-Class Professionalism	April 13 - 15, 2015	Baltimore, MD
Contracting: What All the Ts and Cs Mean	April 23 - 24, 2015	Pittsburgh, PA
Fundamentals of Inventory Management (formerly Principles of Effective Inventory Management)	April 27 - 28, 2015	Chicago, IL
CPSM® Exam Review Course	April 30 - May 2, 2015	Phoenix, AZ
Resisting Price Increases and Implementing Cost Improvement Initiatives	April 27 - 29, 2015	Denver, CO
How to Develop and Manage a Supplier Diversity Program (Annual Pre-Con)	May 2 - 2, 2015	Phoenix, AZ
Supplier Relationship Management for Collaboration, Impact and Business Success	May 13 - 15, 2015	Pittsburgh, PA
Integrating Project Management into Supply Management	June 4 - 5, 2015	Chicago, IL

Tornado Safety

What is a tornado?

A tornado is a violent windstorm characterized by a twisting, funnel shaped cloud. It is produced by a thunderstorm and formed when cool air overrides a layer of warm air, forcing the warm air to rise rapidly.

The City's new network of emergency sirens reach farther than the system they replaced. But they aren't a substitute for radio and television updates.

Don't count on a siren to wake you when you're asleep, or to get your attention above the background noise of your home or car.

If the weather looks threatening, turn on a TV or radio.

What is the difference between a tornado watch and a tornado warning?

The National Weather Service issues a tornado watch when tornadoes are possible in your area. Be alert for approaching storms. This is a good time to remind family members where the safest places within your home are located. Listen to the radio or television for further developments.

A tornado warning is issued when a tornado has been sighted or indicated by weather radar. If a tornado warning is issued and the sky becomes threatening, move to your designated place of safety. Turn on a battery-operated radio and wait for further instructions.

When is tornado season?

Tornado season is generally March through August, although tornadoes can occur at any time of the year.

Is there a time of day when tornadoes usually happen?

Yes, tornadoes tend to occur in the afternoons and evenings. More than 80 per cent of all tornadoes strike between noon and midnight.

What are some tornado danger signs?

Dark, often greenish sky, Wall cloud, Large hail, Loud roar, similar to a freight train, Are there other signs I should look for?

Some tornadoes appear as a visible funnel extending only partially to the ground. Look for signs of debris below the visible funnel. Before a tornado hits, the wind may die down and the air may become very still. An approaching cloud of debris can mark the location of a tornado even if a funnel is not visible. Tornadoes generally occur near the trailing edge of a thunderstorm. It is not uncommon to see clear, sunlit skies behind a tornado.

Things to do now

If you have a storm shelter, register its location with the City.

Registering your shelter's location will let rescue workers know you have a shelter and where to find it if a disaster covers it with debris. Call the Action Center at 405 297-2535 to register your shelter.

Have regular tornado drills with your family.

Designate an area in your home as a shelter, and regularly practice having your family go there as if there were a tornado. Make sure your family knows the difference between a "tornado watch" and a "tornado warning."

Tornado Safety

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Have disaster supplies on hand.

- Flashlight and extra batteries (do not use candles or open flame devices!)
- Portable, battery operated radio and extra batteries
- First aid kit and manual
- Emergency food and water
- Non-electric can opener
- Essential medicines
- Cash and credit cards
- Sturdy shoes
- A set of spare keys to vehicles
- Personal identification
- Camera with several rolls of film (for documenting your damage)

Develop an emergency communications plan.

Have a plan for getting back together in case family members are separated from one another during a tornado. Ask an out-of-state relative or friend to act as the family contact. After a disaster, it's often easier to call long distance. Make sure everyone in the family knows the name, address and phone number of the contact person.

When it's on the way

When a tornado is coming, you have a short amount of time to make life or death decisions. Advance planning and quick response are the keys to surviving.

If you are at home: Go to the basement, storm cellar, or the lowest level of the building. If there is no basement, go to an inner hallway or a small inner room without windows, such as a bathroom or closet. Get away from windows. Go to the center of the room. Stay away from corners because they tend to attract debris. Get under a piece of sturdy furniture such as a workbench or heavy table and hold on to it. Use your arms to protect your head and neck.

If you are at work or school: Go to the basement or to an inside hallway at the lowest level. Avoid places with wide-span roofs such as auditoriums, cafeterias, large hallways, or shopping malls. Get under a piece of furniture such as a heavy table or desk and hold on to it. Use your arms to protect your head and neck.

If you are outdoors: If possible, go inside a building.

If shelter is not available or there is no time to go indoors, lie in a ditch or low-lying area or crouch near a strong building. Be aware of the potential for flooding. Use your arms to protect your head and neck.

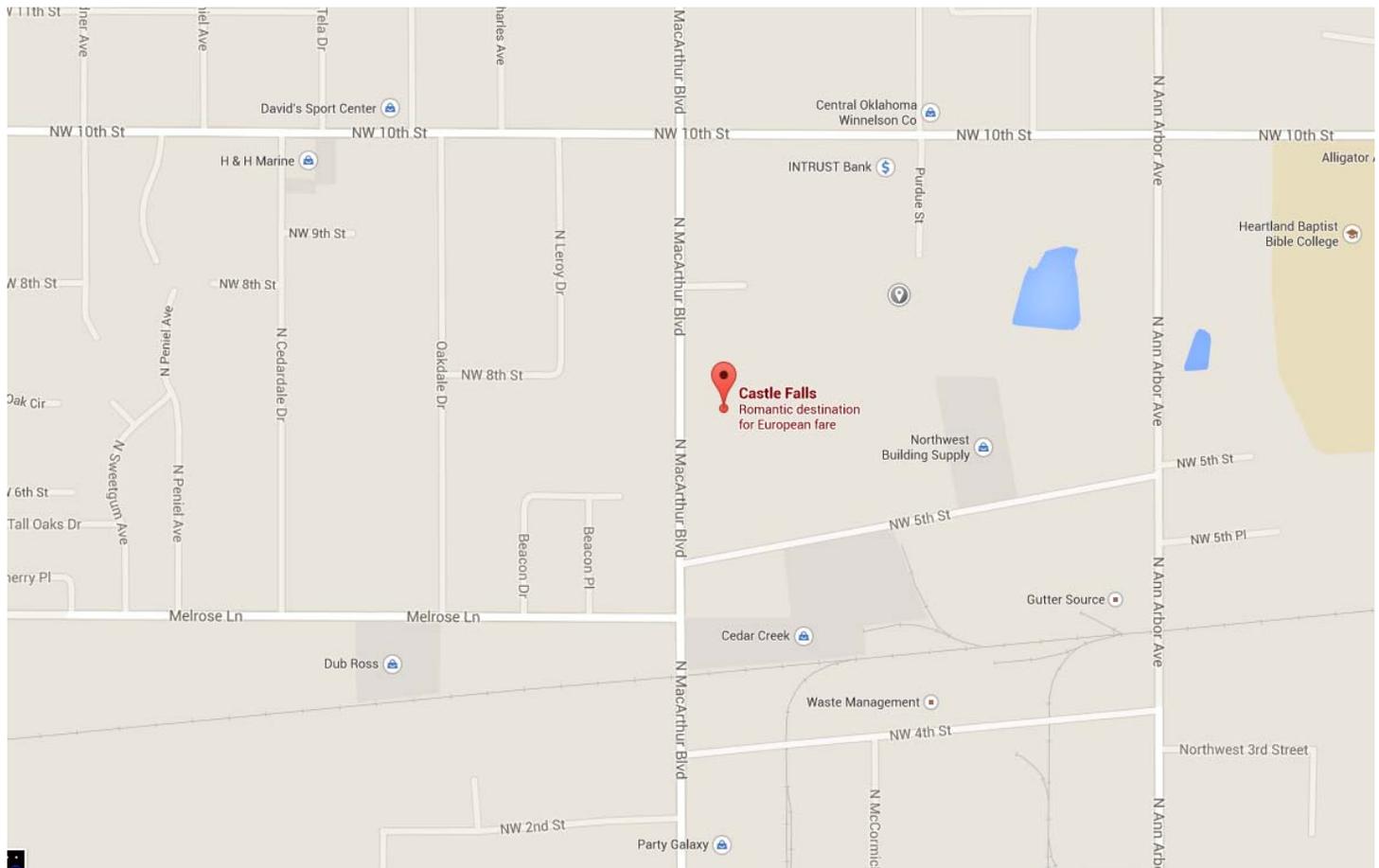
If you are in a car: Get out of the car immediately and take shelter in a nearby building. Never try to outdrive a tornado. Tornadoes can change direction quickly and can lift up a car or truck and toss it through the air.

If there is no time to get indoors, get out of the car and lie in a ditch or low lying area away from the vehicle. Be aware of the potential for flooding. Do not take cover under a bridge!

What should I do if I live in a mobile home?

Mobile homes are particularly vulnerable. A mobile home can overturn very easily even if precautions have been taken to tie the unit down. When a tornado warning is issued, take shelter in a building with a strong foundation. If shelter is not available, lie in a ditch or low-lying area a safe distance away from the unit.

Map to Castle Falls



Tornado Safety

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After it's passed

Help injured or trapped persons. Give first aid when appropriate. Don't try to move the seriously injured unless they are in immediate danger of further injury. Call for help.

Help your neighbors who may require special assistance, infants, the elderly, and people with disabilities.

Turn on a radio or television to get the latest emergency information.

Stay out of damaged buildings. Return home only when authorities say it is safe.

Use the telephone only for emergency calls.

Clean up spilled medicines, bleaches or gasoline or other flammable liquids as soon as possible. Leave the building if you smell gas or chemical fumes.

Take pictures of the damage, both to the house and its contents, for insurance purposes.

<http://www.okc.gov/safety/tornado/>

The Nature of Buyer-Supplier Relationships Is Changing

The past few years have been tough on suppliers. Rising commodity prices, tight credit, and recent disasters impacting supply chains have all contributed to the pain. And buyers have been in a position of strength, leveraging the downturn to negotiate lower prices and other terms to their advantage.

However, current trends and predictions of many leading chief procurement officers and other executives suggest that the balance of power is turning. More significantly, the very nature of buyer-supplier relationships seems poised to change. Several trends are involved, including the following.

- Firms are waking up to supply risk. The scale and impact of recent global events on supply chains have highlighted the importance of both understanding and actually mitigating supply risk, and how ineffective we are today in doing so. As companies shift their focus, exclusive or preferential supplier agreements will grow in importance, giving suppliers increasing leverage.
- Knowledge is flowing throughout the supply chain. As companies look to extract more value out of their supply base, an obvious approach is to tap the expertise within it to help innovate or expand into a new market. Some companies are starting to do so, and this trend will increase. Supply bases have a wealth of knowledge within them that can be of great value. For example, if you are looking to enter a new market, it's very likely a supplier has already gone through that experience and can offer great lessons.
- The marketplace is becoming more complex. As emerging economies produce successful, fast-growing, and culturally different companies to compete on the global playing field, the process of selecting suppliers will become riskier, more complicated, and more fluid.
- We're seeing greater pricing transparency. eSourcing and procurement's intrepid scrutiny into still-cloaked categories are bringing increasing price transparency. Global trading networks and online communities will take this up a notch, further decreasing the importance of price negotiations.
- Online communities are proliferating. Digital trading networks and communities are enabling more effective discovery of and collaboration with suppliers. Ongoing technological innovations make collaboration faster, more secure, and easier. As a result, it will accelerate the change in relationships.

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Nearshoring as a Facilitator for Collaboration

The trend toward nearshoring will further encourage these changes and in some cases may be a result of innovators already working to build closer supplier relationships and focusing on value rather than cost. Costs may be a factor in Western European firms shifting to Eastern Europe. Labor costs in Eastern Europe remains 50 to 60 percent lower on average according to Eurostat. However, if cost was the primary factor, Asian countries such as Vietnam, China, and India would present greater savings. Transportation costs, while lower in nearshoring situations, don't compensate for the difference in labor costs. And given that they have actually been trending flat to lower over the past few years, there would now be less pressure to choose nearshoring versus offshoring from a cost perspective.

Nearshoring often involves working with suppliers in countries with better intellectual property rights than offshoring countries (such as Eastern Europe or Mexico versus China or Vietnam). One concern with greater buyer-supplier collaboration is the threat to a company's intellectual property. The increasing nearshoring trend will reduce this barrier.

Nearshoring is more conducive to collaboration with suppliers, in sharing more similar cultures, languages, and values, unlike most offshore locations. While networks and increasing automation will make it easier to find and collaborate with distant suppliers, collaboration is more effective when the parties share such factors and are in similar time zones. Nearshoring also helps reduce risk of supply chain disruptions, as political risk is often lower and delivery times shorter.

Online Networks Fuel the Lean Value Chain

Many of the changes predicted are due to the rise of supplier networks and the increase in automation and other mechanisms that will enable greater and more efficient collaboration between buyers and suppliers. These advances will help take lean up yet another notch, while simultaneously increasing collaboration across new categories of spend. For example, suppliers in a lean value chain will be able to leverage social media mechanisms such as networks and online communities to quickly ask questions and share specifications or prototypes with buyers and others in the value chain. Much of this takes place today, but networks will make it much easier to share such information, as well as quickly configure groups and add new parties, much like individuals do today in their personal lives.

The key concerns with the changing nature of buyer-supplier relationships, particularly the loss of leverage with suppliers and greater risk from higher dependency on suppliers, all apply to lean and have been managed. Lessons learned can and should be applied to minimize the pain of this transition. For example, the immediate and high impact to Toyota of the 2011 tsunami and corresponding mitigation strategies will be a valuable lesson.

Greater cost transparency is an outcome of lean, but rather than leading to an elimination of margins, it has led to a new culture where buyers are conscious of and interested in the financial viability of their suppliers. They push them to constantly improve productivity to offset cost increases, but ultimately absorb price increases when necessary to ensure their supply chain remains viable. And in the process they gain greater visibility into their own margins as they better understand how commodity prices and other cost changes are impacting their suppliers.

How Lean Affects the Buyer-Seller Relationship

The characteristics of lean listed above require just those qualities in buyer-supplier relationships expected to become far more common in the future:

- A partner-oriented relationship with suppliers involving greater collaboration along all stages of the product cycle. Suppliers need to be engaged early on to ensure their production meets customer goals and to assist in making suggestions to improve the end product.
- Constant, efficient communication to ensure product delivery. There is little to no room for delay in delivery due to the lack of inventory and order-based production. Hence, suppliers must be informed rapidly of demand.
- An empowerment of suppliers as those actually producing are empowered in lean to suggest and make improvements, whether that be workers on a production line or suppliers in the supply chain.
- Sharing of risk, since a stoppage of production in one point of the value chain can cause stoppages throughout due to lack of inventory and tight integration

Buyer's or Seller's Market?

The market is favoring...



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The future is likely to create opportunities for both buyers and sellers, as the nature of the buyer-seller relationship evolves. How both sides leverage these changes will determine just how effective and efficient the supply chain of the future will be.

By Alex Saric, Ariba Inc.

April 9, 2013

<http://news.thomasnet.com/procurement/2013/04/09/the-nature-of-buyer-supplier-relationships-is-changing>

Alex Saric is EMEA marketing director at Ariba Inc., an SAP company and provider of business commerce solutions.



Steps to form a partnership:

1. Develop a scope of work.
2. Send out requests for proposal and interview potential vendors.
3. Review proposals.
4. Create a short list.
5. Make unannounced tour of vendors' facilities.
6. Evaluate finalists.
7. Selection.
8. Negotiate an agreement with your selected vendor.

Criteria for Vendor Selection:

1. Purchase existing stock at retail value.
2. Establish a branch at Universal Systems.
3. Have an inventory management system.
4. Work toward continuous improvement process.
5. Use EDI for billing.
6. Have a delivery process.
7. Use periodic evaluation process.
8. Contract termination clause.
9. Product warranty and liability.
10. Maintain property damage insurance.
11. Aggressive pricing strategy.
12. Maintain stocking inventory.
13. Maintain workers' comprehensive insurance.
14. Offer single point of contact.

(Used with permission of Parviz (Perry) Daneshgari)

<http://www.rigsbee.com/ps4.htm>

By Ed Rigsbee, CSP, CAE

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28TH ANNUAL N.A.P.M.- OKCBUYER/VENDOR ROUND UP



Buyers FREE

All Buyers are FREE! Feel free to bring your whole Purchasing Department and invite Buyers from other Companies you know would benefit from networking with over 50 suppliers. They DO NOT need to be a member of N.A.P.M—OKC to attend!

Also part of the event:

- *Finger Foods
- *Raffles
- *Door Prizes

April 15, 2015 6:00 p.m.—8:00 p.m.

Castle Falls

820 N. MacArthur Blvd.

Oklahoma City, OK 73127

2015—2016 Board of Directors

Position	Name
President	Elizabeth Jones
Vice-President	OPEN
Past President/ Forum Representative	Stefanie Jones
Secretary	Pam Pettigrew
Treasurer	TJ Jordan
Vice-Treasurer	Tim Bishop, CPSM
Professional Development Director	John Long, CPSM
Professional Development Vice Chair	Dan Gatewood, CPSM, CPD SCMP
Membership Director	Donna Dolezel
Membership Vice Chair	Christy Sorrels
Program Director	Aparna Popley
Program Co-Vice Chair	Cole Werner
PR Director	Andrea Large
PR Vice Chair	Parker Malone
Technology Director	Angela Smith, C.P.M.
Technology Vice Chair	Jamie Gilmore
Special Activity Director	Grant Skinner
Special Activity Vice Chair	Randy Graves

Who Do We Represent?

Astellas Pharma Tech	Dolese Bros. Co.	Opeco Inc.
Autocraft Industries	Enogex	Pelco Products
Automation-X	Enviro Systems Inc.	Picerne Military Housing
Autoquip Corporation	Exco Resources	Pioneer Telephone Cooperative In
Beam's Industries	Fife Corporation	PM&L Manager Haliiburton
Best Buy	Franklin Electric Water Transfer System	Progressive Stamping, LLC
Big D Industries Inc.	GE Oil & Gas	Remy Inc.
Bimbo Bakeries USA	George Fischer Central Plas	SandRidge Energy
Blue Night Energy Group	Tics	SemaSys Inc.
Borets Weatherford	Halliburton	Security Solutions
Bradford Industrial Supply Co.	Hobby Lobby	Serco Inc
Cameron Compression Systems	High Mount Exploration and Production	Smart Lines LLC
Carlisle Foodservice Products	Industrial Gasket	Smith & Nephew Inc.
Cass Polymers Inc.	Integris Baptist Health Center	SORB Technology Inc.
Chapparral Energy Inc.	J & E Supply & Fastener Co.	Southwest Electric Co.
Chappell Supply	Johnson Controls, Inc.	Seventy Seven Energy
Chesapeake Energy	KimRay Inc.	Surface Mount Depot
Chickasaw Nation	Knights of Columbus	T D K Ferrites Corp.
Chickasaw Nation Div of Commerce	KP Supply	Tronox
City of Oklahoma City	Linn Energy	Universal Well Site Solutions
Circo Energy Group	Little Giant Pump Co.	University of Central Oklahoma
Cleveland County	Lopez Foods Inc.	University of Oklahoma
CompSource, Oklahoma	Marathon Oil Company	US Silica Co.
Conoco Phillips	MD Building Products	USA Compression
Continental Resources, Inc.	Modular Svcs Co	Vaughn Foods, Inc.
Cooper Compression	MTM Recognition Corporation	Williams
COTPA	Noble Energy	Walker & Sons Enterprises Inc.
Coughlin Equipment	OG&E	Warren Cat
Covercraft Industries Inc.	Oklahoma City Community College	WellMark Co
DCP Midstream	Oklahoma Insurance Department	West Oak Industries
Devon Energy	Oklahoma Publishing Co.	Windsor Energy