

The Indirect-MRO Group Presents. . .

## THE ELEVENTH ANNUAL INDIRECT-MRO GROUP Conference & Workshops

### MESSAGE FROM THE CHAIR

Greetings:

I am writing to invite your participation in the 11th Annual MRO/Indirect Sourcing Conference. I know that this comes at a time when you are hearing lots of bad news about the economy. The good news is that tough circumstances often represent good times for personal differentiation. Those with the right knowledge and skills to make a difference can really stand apart from others in the workplace. With this in mind, now may be the best time to invest in extending your understanding of leading-edge supply management practices. We want to help you be more successful, and I believe that we have a great program lined up to do just that.

So, why attend a conference on indirect sourcing? The truth is that every organization engages in indirect sourcing, and the costs involved often represent a substantial portion of organizational spending (as much as two-thirds of total purchasing spend in some organizations). Being positioned to help your organization manage these costs and better accomplish its mission can help you excel. This conference is intended to help you leverage your professional development for strategic advantage, for your organization, for your profession, and for your self.

I look forward to seeing you in Denver!

Michael E. Smith, Ph.D., ISM Indirect-MRO Group Chair, Western Carolina University

### FROM THE CONFERENCE CHAIR:

This year we are in downtown Denver, the mile-high city, in a really pleasant time of the year (late September). The program this year features a mix of actual case studies, emerging business issues, and best practices. Your company will profit from the knowledge you take back!

### Two-Day Conference:

**Monday-Tuesday, September 29-30.**

- Keynote: How to Balance 'Green' with Getting the Green
- Three Case Studies: Hear about MRO strategies at Rockwell Collins and the measurements they use. Learn how Eaton buys, & listen to MAPEL and Michael Foods talk about their Storeroom initiative.
- Are your internal client relationships as good as your suppliers?
- 90 minute workshop by Joe Rice – "How to Strategically Prepare for Any Negotiation".
- Supplier Collaboration: The Key to Building Competitive Advantage
- 90 minute workshop: "The State of the Indirect Supply World" with Lee Buddress, Ph.D., and Michael Smith, Ph.D.
- Procurement Cards: New Savings in the Source to Settle Process.
- Roundtable Discussions. Hear from others, ask questions. Arrangements are for 4-5 Indirect-MRO topics and facilitated sessions!

Note: The Indirect-MRO Group will host a reception Monday, September 29th for conference attendees and Speakers. 6:00-7:00 pm, business casual.



Joel L. Thomas

Online Registration: <http://www.ism.ws/go?page=182>

September 28 – October 1, 2008

Grand Hyatt Hotel – Denver, Colorado

### The Indirect-MRO Conference: September 29 and September 30, 2008

A full two-day conference totally about Purchasing and Managing the Indirect Spend.

### WORKSHOPS:

**Sunday, September 28th** – A one-half day hands-on Benedict Negotiations course starting at 1:00 p.m., "Dealing With Single and Sole Source Suppliers Who Play I Win, You Lose" presented by Joe Rice, MA, C.P.M.

**Wednesday, October 1st** – "Four Key Trends For Indirect Supply Management" – A full-day presented by Lee Buddress, Ph.D., Portland State and Michael Smith, Ph.D., Western Carolina University, and our group's Chairman.

**Wednesday, October 1st** – "Total Cost: A Real Opportunity to Save" with Tim Underhill. Tim is known for his high powered 'How to do' workshops.

All attendees are eligible to receive continuing education hours.



Indirect-MRO  
Group



### WHO ARE WE?

The Institute for Supply Management's Indirect-MRO Group has one of the largest special interest national memberships of the ISM Groups and Forums. It is for those who are involved in the buying and management of the indirect spend.

The Indirect-MRO Group provides educational events for all who are interested in the full Indirect-MRO supply chain, both ISM Indirect-MRO Group members and non-members. These events provide continuing education hours and networking opportunities to promote the interchange of ideas and to discuss mutual issues.

### WHO SHOULD ATTEND?

Designed for the specific needs of those responsible for the management and buying of the Indirect spend, this conference will benefit everyone involved with:

- Procurement/Purchasing Executives
- Supply Chain Management
- Strategic Purchasing
- Maintenance/Storeroom Management
- Materials & Services Management
- Industrial Distribution Executives
- Construction & Services Contracting

Come if you want to learn about the future of the Indirect and MRO buy, and how to make the future happen. Come if you want to hear real case studies and network with the other attendees and speakers.



**Joel L. Thomas,**  
Conference Chair



**Indirect-MRO  
Group**



**Michael Smith,**  
Chairman, Indirect-MRO Group

**COMMENTS FROM PREVIOUS ATTENDEES:**

*"Good benchmarking data to help see the big picture."  
"Supply Chain Management tools, & how to use them."  
"I enjoyed talking to people who buy the same as I do."*

**DAY ONE**

Monday, September 29, 2008

- 8:00 REGISTRATION AND CONTINENTAL BREAKFAST
- 8:55 CHAIRMAN'S REMARKS AND OPENING SESSION
- 9:00 KEYNOTE: HOW TO BALANCE 'GREEN' WITH GETTING THE GREEN

Hear this keynote presentation and case study of how Herman Miller (office furniture leader) developed aggressive sustainability goals that they are forcefully pursuing. Discover how Herman Miller designs for the environment, taking a comprehensive approach to sustainability through product design. Learn how the supply chain is integrated into the process to reach sustainability goals. Discover how to build sustainability into your supply processes using supplier partnerships as a critical piece of the green puzzle.

Speaker: Drew Schramm, Senior VP, Global Supply & Quality  
Herman Miller, Inc.  
Member, ISM Committee on Sustainability & Social Responsibility

10:15 BREAK

10:30 BUILDING ON SUCCESS: MRO SOURCING AT ROCKWELL COLLINS

Managing MRO strategies and relationships is often an under appreciated task. Rockwell Collins was no different. Learn about the transformation process that Rockwell Collins used to develop solid, recognizable MRO strategies. From evaluating opportunities, to selecting strategic supply relationships, to implementing integrated supply strategies, the discussion will center about the evolution of MRO at Rockwell Collins, and the measurements used to gauge success. Learn about how one of Purchasing Magazine's 2007 MRO All-Stars continues to push MRO frontiers by using Lean techniques to strive for excellence.

Speaker: Steve DeFord, Commodity Manager, Indirect Operations, Rockwell Collins Inc.

11:45 LUNCH PROVIDED BY INDIRECT-MRO GROUP

12:45 STRENGTHENING INTERNAL CLIENT PARTNERSHIPS AND GAINING INFLUENCE

Many in supply management struggle with dictated solutions, and the reputation of being demand management police. Sometimes we are among the last to know of initiatives impacting the supply base. Sales professionals may team more effectively with our internal clients than we do. Conversely, sometimes supply professionals enjoy better supplier relationships than internal client relationships. Learn techniques that suppliers use internally within your own organization to forge stronger internal client relationships. Explore a proven process for improvement : Learn to be strategic business partners and key advisors, learn characteristics of effective internal client partnerships, and at the same time better serve the needs of the business.

KEYNOTE

CASE STUDY

TRAINING

**THE ELEVENTH**

Speaker : Nancy Quackenboss Smith, Director, Strategic Partnering Exemplary Performance, LLC.

CASE STUDY

1:45 HOW EATON CORPORATION BUYS INDIRECT

Eaton Corporation has been awarded Purchasing Magazine's Medal of Professional Excellence, and was featured in an article about how the company buys MRO and Indirect. Here is the chance to hear further about how an award winning company buys and ask Terry questions about their operations.

Speaker: Terry Wahlgren, Global Manager, Capital and MRO, Eaton Corporation

3:00 BREAK

WORKSHOP

3:15 HOW TO STRATEGICALLY PREPARE FOR ANY NEGOTIATION

This fast paced hour and a half will give you tools you will use in both in your personal and professional lives. There will be a question and answer session at the end to discuss questions you may have, and worksheets right out of the conference workbook are yours to keep and use.

In the first phase, "Developing the Negotiation Planning Grid", you will use five simple but profoundly important steps. You will learn to create a successful position prior to going into the formal negotiation. Then comes Phase Two, "The Planning Worksheet", where we will prepare to go into negotiation. What is our leverage, what are our trade offs? Who plays what roles?

Speaker: Joe Rice, M.A., C.P.M., Benedict Negotiation Seminars

4:45 CONFERENCE DAY ONE CONCLUDES

6:00 RECEPTION, SPONSORED BY INDIRECT-MRO GROUP

**DAY TWO**

Tuesday, September 30, 2008

8:15 CONTINENTAL BREAKFAST AND REVIEW

8:30 SUPPLIER COLLABORATION: THE KEY TO BUILDING COMPETITIVE ADVANTAGE

BEST PRACTICE

According to Harvard Business Review, the most innovative companies innovate at 10 times the rate of the average company...and 60% of their innovative ideas come from suppliers. While Purchasing Magazine has identified collaboration with suppliers as one of the four best practices that separates the best MRO purchasing organizations from the rest. But how do you create effective collaborative relationships with suppliers? Relationships that produce measurable results?

This opening of Day Two presentation will focus on the tools and methods for turning your key supplier relationships into truly strategic & collaborative alliances.

Speaker: Tim Underhill, President, Strategic Business Solutions

10:00 BREAK

10:15 Michael Foods, Inc. and MAPEI Corporation: Divergent companies; single goals; Indirect MRO empowerment.

CASE STUDY

Storeroom costs consist of both financial and non-financial values that are a real part of your total supply chain costs. It is a tough study to examine feasibility of a single source supplier to manage all aspects of your internal MRO storeroom operation.

This session will present two case studies from Purchasing professionals who have examined the opportunities, and decided to implement a single- source storeroom process. This session will provide a clear view of the necessary ingredients for a successful Indirect MRO cost recovery program and cover benefit details, Measurement, and the Pain of Change.

Alisha Vaughn, Purchasing Manager, MAPEI Products  
Tim Larson, Vice President and CPO, Michael Foods  
George Krauter, Vice President Public Relations, Storeroom Solutions, Inc.

# H ANNUAL INDIRECT-MRO CONFERENCE - SE

11:30 LUNCH PROVIDED BY INDIRECT-MRO GROUP

12:45 INNOVATIVE P-CARD USES: NEW SAVINGS IN THE SOURCE TO SETTLE PROCESS

After automating the front end of the source-to-settle process with ERP systems, etc., many organizations are finding new ways to utilize their Purchasing Cards to improve cash flow by increasing their days payable outstanding (DPO).

Join Dennis Bauer as he explains how a leading hospital automated the payment process, using the Purchasing Card as the settlement medium to bring on commodities that previously never would have been placed on a card product.

Speaker: Dennis Bauer, VP Marketing and Business Development, American Express

2:00 The Indirect Buy: ROUNDTABLE DISCUSSIONS

Back by Popular Demand. Get the most out of your networking when you attend the Roundtable session on Tuesday September 30 from 2:00 – 3:15 pm. You asked for it based on the last two year's experience. Take advantage of this opportunity to explore, discuss and question (or yes, complain) with Indirect-MRO colleagues.

**Some Potential Topics (Five will be selected)**

- Centralized vs. decentralized
- Sustainability/Green buying
- Adapting Lean to Indirect-MRO
- Recruiting and Retaining Talent
- Support of Internal Customers
- Globalization/global buying
- P-Cards
- Inflation

You might discover a cost saving idea, a better way, and how others do things. Join these facilitated sessions and use this open forum to talk about what's on your mind.

3:15 BREAK

3:30 MINI-SEMINAR: THE STATE OF THE INDIRECT SUPPLY WORLD

We now contend with several challenging global situations and need to develop long range plans to cope with them. While all may not be specific to the indirect supply function, they all will have a profound influence upon it. Each will be discussed in context of the global marketplace.

- Population Growth: Regional, National, Global
- Inflation
- Industry Consolidation and Privatization
- Sustainability
- Education & Attracting Supply Chain Employees
- Infrastructure Deterioration
- Forecasting Challenges
- Retirements

Michael Smith, Ph.D., Indirect/MRO Group Chair, Western Carolina University

Lee Buddress, Ph.D., C.P.M., Portland State University

5:00 CONFERENCE CONCLUDES

## Some Past Attendees

3M	Abbott Labs	Acushnet
Amgen	ATK Thikol	AutoNation
Black & Decker	Boston Scientific	BP
Briggs-Stratton	Cabot Corp.	Canandaigua
Carrier Corp.	Cephalon	Chiquita
Closetmaid	Corning	Crompton
CSX	Degussa	Delphi
Delta Faucet	Dresser-Rand	Eastman
Eli Lilly	Entergy	Ferro
GAF	Goodrich	Heinz
IBM	Intel	ITT
JM Huber	John Deere	Kennametal
Malt-O-Meal	Masterfoods	McCormick
Owens Corning	Panduit Corp	Philip Morris
Pratt & Whitney	Progress Energy	PURCHASING
Reichhold	Rockwell	Saint-Gobain
Shaklee	Siemens	Sony
Timken	Tyco	U.S.P.S.
Unilever	Valmont	Xerox

More Comments:

- Absolutely loved the Case Histories (the nuts and bolts of "how to do it").
- I really enjoyed the wine/cheese reception - a really excellent way to meet and mingle with the other attendees.



**Lodging Information:**

**Grand Hyatt Denver**

**1750 Welton St.**

**Denver, Colorado, 80202**

For reservations, phone:

Direct: (303) 295-1234

Toll Free (800) 233-1234

Special Conference Rate: \$179

Hotel Pricing Cut-off Date: September 8th, 2008

*Please register early as contracted space may become tight. Be sure to mention ISM Indirect-MRO Group for discounted rates.*

The Four-Diamond downtown Denver luxury hotel is perfectly situated in downtown Denver & gives you immediate access to all this vibrant area offers – attend the Indirect-MRO Conference, take in a show and stroll along the 16th Street Mall.

**Workshop Fees:** Fees include all materials, workbooks, certificates and directory of attendees.

Cancellations are subject to a \$100 non-refundable fee, but substitutions are permitted.

**Meals:** Registration fees include continental breakfast, morning/afternoon refreshments and luncheon each day.

**Dress:** Business casual, coat and tie are not required.

**Dates & Times:** The conference and the workshops will convene each morning as noted in the conference brochure. Continental breakfast is provided. Reception on Monday, 6:00 to 7:00 pm for all speakers and attendees. All attendees are entitled to Continuing Education Hours.

**Registration Discounts:**

- 1) Take \$100 off conference registration for early sign up by August 31.
- 2) Take \$50 of conference registration if you attend a workshop.
- 3) Team discount of \$100 each for organizations registering three or more attendees. (team discount available only by phone or fax).

*Pre-Conference Workshop*  
**SUNDAY, SEPTEMBER 28, 2008**  
1:00 p.m. – 5:00 p.m.

## DEALING WITH SINGLE AND SOLE SOURCE SUPPLIERS (That Play I win, You Lose)

Have you heard these supplier statements?

*"I was over in your engineering department and they say we're the only suppliers who can meet your specification and time frame."*

*OR...*

*"I wish I could do something for you on the quote, but..... (we are the only source-that's what you pay!)"*

This one/half day session by Joe Rice of Benedict Negotiating Seminars will cover:

- The 12 classic sources of leverage for single and sole source negotiations.

This opening session details in-depth the 12 classic sources of leverage for use as a "check list" before a single or sole source negotiation.

- How to apply the leverage to your negotiations.

At the beginning of the workshop you will identify specific suppliers that would have THE GREATEST DOLLAR PAYBACK with more leverage. In this interactive session, attendees review the list suppliers and determine which of the 12 classic leveraging tools could be successful with each of these specific suppliers.



**Joe Rice, M.A., C.P.M.**  
Benedict Negotiating Seminars

*Post-Conference Workshop*  
**WEDNESDAY, OCTOBER 1, 2008**  
8:30 a.m. - 4:30 p.m.

## TOTAL COST: A REAL OPPORTUNITY TO SAVE

With the cost of energy, plastics, metals and other materials on the rise, negotiating lower prices can be difficult. But the price paid for a supplier's products/services are not the only cost a supplier can impact. Energy costs, downtime, production rates, disposal costs, inventory, maintenance, as well as transaction cost... are all costs that indirect suppliers can help you to improve.

The problem for most companies is turning solutions into real measurable savings. Savings that can be compared against the price a supplier charges in order to make sound Total Cost purchasing decisions.

This workshop will focus on identifying the opportunities your company can pursue and how to measure the cost impact that a solution has on your bottom line.

Tim Underhill will also take four specific solutions and work through what cost drivers are impacted, and provide detailed worksheets for measuring the impact:

1. Simple Price Substitution
2. Vendor Managed Inventory w/ Consignment
3. Technical Support: Reduced Downtime
4. Product Substitution: Energy Savings

***This is an interactive workshop designed to help you meet your cost savings goals.***



**Tim Underhill**

**The Conference and all Workshops earn Continuing Education Hours.**

*Post-Conference Seminar - WEDNESDAY, OCTOBER 1, 2008*

8:30 a.m. – 4:30 p.m.

## FOUR KEY TRENDS FOR INDIRECT SUPPLY MANAGEMENT

Lee Bুদ্ধress, Ph.D., C.P.M.  
Portland State University



Michael E. Smith, Ph.D.  
Chair, ISM Indirect/MRO Group  
Western Carolina University

The supply chain has increasingly become global. Outsourcing is a common practice and there is escalating demand by emerging nations for raw materials. There

are **four key trends** we face as a consequence. This seminar will examine these four in detail and suggest mechanisms to cope with them.

- **Price Increases and Combating Them**  
Oil Prices and Their Broad Effects, Industry Consolidation, Speculation
- **Lean Inventory and Supply Uncertainty**  
Concepts of Lean Operations, Inventory Policies in the Face of Uncertainty
- **Sustainability: THE Hot Topic**  
Environmental Considerations and The Need for Policy Guidance
- **Strategy: Developing Strategies to Address Today's Challenges**  
The Strategic Planning Process for Indirect Supply

All of these questions will be addressed and perhaps a few conclusions will be made in this one-day, participative seminar.

For information about this event, contact Joel Thomas, Indirect- MRO Group, 479/527.9062, e-mail: [mrogroup@sbcglobal.net](mailto:mrogroup@sbcglobal.net)  
 Please return registration by September 22 to ISM Customer Service, P.O. Box 22160, Tempe, AZ 85285-2160 or by fax to: 480/752-7890. You may register online at <http://www.ism.ws/go?page=182>



# Conference Registration



PLEASE USE ONE FORM PER ATTENDEE: FOR ADDITIONAL COPIES, FORM MAY BE DUPLICATED

**Eleventh Annual Indirect-MRO Conference and Workshops**  
**September 28th thru October 1, 2008 – Grand Hyatt Hotel, Denver, Colorado**  
 Conference and workshop attendees are eligible to receive Continuing Education Hours.

ISM ID Number \_\_\_\_\_ ISM Regular Member  Nonmember  PMAC/CAPPO Member   
 First Name \_\_\_\_\_ M.I. \_\_\_\_\_ Last Name \_\_\_\_\_  C.P.M.  A.P.P.  
 Nickname (For Badge) \_\_\_\_\_ Title \_\_\_\_\_  
 Company Name \_\_\_\_\_ Mail Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Business Phone (\_\_\_\_) \_\_\_\_\_ E-mail \_\_\_\_\_

Check here  if you require special services or if you have special dietary needs.

<b>A</b> <b>Two Day</b> <b>Indirect-MRO Conference</b> Mon.- Tue. Sept. 29-30,2008 8:30 a.m. – 4:30 p.m.	<b>B</b> <b>Pre-Conference</b> <b>Workshop</b> Dealing With Single/Sole Source Supplier <i>Presented by: Joe Rice, BNS</i>	<b>C</b> <b>Post Conference Workshop</b> <b>Four Key Trends for Indirect</b> <b>Supply</b> <i>Lee Buddress &amp; Michael Smith</i>	<b>D</b> <b>Post Conference</b> <b>Workshop</b> Total Cost: A Real Opportunity to Save <i>Presented by: Tim Underhill</i>
ISM member \$1075 non-member \$1175 <i>(Register by August 31 and receive \$100 off conference pricing)</i>	Sunday Sept. 28th, 1:00-5:00 p.m. <b>\$295</b>	Wednesday Oct. 1 <sup>st</sup> 8:30 a.m. – 4:30 p.m. <b>\$395</b>	Wednesday Oct. 1 <sup>st</sup> 8:30 a.m. – 4:30 p.m. <b>\$395</b>

**\$50 off registration fee if you attend conference & 1 or more workshops. Add Team Rate \$100 discount for each registrant's fee for 3 attendees from one company(Call or Fax only). Send a team, attend a workshop, and register early = \$250 Discount per person.**

Method of Payment (U.S. Funds Only)		Registration Totals	
<b>Check:</b>  Enclosed is a personal or company check. The check number is: _____  Amount of Check: \$ _____  Make payable to ISM Indirect-MRO Group or to ISM	<b>Credit Card</b>  #Visa #MasterCard # American Express #Diners Club Credit Card # _____  Expiration Date: ____/____  Amt to Charge: \$ _____  Name of Cardholder _____  Signature _____  Cancellations are subject to a \$100 non-refundable fee, but substitutions are permitted.	(A) ANNUAL CONFERENCE (Subtract \$100 if by August 31)	
		(B) DEALING WITH SINGLE/SOLE SOURCE SUPPLIERS WORKSHOP (\$295)	
		(C) FOUR KEY TRENDS FOR INDIRECT SUPPLY MGMT. WORKSHOP (\$395)	
		(D) TOTAL COST: A REAL OPPORTUNITY TO SAVE (\$395)	
		Subtract \$50 if attending a workshop and the conference	
Less \$100 if Team of 3 or more. (by mail/ fax only, not avail. online)			
<b>TOTAL AMOUNT</b>	<b>\$</b>		

**ISM OFFICE USE ONLY**  
 Acct. Code: \_\_\_\_\_ Approval #: \_\_\_\_\_ Date Entered: \_\_\_\_\_ Entered By: \_\_\_\_\_

**Lodging Information:** Grand Hyatt Denver, 1750 Welton St., Denver, Colorado, 80202  
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