



e-news letter

FROM ROGER'S "CHIP" Sales Tips

Many chapters across the world are asking "How do I sell APICS classes, PDM, and membership in the current economy?" With so many companies cutting staff and budget, it seems that it is getting more and more difficult to find companies that can pay for classes, PDM's and membership. I would like to offer some suggestions for selling in this type of environment. First, remember that it is 7 times easier to sell to an existing customer than find a new one. Don't forget the students and companies that have been buying your APICS programs for the past years, they are the most likely to continue to purchase at some level. Loyal customers will continue to buy, they will tell others about the benefits of APICS that they receive. Customers are not always right, but they are always customers.....don't forget to continue to build customer loyalty with ALL past customers. Second, with the current economy we are seeing many companies cut their marketing and sales budgets in their own operations. This seems like a reasonable place to cut when times are hard. NOT true! During the hard times, you must continue to market and sell at an accelerated pace. You may even want to increase your budget in these areas. This will help your customers feel more confident and it will expose you to many prospective customers that all those who cut their marketing and sales budgets are not finding. In addition, this additional sales and marketing effort will keep you well positioned for the future when the economic times improve. Look in future additions for more sales tips. Until then.....Happy Selling!

Roger Harris, CFPIM, CIRM, C.P.M., PMP, CSCP, CPSM
Terra Grande District Staff
President, Colorado Chapter 81



Luis Barcón

CPIM, CIRM, CQM, C.P.M., PMP, CSCP

District Manager



District Manager Message

District Performance Indicators

Dear Chapter Officers,

Introduction

1) One of the recommendations we received during the chapter survey we conducted at our District Meeting in Puerto Vallarta, was to improve our communication process as well as to show you some metrics regarding how are we doing against other districts, against each other and how and what is our Association doing. This e-newsletter is part of what we are doing to fulfill your communication needs, we have also improved our District Web page, and it is now more user friendly and with more relevant information, you can check it at: <http://www.apicsterragrande.org>

Economy

1) We all know that we are facing very difficult economic times all over the world, especially in the durable goods sector and construction. Our customers are cutting budgets, have liquidity problems, and investing very carefully. Unfortunately, many of our customers still believe that education is an expense, not an investment, and reduce or eliminate it accordingly.

This means that some of us need to change from "Order Takers" to real salesmen (See selling APICS presentation by Roger Harris at: <http://www.apicsterragrande.org/apics6/archive.htm>), improve our customer service, and be able to provide better credit terms.

This is even worse on the membership side, the value they receive for the money does not justify investing on it during economic recessions, and the very limited budget they have is going to be spent on education mostly, not membership.

Our customers have less money to invest in our products, our Association is proposing an e-memberships that costs less, but it is going to be just for internationals. Why? I asked at our District meeting to our Association CEO. No convincing answer.

The material and membership price problems are affecting even more our Mexican Chapters. The peso devaluation against the US dollar has raised the price of materials and membership to the Mexican customers by 50% compared to last year.

2) The economy has also affected our Association and District, our District budget has been cut by 30%, and the safe money fund that we generated at our previous

Six Packed conferences is gone. Our Association has also undertaken a expense reduction plan, expenses that do not directly impact revenue or that can be delayed with minimal disruption to the organization and stakeholders (members, volunteers, and staff). Part of this cut includes a 10% reduction in staff people that accounts for 15% of the money paid in salaries.

3) The Six Packed held this year was very successful in terms of customer satisfaction and value, but the attendance was very low, and we were forced to use our safe fund to cover a lot of the conference expenses.

4) This budget cut, and the loss of our safe fund forced us review our district activities. We are cutting one District Meeting, but we will try to maintain our District Staff Chapter visits to chapters in need.

a. Our last meeting of the year will be the Houston one in May 15 and 16 <http://www.apicsterragrande.org/apics6/meeting.htm> Tom Krupka, our current Association Chair (President) will be our guest.

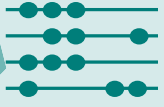
b. We will review the possibility to do a third one depending if a big chapter with a lot of liquidity is willing to help us.

5) Our chapters and districts need to put liquidity measures in place to keep a close track on the money available. Our customers are going to take longer time periods to pay.

6) Not everything is bad news, recession times force us to think out of the box and come with innovative solutions. We need to focus our efforts in consumer goods companies, as well as in the service sector. Their needs can be addressed by a lot of our current association courses or by special ones developed by your chapter.

7) We need to invest in customer service and sales visits, and try to avoid cancelling courses because of low attendance. Our instructors need to charge less (Or not charge) in order to be able to do this. Our PDM's need to continue, now more than ever, to be able to network and find out our customer's needs.

This will generate customer loyalty and more future business when the economy recovers.



Association Strategic Direction

1) At our strategic direction committee meeting we reviewed the strategic priorities of our organization based on the following market changes:

- a. Delivery Methods
- b. Economy
- c. Sustainability
- d. Global SC changes

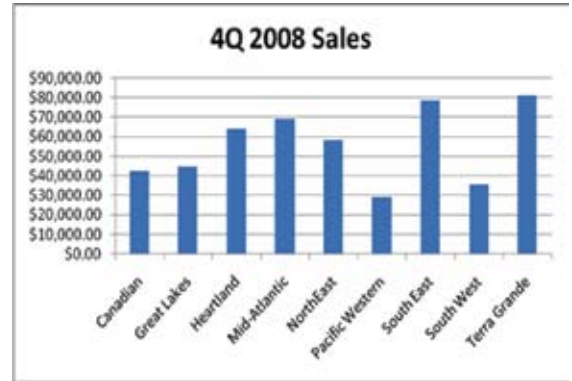
2) We concurred that our strategic priorities are still valid, but we added some objectives to them. They still need to be reviewed by the BOD and approved or modify. The strategic priorities are the following

- a. Membership
- b. Channel Partners
- c. Products
- d. BOK
- e. Globalization
- f. Awareness

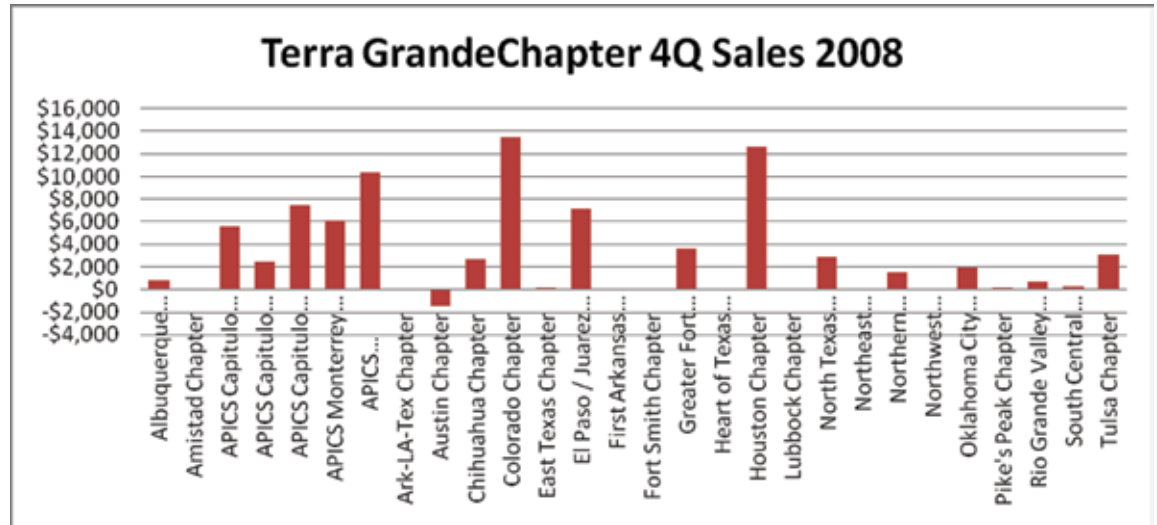
Metrics

1) We all know that most chapters have been complaining about the Association service to them; but the problem is that we do not have hard facts and metrics to know how bad or good it is. Based on that I asked our association to provide us with those metrics (On time deliveries, time to process membership applications, etc.) The bad news is that they do not have them available; the good news is that they are going to start providing them.

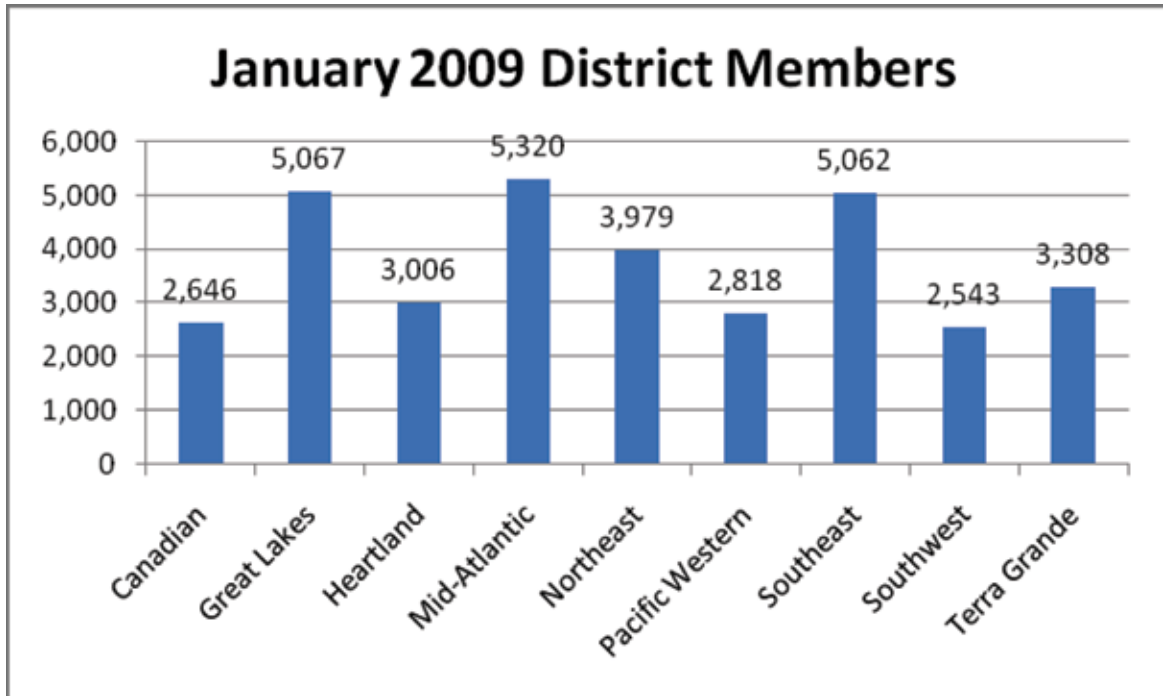
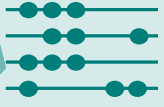
2) The following metrics have been put together and will give you an idea on how we are doing against other Districts and Chapters.



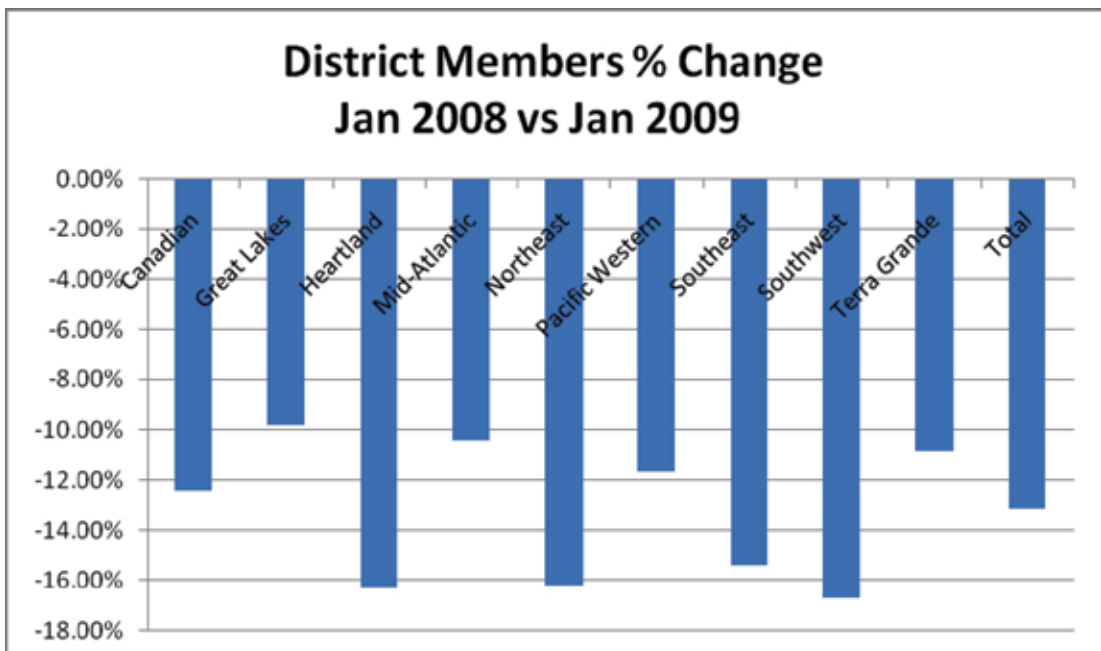
► District Materials bought from HQ (4Q 2008)



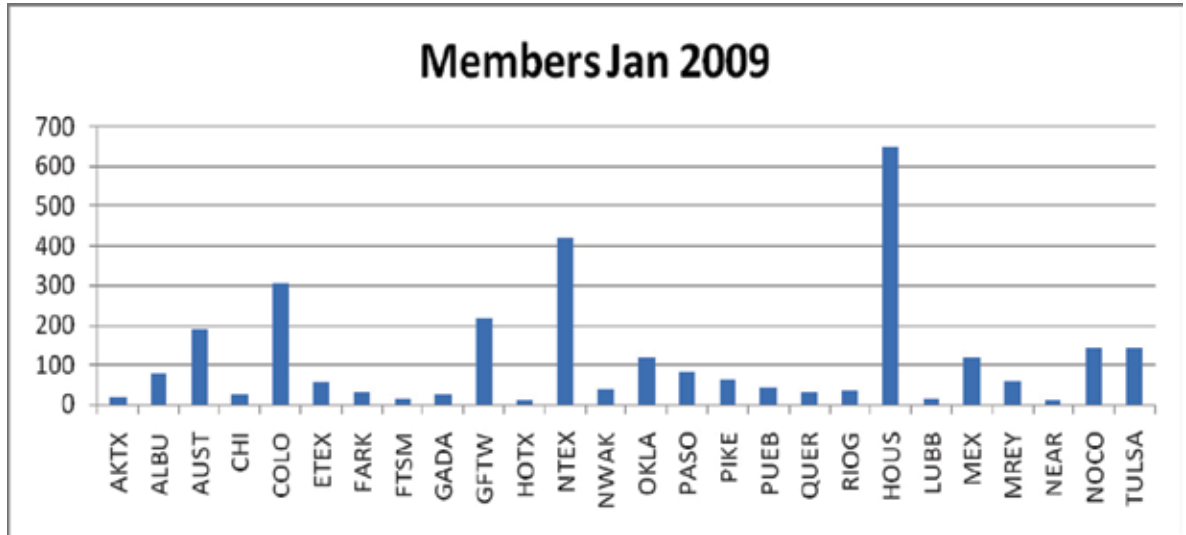
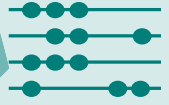
► Terra Grande Chapters Materials bought from HQ (4Q 2008)



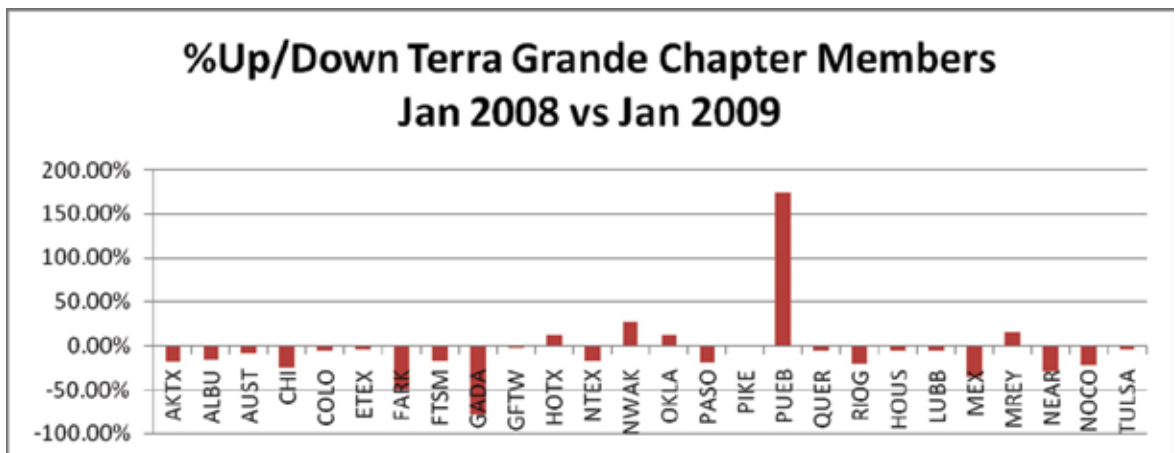
► District Membership



► % of Change in Membership by District and Total



► Members by Chapter in Terra Grande District



► Percentage up/down members in Terra Grande Chapters

See you in Houston.

Ing. Luis Barcón P.
MBA, CPIM, CIRM, CQM, C.P.M., PMP, CSCP, CPF
District Manager
APICS Terra Grande District



District and Chapter Services Department

New District and Chapter Services Department Contact Information Who do you call if you

- *Have a question about your chapter's tax-exempt status?*
- *Need some tips on creating a report in My Chapter?*
- *Want to submit a presentation for the next volunteer leadership training program?*
- *Have a question about your last chapter rebate deposit?*

The District and Chapter Services staff is available to answer these questions and any other requests specific to chapter management and district operations. Team members provide dedicated support to the chapters within their district, as well as general member support for inquiries received via department e-mail, fax, and telephone.

To better serve you, the District and Chapter Services Department has created dedicated phone, fax, e-mail and Web resources for your use:

Phone: (800) 444-2742 or (773) 867-1777, ext. 5436

Fax: (773) 639-3007

E-mail: chaprel@apics.org.

Web: Take advantage of online tools, services, programs, and information for your chapter or district through C-BOX: <http://cbox.apics.org>.

As always, APICS Customer Support is available for all other inquiries:

(800) 444-2742 or (773) 867-1777, M-F, 8:00 a.m. - 5:00 p.m. CT.

District and Chapter Services Corporate Team Members

• Sue Widner

Terra Grande District Field Associate and Interim Southwest District Field Associate (Texas)

swidner@apics.org

Direct Line - 773.867.1863 / Cell 312.203.2407 / Toll Free 800.444.2742 x5525 / Fax 773.639.3163



w w w . a p i c s t e r r a g r a n d e . o r g

The traditional APICS customer has been involved, in one way or another, with discreet manufacturing, whether as a manufacturer, supplier, or distributor. This customer has been well-served by the APICS BOK and educational offerings. Over time, offerings have expanded and have done a good job of meeting customers' needs.

But a new set of opportunities now exist for a more mature APICS. The challenge now is to translate what we know about managing schedules, production, materials, and supply chains for one industry into product offerings for a much broader set of customer needs. Consider for a moment some of the similarities that exist between traditional and potential customers.

APICS knows how to schedule. We schedule the arrival of materials to feed bills of materials into production lines. We schedule materials, people, and production capacity to create those production lines. We schedule shipments to arrive on-time at customers' locations. We schedule the operation of the supply chains that bring materials in and take finished goods out. We forecast every production factor and schedule its availability to meet customers' expectations.

What does that have to do with the needs of other potential customers? A lot. Consider how APICS would address scheduling delivery of materials to a production line that moves. A combination of marshalling materials to a single point, then transporting them to the point of use would probably come to mind. What if the BOM varied from product to product? That happens with every change-over when a production line shifts with product mix. What if a material isn't available when needed? Is there some way to expedite it? And how about charging all of those

materials and labor and asset costs to the product? We have several ways to capture the cost of goods sold with standard processes and systems.

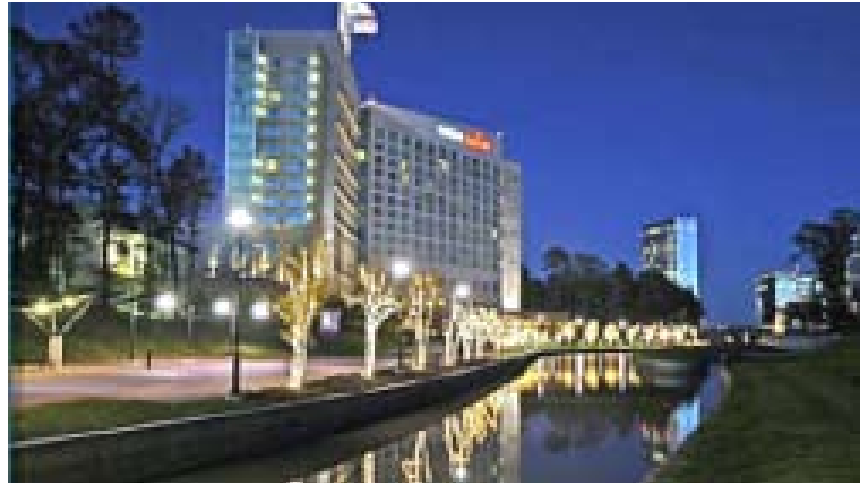
The situation just described isn't discreet manufacturing. It was a plumbing contractor who has a number of trucks with crews that go out to work on various kinds of work orders and construction jobs. Materials are marshaled at the central yard and then loaded onto trucks for the various jobs based on work order assignments. Every job is in a different location and every job is unique. Every BOM is unique to the work order. And some jobs require a material that isn't on the truck, but the job has to be finished the day it starts; so a special run must be made to get the necessary material to the job. But every job must be estimated, costed, and billed. Every piece of knowledge required to supply materials for this plumbing operation is within the APICS BOK.

What we have to do is stop and think through the customer's process and connect what we currently teach in APICS courses to what this service provider does. The only thing APICS doesn't address formally that is necessary (and it's not addressed for discreet manufacturing, either) is the maintenance function (that's a topic for a future article). Everything else the plumbing service needs to manage materials is already a part of the APICS toolkit. We just need to learn how to use our tools in a different industry.



Joe Schriever

CIRM, CSCP
Director Terra Grande District



District Events

May 15 & 16

The Terra Grande District meeting will take place in The Woodlands, Texas. The Woodlands is a suburb of Houston located approximately 40 miles north of the city. The hotel is specifically designed for meetings such as ours. It features a meandering waterway within a wooded retreat. Take a ride on the waterway to nearby restaurants, entertainment, and shopping. It is a state-of-the-art facility connected via sky bridge to The Cynthia Woods Mitchell Pavilion. It is just minutes away from the concert stage.

For more information on The Woodlands go to www.thewoodlandscvb.com

LOCATION

The Woodlands Waterway Marriott

1601 Lake Robbins Drive
The Woodlands, TX 77380

www.marriott.com/hotels/travel/houmw

Rate: \$159/Night. Breakfast and lunch will be included on Friday and Saturday. Internet included.

REGISTRATION

- ? Call 800-262-1509 to register. Group code is **apiapia**.
- ? Must Register By: April 23, 2009
- ? Must stay at this hotel to be reimbursed by the district

TRANSPORTATION

- ? 21 miles from George Bush International Airport (IAH) and 45 miles from Hobby Airport (HOU)
- ? Transportation Options – estimated pricing, subject to change.
 - o Supershuttle.com -- \$23 from IAH and \$45 from HOU. Phone: 1-800-Blue-Van.
 - o Taxi: \$60 from IAH and \$100 from HOB.
- ? Both Valet and Free Parking Available