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Message from the President:

A February draws to a close, we all start to poke our noses out of our winter shelters and say to ourselves "whew – survived another Wet Coast winter!" Thoughts of spring start to enter our minds as we look around to see how we can clean up the winter mess and get our houses in order for another summer of fun in the sun.

To go along with the thought of getting our houses in order, we are pleased to present our March event in response to your desire to see more presentations on Local Success Stories. In March we will be hosting a "Local's Kan Ban" night where two Fraser Valley organizations will be presenting how they were able to "put their houses in order" using Kanban techniques (for more information on this upcoming event, please see our Programs section). This will build on our February event where Dick Verbeek opened our eyes to the clutter in our inventory control systems and challenged our paradigms on acceptable levels of inventory accuracy. Our April event will then go on to focus on how to hire and retain good people, so, by the time April rolls by, if you attended all of the APICS events you will have found out how to improve inventory accuracy, shop floor control, and personnel management allowing you to sit back and enjoy those few days of summer sun we get here on the Wet Coast.

On the Education side, we are very pleased to see that the CPIM course enrollment levels have really taken off. There is a Basics of Supply Chain management course running at the Abbotsford UCFV campus and along with another BSCM course about to start off as an in-house company training plan – we have 30 students enrolled in the CPIM stream. We are already planning the dates for the September UCFV course offerings and hope to see this initial groundswell build to really get the CPIM courses into our community.

Richard Ranftl, CPIM
President



Dinner Meetings and Workshops

Upcoming Events

Date	Event	Presentation	Speaker
Wed Mar 21	PDM	U 2 Kan Ban	Dean Bicknell - Charlene Abbott

March PDM: U 2 Kan Ban

Kanban is one of the core elements of Lean Manufacturing. It is the process in which production is "pulled" through the shop in response to customer demand using visual signals. Many organizations stereotype kanban as only being applicable to high volume / low mix manufacturing and there is a strong feeling that "we are unique and we can't do that here".

In our March event, we are pleased to profile two local organizations who have successfully implemented kanban even though they are not in the high volume / low mix world. Please join us for presentations on how "you too can implement kanban" by Charlene Abbott (Inventory Specialist) with Deere-Hitachi and Dean Bicknell (Operations Manager) with Alco Ventures.

The presentation will cover:

- an overview of each company
- their history of involvement with kanban
- an overview of current kanban processes
- insights and advice on how to make kanban work for you

Charlene and Dave will be bringing photos of their operations, sample kanbans and a ton of advice for those interested in making kanban happen.

Speaker's Bio:

Dean Bicknell – Alco Ventures

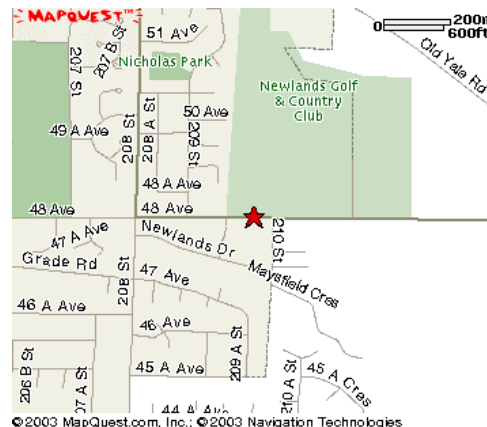
Dean has been active in the Lower Mainland manufacturing community for more than 15 years, focusing on implementation of Lean. As Plant Manager with Xantrex Technologies, he played a key roll in the development of a highly successful manufacturing system using Theory of Constraints for internal scheduling, and kanban pull from suppliers.

Currently, Dean is Operations Manager for Alco Ventures Inc., a Langley based company specializing in aluminum railing and hide away screen door systems. At Alco, Dean has implemented kanban for level loading customer demand and for supplier inventory reduction. TOC is also used for scheduling at the constraint resource.

Charlene Abbott – Deere Hitachi Specialty Products

Charlene has held the position of Inventory Specialist, at Deere-Hitachi Specialty Products, a manufacturer of forestry swing machines, located in Langley, BC since the fall of 2004. Prior to this appointment, she was the Payroll & Benefits Supervisor. Past experiences include: sales, accounting, production reporting and line haul truck dispatching.

Her main focus as Inventory Specialist, has been on developing and maintaining the Cycle Counting Program, working towards achieving an "A" part accuracy of >98%. In addition to this, Charlene has developed and presented in-house Inventory Control training modules, one of which focuses on Kanban Replenishment.



February PDM - Challenging Your Inventory Accuracy Paradigms

On February 21st we were pleased to have Dick Verbeek from Performance Plus Consulting of Ontario join us. Dick gave us all a wakeup call by challenging the way we view inventory accuracy, especially those of us who thought we were using "best practices" in our cycle counting systems.

After explaining what a "paradigm" is (no Ron – it's not two coins that add to twenty cents) Dick outlined the results of an industry survey that his firm conducted among manufacturers from around the world who contributed to an analysis of Inventory Accuracy Best Practices. Dick's firm used regression analysis on the survey results to categorize the relationship between what organizations were doing and the effect that those practices had on inventory accuracy.

Based on the findings of the industry survey, here is a list of practices that help improve your inventory accuracy, those that harm your inventory accuracy, and those that seem to have little or no impact on accuracy:

Best Practices:

- count on your primary (day) shift only
- keep receiving / shipping active during the reconciliation
- used a preferential methodology for selecting items such as:
 - by location
 - zero quantity locations
 - linear (roll through all items or locations)
 - obvious errors (like negative on-hand balances)
- count items daily
- follow your cycle counting procedures
- use Inventory Record Accuracy charts in Team Meetings
- use bar code technology
- use Kanban (check out our March event!)
- use fixed storage location systems
- maintain inventory by location and batch number
- use third-party storage providers

Worst Practices:

- loose tolerances on accuracy that are not increased
- updating inventory records when a count is within tolerance but not exactly equal to the computer record
- conducting Total Physical inventory counts
- cycle counting during non-primary shifts (graveyard)
- cancelling a cycle count
- selecting things to count at random

Little or No Impact:

- counting extra records
- root cause analysis and counting functions performed by separate people
- ABC cycle counting
- use of a consultant during implementation
- formal procedures in place for the perpetual inventory system
- timeliness of transactions

There was a lot of animated discussion during the presentation which featured hands-on examples of how even a room full of "professionals" can end up with 20% accuracy on counting items (oops – were we bad or what!). There was even discussion of a new manufacturing term that may be added to the APICS Dictionary – something that starts with "P" (you will have to find someone that was there and ask them to explain this to you as it's definitely intended for adult audiences).

Dick's firm is in the process of conducting another iteration of this industry survey. If you are part of a manufacturing company that conducts cycle counting and would like to participate (and receive a complimentary copy of the completed analysis) Dick suggests that you check out his web site at <http://www3.symptatico.ca/ppc/>.

Dick has offered to send us a copy of this presentation that we can then forward on to you. If you are interested in receiving a copy, please send an e-mail to president@apics-fraservalley.org and we will forward a copy to you once we receive it.



Fall Semester at UCFV

Our current course (Basics of Supply Chain management) at UCFV has become an outstanding success. There was an overwhelming amount of registrants, far exceeding our initial estimates. Basics of Supply Chain Management will be returning in September 07, and in support of the current students, we will be offering Master Planning of Resources for those who wish to advance through the CPIM offering..

Scheduled dates:

Basics - Thursday Sept 27th - Dec 13th (Richard Ranftl)
MPR - Tuesday Sept 25th -Dec 11th (Mark Latam)

These dates are tentative only, so check our website for updates throughout the year. <http://www.apics-fraservalley.org/education.shtml>.

We now have a potential location for some April workshops. Dates & location will be finalized in the next couple weeks, so check the website for updates. We will also be sending a promotional piece to all subscribers of our monthly newsletter. If you or someone you know are not currently subscribed, send an e-mail to communications@apics-fraservalley.org to be added.



Membership Recognition

As part of our February professional development meeting, we awarded the first of our membership recognition Service Pins. Congratulations to Ron Andress, Jason Young and James Damon.



Left - Ron Andress – 10 years of membership
Centre - Jason Young – 5 years of membership
Right - James Damon, CPIM – 5 years of membership

Being a member of APICS is more than just being part of an organization. It is an ongoing commitment to excellence. Awarding service pins is a small token of our appreciation for your commitment. There are quite a number of you eligible for service pins this year (please check our February 2007 newsletter for the complete list) and as you attend an event we will be pleased to present you with your pins.

Once again, thanks to Ron, Jason and James for your commitment to our association.



Celebrating 50 Years of Excellence in Operations Management

For 50 years, APICS members have made a positive difference in the way organizations produce and deliver the goods and services people use every day. From sourcing to delivery, APICS members play a critical role throughout the supply chain to ensure customers are satisfied and businesses prosper.

The founders of APICS were pioneers of their time, with a vision to see the broad application of their best practices and solutions. They were inspired to develop and share their growing body of knowledge by establishing a professional association that would empower individuals to improve business operations and enhance their careers.

Their legacy thrives in the APICS of today. APICS education, certification, and training are regarded as the industry standard worldwide. More than 42,000 members in 20,000 organizations rely on APICS for its relevant training, internationally recognized certifications, comprehensive resources, and network of accomplished industry professionals.

In the years to come, APICS will continue to develop results-driven education, training, and industry content for our members and customers. Together, we will build upon the APICS legacy as we launch into another successful 50 years.

Happy 50th Anniversary, APICS!

