

## April 2013

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## April Professional Development Meeting

### Reshoring Initiatives

**Thursday, April 18<sup>th</sup>  
Geneva, IL**

**Presenters:  
John Morris and Michael Magliano**

### Reshoring Initiatives and the effects on a Recovering Industrial Real Estate Market

In the face of rising domestic labor costs, many companies, over the years, moved their manufacturing and assembly operations to low-labor-cost countries, especially to China. Now, local wage inflation and other factors abroad are eroding that advantage.

Long lead times, inventory issues, higher fuel costs and a diminished customization or innovation capability all help highlight the fragility of long-distance supply chains and are beginning to impact sourcing decisions. Many companies are now re-evaluating their supply chains and moving their manufacturing and assembly operations either to new, lower-cost locations such as Vietnam and Indonesia or closer to their key markets in developed economies such as Mexico, and even back to the U.S. For the latter, a new term has been coined in the economic development community – reshoring. Indeed, a new nationwide initiative is underway to convince companies that it is worth bringing manufacturing back to the U.S.

We will discuss how the Reshoring Initiative has changed the landscape

in the Manufacturing/Distribution world and how it impacts the Industrial Real Estate Market.

We will focus in particular on the below sub-topics:

- Reshoring - General Overview
- Made in America, Again—Could America gain significantly?
- Local Manufacturing vs. Global Reshoring – i.e. US vs. Mexico
- The Reshoring Initiative, Harry Moser - (Total Cost of Ownership Estimator – TCO Estimator) [www.reshorennow.org](http://www.reshorennow.org)
- Reshoring Risks
- Expected Impact on Real Estate
- Re-Shoring Case Studies
- Industrial Real Estate Market Update - C&W Research Information

### About the Presenters:

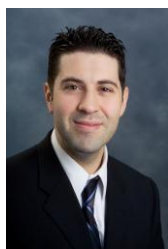
**John Morris** is the Leader of Cushman & Wakefield's Industrial Services group for the Americas. He has responsibility for the Industrial service line at C&W, including oversight for the performance of the company's nearly 600 brokerage professionals in North and South America.



Mr. Morris is experienced in leading supply chain transformation initiatives at Fortune 500 companies in multi-million dollar consulting engagements working directly with client senior management. Responsibilities have included: network design, location selection, organizational design and network rollout plan development.

Mr. Morris holds a MBA from UCLA's Anderson School (with Honors) and a

Bachelors in Economics and Chemistry from Duke University. He is an active member of CSCMP who has recently spoken on transportation management and supply chain network transformation challenges at several industrial development conferences, including CSCMP and TRB. Recent white papers Mr. Morris has authored include "Trends in Truckload Transportation" and "Lessons Learned in Supply Chain Transformation".



Associate Director in the Chicago Office of Cushman & Wakefield, Inc., specializes in business development and client services such as structuring and negotiating commercial leases, and assisting with the acquisition and dispositions of owned or leased properties or land for industrial owners and users. Mr. Magliano's geographic expertise is the North /

South DuPage suburbs continuing out West along I-88 and into the Fox Valley Submarket.

Michael D. Magliano, Jr. earned a Bachelor of Arts degree from DePaul University Chicago in Illinois. He is a Licensed Real Estate Broker in the state of Illinois. Prior to joining Cushman & Wakefield, Inc., Michael was a Senior Associate with Grubb & Ellis in Rosemont, Illinois, spending three years in the Marketing & Research Department and three years as a broker.

Michael D. Magliano, Jr. is an

### April PDM Registration Thursday, April 18<sup>th</sup>, 2013

**Location:** Riverside Receptions & Conference Center  
35 North River Lane, Geneva, IL 60134  
(630) 262-8371  
[www.riversidereceptions.com](http://www.riversidereceptions.com)

**Cost:** \$25 APICS Members  
\$40 Non-Members  
\$15 Full-time Students  
\$20 APICS Members in transition (cash or check at the door)

**Payment:** Pre-pay on-line with either VISA, Master Card, Discover, or American Express.  
Pay at the door with cash or check. We cannot accept credit card payments at the door.

**Schedule:** 5:30pm – 6:15pm: Registration / Networking (cash bar available)  
6:15pm – 7:00pm: Dinner  
7:00pm – 8:15pm: Speaker Presentation  
8:15pm – 8:30pm: Q&A / Wrap-up / Announcements

Register on our website at [www.apics-foxriver.org](http://www.apics-foxriver.org) by noon on Tuesday, April 16<sup>th</sup>, 2013.

## Reshoring articles in the news

According to Boston Consulting Group (BCG), 37% of companies with annual sales above \$1 billion said they were planning or actively considering shifting production facilities from China to America.

Real wages in American manufacturing have declined by 2.2% since 2005. By contrast, pay and benefits for the average Chinese factory worker rose by 10% a year between 2000 and 2005 and increased by 19% a year between 2005 and 2010, according to BCG.

Read more about the details in the following articles:

<http://www.economist.com/news/special-report/21569570-growing-number-american-companies-are-moving-their-manufacturing-back-united>

<http://www.manufacturing.net/news/2012/05/the-cost-gap-and-reshoring-of-chinese-manufacturing-jobs>

# Update from the President

Tony Tills, CPIM, CSCP

The APICS Fox River Chapter is finishing out the year strong with two fantastic Professional Development Meetings (PDM's) in April and May covering Reshoring Initiatives and Quick Response Manufacturing (QRM). QRM is an extension of Lean manufacturing, concentrating on increased customer service and reduced operational costs through the reduction of lead times, even in a custom engineered product organization. These are two of the hottest topics in the industry. We also are setting up a winning PDM and plant tour lineup for the fall of 2013 where we will continue to offer plant tours in addition to our normal PDM schedule.

We will be offering you unique opportunities such as our March plant tour of the state of the art McKesson facility in Aurora, IL. McKesson boasts being the largest pharmaceutical distributor in North America. Attendees were able to pose their questions of Ammie and the plant tour staff about the plants phenomenal performance statistics prior to getting an in depth peek into their state of the art facility. We even were able to pick an order in their pick-to-light system.

The March PDM featured a Lean Six Sigma Expert Panel Discussion (Jeff Johnson of Pepsi, Russ Toman of IS&R, Brett Sprietler of Accurate Metal Fabricating, and Sue Ciullo of Contact 9000) where we had the invaluable opportunity to get real life Lean Six Sigma applications and have our Lean journey questions answered from the panel of experts. I would like to fit this style of PDM in on a regular basis.

Continue to invest in your personal continuous improvement process by taking advantage of the APICS Fox River Chapter and Fox River Training Institute offerings.

- Tony



Contact Chuck Gates at [vpeducation@apics-foxriver.org](mailto:vpeducation@apics-foxriver.org) for more information.



# APICS Fox River Chapter - Open Enrollment Class Schedule

## Waubonsee Community College

Course/Workshop	Dates	Day	Time CDT	Campus
Warehouse Set Up	4/11/13	Thursday	9:00-11:00am	Aurora
Warehouse Material Flow	4/18/13	Thursday	9:00am-12:00pm	Aurora
Physical Inventory & Cycle Counting	4/25/13	Thursday	9:00am-12:00pm	Aurora
Bar Coding & RFID	5/2/13	Thursday	9:00-11:00am	Aurora
3PL Warehouse Logistics Operations	5/9/13	Thursday	9:00-11:00am	Aurora
Warehouse Set Up	5/23/13	Thursday	1:00-4:00pm	Aurora
Certified Supply Chain Professional (CSCP)	5/25/13-6/29/13	6 Saturdays	9:00am-3:00pm	Aurora
Warehouse Material Flow	5/29/13	Thursday	1:00-4:00pm	Aurora
Basics of Supply Chain Management (BSCM)	6/3/13-7/8/13	6 Mondays	6:00-10:00pm	Aurora
Project Management Fundamentals	6/4/13 & 6/11/13	2 Tuesdays	9:00am-3:00pm	Sugar Grove
Physical Inventory & Cycle Counting	6/6/13	Thursday	9:00am-12:00pm	Aurora
Bar Coding & RFID	6/13/13	Thursday	1:00pm-3:00pm	Aurora
3PL Warehouse Logistics Operations	6/20/13	Thursday	9:00am-12:00pm	Aurora
Certified Associate in Project Mgmt (CAPM)	7/9/13 & 7/16/13	2 Tuesdays	9:00am-3:00pm	Sugar Grove
Project Management Professional (PMP)	7/23/13 & 7/30/13	2 Tuesdays	9:00am-3:00pm	Sugar Grove

## DePaul University

Course/Workshop	Dates	Day	Time CDT	Campus
Execution and Control of Operations (ECO)	4/4/13-5/9/13	6 Thursdays	6:00pm-10:00pm	Naperville
Strategic Management of Resources (SMR)	5/16/13-6/20/13	6 Thursdays	6:00pm-10:00pm	Naperville

## Elgin Community College

Course/Workshop	Dates	Day	Time CDT	Campus
Certified Supply Chain Professional (CSCP)	4/29/13-6/24/13	8 Mondays	6-9:30pm	Elgin

## Web Courses On-line

Course/Workshop	Dates	Day	Time CDT	Internet
Certified Quality Auditor (CQA)	3/27/13-5/22/13	8 Wednesdays	10:00am-Noon	Webinar
Certified Six Sigma Green Belt (CSSGB)	4/1/13-5/13/13	6 Mondays	10:00am-Noon	Webinar
Lean Bronze Certification (LBC)	4/24/13-5/29/13	6 Wednesdays	6:00-8:00pm	Webinar

On-site programs are available for companies and organizations at a discount price.

Contact [ypeducation@apics-foxriver.org](mailto:ypeducation@apics-foxriver.org) for a proposal.

**Waubonsee Community College at Copley Center or Sugar Grove (WCC)**

2060 Ogden Avenue, Aurora

[www.wcc.cc.il.us](http://www.wcc.cc.il.us)

Call registration 630-801-7900,ext.2370 or contact **Elizabeth Hurley** at 630-906-4116 or [ehurley@waubonsee.edu](mailto:ehurley@waubonsee.edu)

**Elgin Community College (ECC)**

1700 Spartan Drive, Elgin, IL 60123

[www.apics-foxriver.org](http://www.apics-foxriver.org) / [www.elgin.edu](http://www.elgin.edu)

Registrations are handled through the Fox River Chapter.

Contact [vpeducation@apics-foxriver.org](mailto:vpeducation@apics-foxriver.org)

**DePaul University (DU)**

150 West Warrenville Road, Naperville, IL 60563

[www.apics-foxriver.org](http://www.apics-foxriver.org) / [www.depaul.edu](http://www.depaul.edu)

Registrations are handled through the Fox River Chapter.

Contact [vpeducation@apics-foxriver.org](mailto:vpeducation@apics-foxriver.org)

## Welcome New Members!

*We welcome the following Members who have recently joined our chapter. They represent companies such as Ampac, Plano Molding, Precision Marshall Steel, Caterpillar, Integrated Project Management, Rhapsody Technologies, Bison Gear & Engineering, Metcast, Eby-Brown, RF Ideas, Loders Croklaan, and West Monroe Partners.*

Cynthia Jennings  
Richard Zielie  
Michael Chamberlain  
Greg Olson  
David Rodgers  
Tiffany Folisi  
Anthony Scrima  
Mani Kumar Manda  
Andrew Van Dyck  
Louis Vargas  
Jaisimha Suresh  
Jeffrey Grant  
DJ Groves

Joe Roenna  
Karen Baldacci  
Edward Clausen  
David Garcia  
Joseph Steen  
Senthilkumar Ramachandran  
Heather Lane  
Oscar Morales  
Brian Kirk  
Marissa Meiter  
Tamela McCormick  
Charles Moscato  
Gerry Freese

Mayank Patel  
Hetal Parikh  
Robert Janiszewski  
Luis Escorcía  
Paul Abrahamsen  
Allysan Albrecht  
Cathy Casey  
Lorena Hernandez  
Michael Novak  
Kunal Machhar  
Andrew Czyz  
Carlos Sibaja

We look forward to seeing you at upcoming APICS Fox River Chapter events.

## APICS Fox River Chapter Board Nominations

Give back to your profession, expand your professional network, and have fun at the same time. We are currently seeking nominations for the 2013 – 2014 Chapter Board of Directors.

If you are interested or want to nominate someone for our chapter board, please send an e-mail to [vpmarketing@apics-foxriver.org](mailto:vpmarketing@apics-foxriver.org)

Board elections will occur at the May 15th PDM, located at Riverside Banquets in Geneva.

Fox River Chapter Officers serve one year terms on the board. Terms run July 1st through June 30th. Elections are held once a year at the May PDM. All officers except the president can serve up to three consecutive years in the same position.

The board of directors is made up of dedicated volunteers working in an array of duties to support the programs of APICS in the Chicago area.



# Save with On-site APICS Education Programs

Contact [vpeducation@apics-foxriver.org](mailto:vpeducation@apics-foxriver.org) for a proposal.



*Be among the companies that are scheduling APICS Education Programs on-site at your company location.*

The APICS Fox River Chapter offers the following courses for your employees at a discount:

- Certified in Production and Inventory Management (CPIM; 5 Modules)
  - Module 1: Basics of Supply Chain Management (BSCM)
  - Module 2: Master Planning of Resources (MPR)
  - Module 3: Detailed Scheduling and Planning (DSP)
  - Module 4: Execution and Control of Operations (ECO)
  - Module 5: Strategic Management of Resources (SMR)
- Certified Supply Chain Professional (CSCP)
- Principles of Operations Management
  - Principles of Inventory Management
  - Principles of Operations Planning
  - Principles of Manufacturing Management
  - Principles of Distribution and Logistics
  - Principles of Managing Operations
- Lean Workshop
- Global Sourcing Workshop
- Hybrid Course (Fundamentals of Supply Chain, Lean, and Six Sigma)
- Sales & Operations Planning
- SAP Fundamentals
- Project Management Professional
- Lean Bronze Certification (LBC)
- ASQ Certified Six Sigma Black Belt (CSSBB)
- Quantitative Forecasting
- Root Cause Analysis
- Statistical Process Control (SPC)
- Theory of Constraints (TOC)
- Cycle Counting
- Bar Coding / RFID
- Warehouse Set-up

*We can custom tailor an APICS Education Program to meet the goals and strategy of your organization. Contact Chuck Gates at [vpeducation@apics-foxriver.org](mailto:vpeducation@apics-foxriver.org) to schedule an on-site education program.*

# Aberdeen Supply Chain Management Summit



The Aberdeen Supply Chain Management Summit, now in its 7th year, has emerged as the leading forum for top supply chain executives to share best practices, strategic processes, and business improvements and explore the most innovative products and services on the market. The Summit features a unique combination of sessions that dive-deep into the supply chain strategies being deployed at best-in-class enterprises, coupled with sessions to translate these initiatives into executable tactics.

Most manufacturing and supply chain organizations are beginning to see a return of shipment volumes and there is increased focus on preparing for profitable growth. Aberdeen's recent Chief Supply Chain Officer Survey indicates two major trends: 1) the increased global supply chain environment, and 2) the impacts of more collaboration and complexity.

Addressing global growth and complexity will require "collaborative optimization" of both cost and service. At this 1.5 day executive summit, join your peers and recognized supply chain leaders as they share new innovations and key transformational initiatives being adopted to fuel growth.

The Aberdeen Supply Chain Management Summit is a must attend event and has emerged as the leading

forum where over 200 top supply chain executives plan to convene for a roles-based discussion. As the theme Supply Chain Innovation - Engine for Growth suggests, sessions and roundtable discussions will span topics of interest from integrated business planning to logistics, collaborative execution and from supply chain network design to supply chain visibility.

This year's Summit promises to be another can't miss event, with an amazing speaker line-up including supply chain industry innovators from **Ashley Furniture, Fujitsu, Kenco, Life Fitness, Seagate, Merck, American Italian Pasta Company, Staples** and many others. Visit the Aberdeen website for the full summit agenda at <http://aberdeen.com/>

This is an excellent event for you to learn and share best practices, network with peers, and hear first-hand about trends in the industry. Summit registration is limited to supply chain practitioners and is subject to approval by Aberdeen. Summit registration is complimentary and open to qualified practitioners only.

If you would like to attend an Aberdeen Group Executive Leadership Summit, please contact the Summits team by calling 617.854.5200 or send an email to [Summits@Aberdeen.com](mailto:Summits@Aberdeen.com)

# May PDM Preview: Quick Response Manufacturing (QRM)

## Recasting the Time Factor in Lean Planning for Better Performance

**Presented by Kent Vincent, CIRM, SSBB, Lean Bronze, CSCA**

Quick Response Manufacturing (QRM) highlights the benefits of reducing internal and external lead times. Shorter lead times eliminate non-value-added waste, improve quality, and reduce cost within an organization. QRM facilitates this while simultaneously increasing the organization’s competitiveness and market share through better customer service. QRM is a time based framework that accommodates strategic variability such as offering custom-engineered products while eliminating variation such as rework and changing due dates. Companies making products in low or varying volumes have used QRM as an alternative or to complement other strategies such as Lean Manufacturing, Total quality management, Six Sigma or Kaizen.

QRM extends basic principles of time-based competition while including these new aspects:

- Singular focus on lead time reduction
- Clarification of the misunderstanding and misconceptions managers have about how to apply time-based strategies
- Companywide approach reaching beyond shop floor to other areas such as office operations and the supply chain
- Use of cellular organization structure throughout the business with more holistic and flexible cells
- Inclusion of basic principles of systems dynamics to provide insight on how to best reorganize an enterprise to achieve quick response
- New material planning and control approach (POLCA)
- Specific QRM principles on how to rethink manufacturing process and equipment decisions
- Focus on implementation and sustainability
- Manufacturing Critical-path Time (MCT) metric to measure lead times

### **Kent Vincent Biographical Sketch**

Kent Vincent, MS, MBA, Six Sigma Black Belt, APICS CIRM has served as a manufacturing and systems consultant to clients in the food, packaging, metal finishing, chemical, and automotive, instrumentation, and natural mineral and biomaterial industries for over 20 years. As an experienced process chemist and food and polymer product development engineer, he gained expertise in the areas of process control and supply chain optimization, production and laboratory systems design, materials handling and testing, shop floor data handling, and process modeling.

His background contains a mix of technical expertise and practical management experience. Following a career with industry leaders IBM, Getty Oil and Beatrice Foods in large company industrial systems consulting and research laboratory technologies, he began a consulting career specializing in process improvement and complex technical manufacturing consulting in small and mid-sized companies through his own consulting and as a senior program manager with the Manufacturing Extension Partnership. He expanded into transactional supplier-customer process improvement by way of the training kit supply and paper/pulp industries. His education includes an MBA in Operations from Northwestern University’s Kellogg Graduate School of Management and a MS in Ag/Life Sciences from Cornell University.

Kent is currently Managing Principal of Industrial Systems and Reengineering Services in the Chicago suburbs and has served as an adjunct instructor at Waubensee Community College and Northern Illinois University.

Clients have included Navistar, Kraft, Stanadyne Performance Engine Parts, Fiji Water, and a number of other lower volume, high mix manufacturers and formulated products producers.



## Upcoming APICS Events – Mark your calendar

### April

- » 4/2 Board Meeting
- » 4/18 PDM: Reshoring Initiatives

Millard – Geneva  
Riverside - Geneva

### May

- » 5/7 Board Meeting
- » 5/16 PDM: Recasting the Time Factor in Lean Planning for Better Performance
- » 5/16 2013-2014 Chapter Board Elections

Millard – Geneva  
Riverside – Geneva  
Riverside – Geneva

### June

- » 6/4 Board Meeting
- » 6/19 PDM: Networking, Restaurant Tour, & Nick's University

Millard – Geneva  
Nick's Pizza Pub – Elgin

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## June Preview - Summer Networking Event and Tour Wednesday June 19<sup>th</sup>, 2013

### Nick's Pizza & Pub in Elgin



***Join us for a night of Networking with local Supply Chain & Operations Management professionals.***

At Nick's Pizza & Pub we believe in developing leaders and run our business more like a school than a restaurant. We invite you to join us as we introduce the Nick's University to share what our purpose and values driven company is really all about. We'll be serving our delicious award-winning pizza, giving tours, and will have Nick's recently released book: *A Slice of the Pie: How to Build a Big Little Business* available for purchase.

To learn more about Nick's Pizza and Pub, visit their website at [www.nickspizzapub.com](http://www.nickspizzapub.com)

Nick Sarillo owner of Nick's Pizza has been featured on Fox News, MSNBC Nightly News, WGN News, Inc. Magazine, and Newsweek. He has recently released a book titled "A Slice of the Pie – How to Build a Big Little Business". Nick has also recently launched *Nick's University* to teach his management style and approach to other entrepreneurs and business people. Nick will be giving us an overview of Nick's University and giving a tour of the facility to review the techniques and visual management approaches he uses to build a collaborative team environment.

# 2012 – 2013 Fox River Chapter Board of Directors

## Administration Team

President:	Tony Tills, CPIM, CSCP
Immediate Past President:	Shawn Batka, CPIM, CSCP
Executive VP:	<i>Open</i>
Secretary:	Rick Skinner
Treasurer:	Jim Hennessy, CPIM, CSCP
Accommodations & Attendance Director:	Vinnie Matic

## Education Team

VP, Education:	Chuck Gates, CPIM, CSCP, CQE, CQM, CMfgE
Certification, Educational Services Director:	Jeff Baker, CSCP
Courseware Development Coordinator:	Kaiya Iverson, CSCP
Instructor Services:	<i>Open</i>
Student Chapter Coordinator:	<i>Open</i>
Faculty Advisor, NIU:	Charles Petersen, Ph.D.
NIU Chapter President:	Kevin Rosenquist

## Marketing Team

VP, Marketing:	Shawn Batka, CPIM, CSCP
Marketing Director:	Jean Meyer, CPIM, CSCP
Program Director:	Dan Lueck, CPIM, CPM
Seminar Coordinator:	Ken Kolany, CSCP
Communications / Publicity Director:	Kim Redlich
Membership Director:	Mary Kolecki, CPIM
Voice of the Customer:	Michael Loughman, CSCP, CPL
Career Center Coordinator:	Michael W. Giese
Webmaster:	Chris Olesen

## APICS - Advancing Productivity, Innovation, and Competitive Success

### ***What is APICS?***

APICS, The Association for Operations Management, is the global leader and premier source of the body of knowledge in operations management, including production, inventory, supply chain, materials management, purchasing and logistics. Since 1957, individuals and companies have relied on APICS for its superior training, internationally recognized certifications, comprehensive resources, and worldwide network of accomplished industry professionals.

### ***What is the Fox River Chapter?***

The Fox River Chapter represents companies, and provides services to its members in the Chicago Suburban area. Established in 1977, the Fox River Chapter is the recipient of the highest award given by APICS worldwide, the Platinum Award, for the past 10 consecutive years.

The Fox River Chapter promotes APICS goals by providing networking resources, monthly professional development meetings, certification and educational classes, and publications to members and their companies that lead to improved profits, and advance their professional knowledge and enhance career advancement.

*The Fox River Newsletter is published 8 times per year*