I d e a s A t W o r k

Precision Machined Products Association

### "Best Practices Driving Change" continued

The sessions that will appeal to those responsible for making innovative change happen include: "Tips, Tricks, Traps & Advantages Of Cellular Manufacturing," "Real World Techniques–Effective Teamwork," "Managing Change" and "Lean–Best Practices."

The lean session will be presented by Micron Manufacturing Company of Grand Rapids, Michigan, and Vanamatic Company of Delphos, Ohio. Both companies have been featured in these pages for their cutting edge innovations. Their talents will be combined for the 21/2 hour seminar that is sure to inspire shops to either begin the "lean journey" or improve what they have already developed.

More than 70 technical members are expected to exhibit on Sunday, April 30, with tools, brochures, catalogs, videos of larger equipment and live software demonstrations. This is a great opportunity to meet with suppliers' top technical people on a personal basis. There will also be a lunch available and a special door prize raffle.

This year's Round Table and Discussion sessions will have a few twists. Real-world prints will be available for a range of production equipment so that ideas can be shared as to how best to make the part. Compare your approach to producing parts by listening to others in the session, reviewing how the shop that contributed the part produced it and observing the creativity of the machine tool builders.

This conference will provide you with today's best practices—solutions that will enable you to make improvements throughout your operations, giving you an immediate return on your time and investment. For registration information and additional program details, please visit the PMPA Web site at www. pmpa.org/meetings/techconf/.lfyou have any questions, please contact Monte Guitar at (440) 526-0300 or mguitar@pmpa.org.

# What Isn't Going To Happen In 2006

By Miles Free, Director, Technology Services mfree@pmpa.org

The beginning of a new year is typically the time for predicting what is to come in the year ahead, making New Year's resolutions and renewing commitments to the important things in our lives (such as going to the gym before work each morning). Although it is now March, we are still in the first quarter of a new year. So, here is a variation of the prediction tradition—my short list of what is NOT going to happen in 2006.

Buyers will work on improving supplier relations. Fugeddaboudit. In a crisis, people and organizations don't worry about etiquette. They focus on results. Also, after a dismal fourth quarter in 2005—gee, nobody rushed out to buy cars from the big automakers since they discontinued their pricing gimmicks—those folks still on the payroll at the OEMs will be singularly focused on results. This means lower prices for what they buy

from us. Making nice will only be a smokescreen to distract you from reading the fine print: multi-year, fixed-price agreements at substantial savings above their current arrangements. Genuine interest in improving relations with suppliers on a win-win basis will not be seen in 2006.

OEMs will try to maintain jobs and content in America. Not a chance. You can bet that the OEMs will continue to wrap themselves in the flag to convince you they are "your American neighbors selling great American products to fellow Americans." However, the fact is that one OEM's list of 24 strategic suppliers has only seven U.S. suppliers out of 24 and only one Canadian supplier.

When you see the American flag in a car commercial, you can bet it is there to keep you from seeing all of the foreign content the automakers are "strategically sourcing" to save money over North American labor rates. Economic patriotism seems to be particularly scarce in Detroit these days, despite all the flag-waving.

Sourcing materials for just-in-time projects will get easier. Well, maybe by the end of the year, but in the first half, already low inventories will continue to drive demand for manufactured goods, thus keeping raw materials in tight supply.

It's even worse for commodities and other goods. We continue to hear of 1-year-plus lead times for titanium and some exotic super alloy items.

Simply getting a quote is difficult, if not impossible, for small-quantity buys. The silver lining in this cloud:

Low inventories mean our shops will be busy at least through the first half of the year.

(Continued on next page)

### What Isn't Going To Happen In 2006 continued.

#### Prices will stabilize for raw materials.

And I have a bridge that you can buy really cheap. While the band of prices in which many materials trade will seem to have narrowed, the variability of the prices on a short-term basis has increased dramatically.

Global manufacturing has adopted just-in-time supply methodology, a methodology that seems to be perfectly suited for a world in which nothing evergoes wrong. When things inevitably do go wrong, the consequences are instantly reflected in the price of the affected commodities.

Energy prices will go down. Let's see—with "\$290 billion worth of hidden economic output" coming to light

in China; a frenzy of development in Brazil, India and Southeast Asia; the improvement of the economies of Eastern Europe; and OPEC producing at capacity, what would have happen to make energy cheaper across the globe? No peeking. Time's up. The answer, please?

Quality will be taken for granted. Oops, you caught me. Quality from you, the supplier, will continue to be taken for granted by our customers, their customers and, ultimately,

the end users. Zero ppm is the

minimum accepted quality level, and 100 percent on-time is ordinary and customary.

Your effort to delight your customers and surpass their expectations is the one thing that can differentiate your business from the multitudes of solicitations and suppliers available anytime via the Internet. It is your personal performance, credibility and connection to your customers that is the key to your success and the one sure thing for the year ahead. See you at the gym.

Low inventories mean our shops will be busy at least through the first half of the year.

## **Recent PMPA Listserve Topics**

PMPA members use e-mail Listserves to share ideas, solve problems, sell excessmaterial and equipment, and learn about new business opportunities. Here is a list of what was recently discussed:

- Recruiting set-up personnel
- · Long-term disability
- Creating manufacturing jobs in the U.S.
- WXP extruded products
- · Lean manufacturing
- 316L ASTM F-138 flat stock
- · Health insurance premiums
- Brass bar with I.D. and O.D. irregular shape
- Waste oil
- Parts per hour
- · Mineral spirits distiller
- Programs and fixturing
- OSHA alert

- Bar code systems
- · Davenport 4th position
- Straddle mill attachment
- Looking for a shop that does black oxideon SS303
- Thread rolls
- Stainless tubing
- 9/16" brass tube
- 5C emergency
- Installation of CNC controls on grinding machines
- Submersible filters
- · Hollow bars
- Landis control threading attachment



- Blue chromate
- Tornos deco 26 help needed
- Vacuum sealing parts
- · Yaskawa servo drive repair
- Melamine