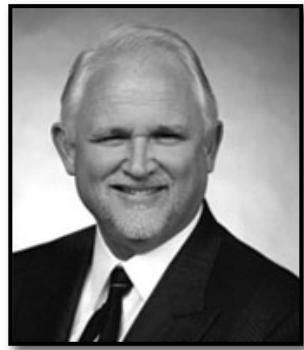


Supply Chain Priorities Discussion



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- Chairman, Corazon de Vida Foundation
- Chairman, ECO Generations, Inc.
- Partner, Xcaret Holdings, Inc.
- Partner, Blackstone Antiquities, LLC
- Past Chairman, California Baldrige Program

I'm Mad as Hell...

- ✈ Scorecards. They're never accurate. You can't get the customer to fix them. And you lose business with other divisions because you're a "poor performer."
- ✈ Purchasing managers and their assigns, who claim to want you to perform as a tier 1 supplier, with all the responsibilities that requires, but want you to do it at the previous "mom & pop" shop's prices.
- ✈ This economy is going to bury the poor souls that took on LTA's (Lost Total Assets) to make their customer happy. If that does not get them the 90 day payment terms forced on them by the big guys surely will.
- ✈ Our finished goods inventory is nearly triple what it was a few years ago. All of this product was made for orders that our customers refused to take after it was made. They won't pay for it either. Now, I can't sell a custom part to anyone else. I can't hold a "25% off" sale to move it (well, actually, I HAVE tried that). All I can do is write it off as a loss. But if I do that, I'll probably lose what little financing my bank hasn't already pulled.
- ✈ Audits. We have one a week and they're all redundant.

Supply Chain Priorities

- What issues should we be working on together?
- Take 15 minutes at your table
- Make a list of issues or topics
- Prioritize and select the top 3
- Pick someone to report these when called on



Accelerating Supply Chain Performance

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