

October 17, 2000 - Professional Development (Membership) Meeting

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October 17, 2000 5:30 - 8:00 PM

Topic: B2B Supply Chain Management
Presented by Srinivas Kalluri, Founder, President &
CEO & Anthony O'Hare, Co-Founder & CTO, e2Go

Presentation Outline

1. B2B - the background
2. B2B - today
 - a. How is it being used?
Provide an example
 - b. Strengths
 - c. Weaknesses
 - d. Opportunities
 - e. Will it replace EDI? Why?
Why not?
3. B2B Resources
 - a. What does one need to start using
B2B? Training, hardware,
software?
 - b. Where can one go to get more
information on B2B?

Date: October 17, 2000

Time: Registration starts at 5:30 PM.
Tech Session on Certification &
Recertification starts at 5:30 PM.
Dinner is served at 6:15 PM.
Program starts at 7:15 PM.
New curriculum and workbooks will
be available for review.

Location: Sheraton Madison Hotel
706 John Nolen Drive
Madison, WI (608-251-2300)
From US Hwy 12-18 (Beltline),
take John Nolen Drive Exit North.
The Sheraton is on the right
(East) side of the road just
North of the exit ramp.

Menu: Not provided.

Cost: \$20.00 for members or guests.
\$5.00 for program only.

Register: Please register with our
answering service, USA First, by
calling 608-257-8756 between
9 a.m. and 5 p.m. by the Friday
before the meeting.

APICS

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President's Message John Weisenberger, CPIM

We often hear that we need to go "Back to the Basics". Does it ever occur to you, as it does to me, that I have no idea what the "Basics" are? Within the APICS body of knowledge, basics are the core concepts. These are the things contained within the supply chain management module. These are things like item master, bills of materials, and routings. From a simple construct, these are the what, where, and how of any product. The "what" (bill of materials) is the list of defined elements (item master items) that make up the product. The "where" and "how" are described in the routing.

It is continually amazing to me how much trouble most companies have just getting their arms around these simple concepts. I suppose I should not be at all surprised; I often use the quote "it takes real intelligence and talent to make something simple and straight forward; any fool can make it complicated."

At a local un-named company, a person (who shall also go un-named) started a cycle count program. The accounting people said that "on average, the inventory is accurate;" What they mean is that the negative inventory dollar value (counts) balances with the excess inventory value (counts) during the semi-annual physical inventory. At the beginning of the cycle count program, the value of the inventory on hand according to the accountants was \$4.5 million. The cycle count program indicated that the inventory accuracy was 10%. (Of 100 bins of parts counted,

only 10 agreed with the computer inventory system.) Now, about two years later, the inventory accuracy is about 85% and the self same accountants tell us that the inventory value is \$2.0 million while sales increased 10% or so. If I can give credence to another fact: every dollar of inventory reduction this year, reduces operating cost by a dollar and therefore adds a dollar directly to bottom line profits this year and for each subsequent year. The cycle count program I just described has added 2.5 million dollars to the bottom line profits of the un-named company.

This is an example of a basic concept implemented. I am sure there are many here in the Greater Madison area. I would like to hear your story and understand the value added. Most of the time we hear, "Boy, you really don't want to do what we are doing." Only it is really stated, "Our company really does some dumb things. They"

Live long, add value, and prosper.

John

Speaker Bios:

Srinivas Kalluri is the founder, president and CEO of e2Go. Mr. Kalluri has over 16 years of experience in management and Information Technology. As a Client Partner at Tanning Technology, a professional consulting firm, Mr. Kalluri provided e-Business consulting and technology plans for several large companies, including the Gartner Group. As a Senior Member of Technical Staff at Schneider National, he managed the development and delivery of a logistics system deployed in Europe. At Schneider, he also developed a sound understanding of the logistics industry and experience in creating supply chain strategies and logistics solutions. As a Director of IT Infrastructure and New Technologies for Oxford Health Plans, a \$4B health insurance company, Mr. Kalluri managed the infrastructure as the company grew from 175 to over 4,500 employees and revenues of \$3B. At Oxford, Mr. Kalluri also successfully created a healthcare supply chain management solution involving the integration of provider networks. Prior to that he worked as a Design Engineer at BHEL, a major manufacturer in India, where he was responsible for inter-departmental process automation. Mr. Kalluri received a B.S. in Mechanical Engineer from Andhra University.

Anthony B. O'Hare, Ph.D. is the co-founder and CTO of e2Go. Dr. O'Hare received his Ph.D. in Computer Sciences from the University of Wisconsin - Madison and has over 25 years of management and Information Technology experience. His prior positions include Senior Member of Technical Staff for the Microelectronics and Computer Technology Corporation (MCC), performing research and managing development teams in the area of deductive databases. At Unisys Dr. O'Hare was a Senior Research Scientist and Principal Investigator for several projects, with a combined budget of over \$2M per year, including one involving large-scale logistics for the Defense Advanced Research Projects Agency (DARPA). As a Senior Software Engineer and Product Manager for IBM's Networking Systems Division, he assumed broad responsibilities including technical leader, release manager, and project manager for mainstream product lines including the Multi-protocol Switched Services (MSS) servers with an initial budget of \$15M. Most recently, he was the Chief Architect for Schneider National (a \$2.7B transportation and logistics company with a \$40M IT budget) where he managed large projects for delivering Internet enabled services and for adopting Object Oriented development methodologies. In addition to managing numerous successful projects, he has produced over forty technical publications as well as several invention disclosures and patents for software.

SEPTEMBER

- 5 APICS Board Meeting
- 18 8 Week MATC Classes Begin on Basics of Supply Chain Management & MRP Module
- 21 APICS Meeting; 5:30 at Sheraton Madison Technical; Class A Manufacturing
- 22 October Newsletter Deadline

OCTOBER

- 3 APICS Board Meeting
- 17 APICS Meeting; 5:30 at Sheraton Madison Technical; B2B Supply Chain Management
- 20 November Newsletter Deadline
- 22-25 APICS International Conference & Expo, Orlando, Florida

NOVEMBER

- 7 APICS Board Meeting
- 14 Plant Tour
- 24 December Newsletter Deadline

DECEMBER

- 5 APICS Board Meeting
- 13 APICS Meeting; 5:30 at Sheraton Madison Technical; UW Madison
- 22 January Newsletter Deadline

JANUARY

- 9 APICS Board Meeting
- 17 APICS Meeting; 11:30 at Sheraton Madison Time Management
- 19 February Newsletter Deadline

FEBRUARY

- 6 APICS Board Meeting
- 20 APICS Meeting; 5:30 at Sheraton Madison Technical; Ben Franklin
- 23 March Newsletter Deadline

MARCH

- 15 APICS Board Meeting
- 15 APICS Meeting; 5:30 at Sheraton Madison Technical; Six Sigma

APICS® Chapter 232 Madison
The Educational Society for Resource Management



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