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**Are you maximizing your services spend? (examples of typical services)**

- Temporary labor
- Utility services
- Healthcare
- Travel
- Waste management
- Advertising
- Construction
- Business consultants
- Telecommunications
- Janitorial
- Business services
- Delivery and messenger services
- Landscaping
- Legal
- Information technology
- Engineering
- Marketing

**Scottsdale, Arizona**

With an abundance of world-class resorts, championship golf courses, award-winning spas, fabulous shopping, and exclusive art galleries, Scottsdale, Arizona is a prime travel destination for travelers throughout the country and the world. A suburb of Phoenix, Scottsdale (and the metro area) is known as the "Valley of the Sun" and averages a high temperature of 66 degrees Fahrenheit during the month of December.

The Valley of the Sun is home to over 3 million residents and is over a thousand square miles in area. Scottsdale has over 600 restaurants ranging from Southwestern barbecue and South of the Border cuisine to Pacific Rim fare and everything in between. The climate makes outdoor activities such as desert Jeep tours and hot-air ballooning a way of life. Day trips to scenic Arizona destinations like the Grand Canyon and Sedona are an added benefit.

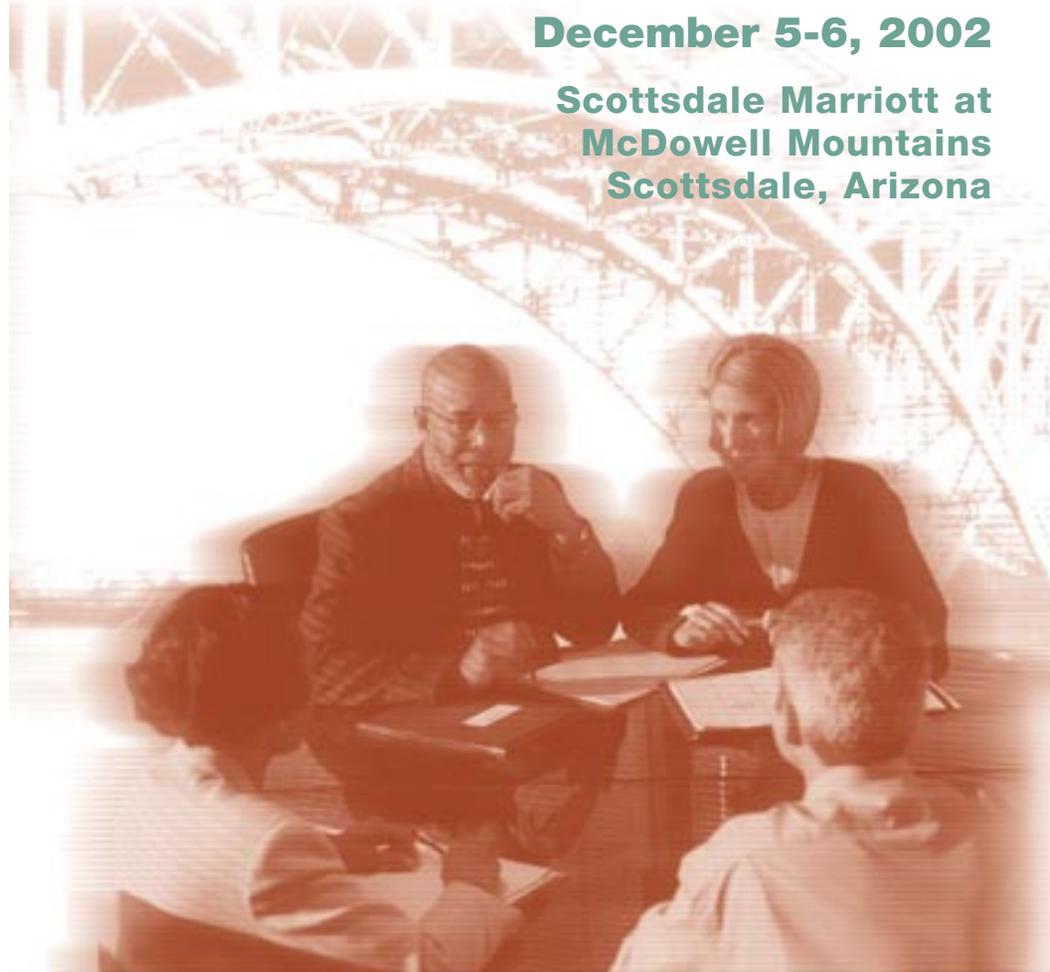
For more information about Scottsdale, the greater Phoenix metropolitan area, and other points of interest in Arizona, visit [www.arizonaguide.com](http://www.arizonaguide.com).

# Smart Business: Leveraging the Services Spend

*An ISM Services Group Conference*

**December 5-6, 2002**

**Scottsdale Marriott at  
McDowell Mountains  
Scottsdale, Arizona**



[www.ism.ws](http://www.ism.ws)

800/888-6276 or 480/752-6276, extension 401

Presented by



**institute for  
supply management**



## Did you know ...

... that on average, 54 percent of an organization's total purchase is aimed at service providers?

*(CAPS Research)*

**M**anaging the services spend provides a unique opportunity to contribute to the bottomline. Services run the gamut from low-cost, routine purchases to the high-dollar expense of consulting services. Either way, smart sourcing for services can have a significant impact on your bottomline. Attend "Smart Business: Leveraging Your Services Spend" and find out how to apply your traditional strategies to the acquisition of services and become an invaluable contributor to the success of your organization.

You are invited to attend the third annual presentation of the ISM Services Group Conference: "Smart Business: Leveraging Your Services Spend." The focus is on how to leverage the purchase of services to become a true strategic force within your organization.

### Who Should Attend

This program is designed for supply management professionals responsible for acquiring services. Because supply managers in both the manufacturing and non-manufacturing arenas buy services every day, many diverse examples will be included. Supply management professionals from all levels are invited to attend this one and one-half day program. Additionally, team leaders, project managers, and members of cross-functional teams will benefit from this experience.

### Why You Should Attend

Realize a high ROI when you direct your supply management expertise to the world of purchasing services. Discover how to translate your "make versus buy" knowledge to the service arena revealing hidden savings. Currently, only 27 percent of the purchase of service dollars is handled by supply management professionals — find out how to turn your co-workers into customers and streamline your service purchases. Explore the role of your stakeholders in the sourcing decision and optimize the process. This is an opportunity to learn from other practitioners and experts. Networking time is built into the schedule to allow you time to find out how your colleagues are leveraging the power of this multibillion-dollar proposition.

Earn 9.25 Continuing Education Hours (CEHs) for your participation.

# Curriculum

**Thursday, December 5, 2002**

## General Sessions:

**8:15 a.m. - 9:30 a.m.**

- **Five Strategies That Really Work AA**

*John MacLean, Vice President, Purchasing, American Airlines*

Learn about the top five strategies used at American Airlines to create value. Hear success stories from this service company that won the prestigious "Medal of Professional Excellence" award. American Airlines proves that the value proposition of supply chain management can be applied to the service sector just as it is in manufacturing.

**9:45 a.m. - 10:45 a.m.**

- **How to Get Bottomline Results through Strategic Sourcing: A Case Study AB**

*William C. Cook, Vice President, Sourcing and Supplier Performance, WellPoint Health Networks*

A strategic sourcing process can lead to significant improvement in the delivered cost of goods and services. But can these reductions be reflected in the business unit's bottomline forecast? Hear from WellPoint Health Networks, a leading healthcare company, about the implementation of strategic sourcing and the challenges faced with linking savings to the bottomline.

## Concurrent Sessions:

**11:00 a.m. - 12:00 noon**

- **Best Practices in Supply Management Training AC**

*Keith Strange, Vice President, Supply Management, United States Postal Service*

*Patricia A. Hanson, C.P.M., Director of Purchasing Operations Management, J.C. Penney Corporation, Inc.*

Are you using training effectively to add value to your supply management organization? In this session, hear two perspectives on supply management training. Learn how J.C. Penney uses a common-sense strategy in training to ensure value delivery at every level of procurement. Get the inside story on how to provide individualized, formal training to enhance the skill sets of the professional procurement staff. Also, learn how the U.S. Postal Service's purchasing and materials organization uses training to re-skill its workforce to transition into a supply management organization. This session promises to deliver lessons learned including issues about intellectual capital, objectives, and processes — with a focus on the challenges faced and the results achieved.

- **Best Practices for Defining and Managing the Services Spend Category AD**

*Lee Muller, Director of Services Purchasing, Georgia Pacific Corporation*

This session examines methodologies to assist in defining the services spend category. In addition to developing strategies, you will review tools for understanding total cost of consumption, identify worthwhile savings opportunities, and understand and optimize the processes associated with the acquisition and use of services. Other highlights include reviewing methods for buyers and sellers to approach cost reduction as partners.

## General Sessions:

**1:30 p.m. - 2:30 p.m.**

- **Implementation of Supply Chain Management for Services *AE***

*Tim Underhill, President, Underhill & Associates*

Find hidden opportunities to apply supply chain management strategies within the services arena. Learn how to identify potentials for reducing total cost and for determining and controlling risks. This session outlines not only how to get started but also a process for implementation. Additional highlights include real-world examples and how they apply to you.

**2:45 p.m. - 3:45 p.m.**

- **Roundtable Discussions**

Use this opportunity for interaction and lively discussions with your colleagues.

**4:00 p.m. - 5:00 p.m.**

- **Creative Supply Management Solutions for the Services Sector *AF***

*Alvin J. Williams, Ph.D., Chair/Professor, Marketing, University of Southern Mississippi*

This session provides an integrative framework from which to cultivate and manage innovative people, processes, and outcomes in supply management within the services sector. The discussion is based on the premise that successful service organizations result from sustained, thoughtful, and novel actions targeted toward specific ends that are valued by the organization and the marketplace. Learn how to use creative problem solving as an essential tool for impacting supply management effectiveness. Hear specific examples of how creativity can be woven into the fabric of the strategic supply efforts. Take away methods for transforming your supply culture into a more innovative unit.

## Friday, December 6, 2002

### General Session:

**8:15 a.m. - 9:15 a.m.**

- **Best Practices in Using Global E-Sourcing for Services *BA***

*Jackie Ross, Director, Global Services, Praxair, Inc.*

Learn how a reengineered, world-class strategic global sourcing organization raised its capability to a higher level using comprehensive implementation of new e-sourcing technology. Hear how Praxair's Global Procurement and Materials Management team uses e-sourcing tools and processes to increase its ability to rapidly create and deliver measurable value to all business units. Discover how Praxair enhances processes to identify, select, and manage preferred suppliers using e-sourcing tools. Using case studies, this session also discusses partners that provide the key applications, and internally developed tools.



*Take a break and visit the solution-provider displays. Do some comparison-shopping and use this opportunity to connect with suppliers face-to-face.*

## Concurrent Sessions:

**9:30 a.m. - 10:30 a.m.**

- **How to Save a Million Dollars Today: A New Paradigm for Purchasing Professional Services in the Human Capital Market *BB***

*Jeannine Basile, Vice President, Technology Sourcing, Merrill Lynch & Company*

*Bill Castellano, Chief Operating Officer, FlexCorp Systems*

In this session, hear how advances in the human capital marketplace can save your organization millions of dollars. Explore current trends impacting the human capital marketplace, the politics of purchasing professional services, and a review of creative strategies to help organizations save millions. Hear how Merrill Lynch, a premier global financial management and advisory company, teamed up with FlexCorp Systems, a leader in human resources outsourcing solutions, to assess services suppliers, improve customer service, and leverage resources to improve efficiencies, all while generating cost savings.

- **Leveraging the Internet to Add Value to Strategic Sourcing *BC***

*Eberhard E. Scheuing, Ph.D., C.P.M., ISM Professor of Purchasing and Supply Leadership Emeritus, St. John's University*

This session provides a framework of services sourcing parameters. Explore their role in a firm's value creation process, the range of strategic service sourcing options, and the building of service delivery networks. Learn how to add value by exploiting the Internet through speed, access, and transparency. Attend this session, participate in interactive discussions, and share experiences.

### General Session:

**10:45 a.m. - 11:45 a.m.**

- **Value-Based Supplier Relationship Management *BD***

*Lori Yelvington, CPCU, Assistant Vice President, Procurement Governance, Allstate Insurance Company*

Following several years of success in reducing direct and indirect costs through effective strategic sourcing, demand management, and electronic commerce, hear how Allstate Insurance Company is now developing a program to enhance the value derived from each supplier relationship. This case-based session explores the steps that Allstate is taking to create healthier, more mutually valuable business relationships, including how to:

- Determine supplier segmentation criteria to establish relationship goals
- Determine behaviors and expectations of both the supplier and buyer appropriate to the relationship type
- Assess current supplier and buyer behaviors and perform gap analysis
- Use metrics to create clear buyer/supplier expectations and drive improvement plans

## Registration Information

**Accommodations** — All sessions are at the Scottsdale Marriott at McDowell Mountains, 16770 N. Perimeter Drive, Scottsdale, AZ 85253. For reservations, call 480/502-3836. Be sure to mention ISM to receive the special room rate of \$149. It pays to make your reservations early; the ISM rate is valid through November 13, 2002. For additional information about the hotel, visit [www.marriott.com](http://www.marriott.com).

**Membership Discount** — Regular members of ISM receive a **\$200 discount** on this program registration fee. If you're not already a member of ISM, send in a completed membership application with your payment and receive the member discount. Visit our Web site at [www.ism.ws](http://www.ism.ws) and become a **member online**.

**Team Discount** — There is a **\$25 discount** (per person) for organizations registering three or more people for this program. All registrations must be placed at the same time.

## Registration Information *(continued)*

**Online Registration** — Save \$25 when you register on the ISM Web site, [www.ism.ws](http://www.ism.ws).

**U.S. Tax Deductions** — The U.S. Internal Revenue Service may permit an income tax deduction to U.S. residents for expenses (including registration fees, travel costs, meals, and lodging) incurred in pursuit of continuing professional education. Consult your tax advisor for details.

**Cancellation and Refund Policy** — Notification of your cancellation must be received in writing. Cancellations received up to the day prior to the program are subject to a \$100 cancellation charge. No refunds once the program has begun. Registrants who fail to attend a program are not entitled to a refund. ISM must be contacted within 30 days of the program completion in order for a refund to be considered. ISM reserves the right to substitute instructors. If the program is not held for any reason, ISM's liability is limited to the program fee.

**Air Transportation** — ISM's official airline carrier is American Airlines. Call American Airlines directly, weekdays at 800/ 221-2255. Refer to file #35D2AA. Please confirm your conference registration before making air travel arrangements.

**Ground Transportation** — You are responsible for your own ground transportation.

**Food for Thought** — Your full registration includes the following meals and events: Continental breakfast on Thursday and Friday. Lunch on Thursday. A networking reception Thursday evening. Your confirmation letter will include details for these events.

## Schedule-at-a-Glance

### Thursday, December 5, 2002

7:00 - 8:00 a.m. . . . . **Registration, Continental Breakfast, and Solution-Provider Displays**

8:00 - 8:15 a.m. . . . . **Welcome**

8:15 - 9:30 a.m. . . . . **General Session AA**  
• *Five Strategies That Really Work*

9:30 - 9:45 a.m. . . . . **Break. Visit the solution-provider displays.**

9:45 - 10:45 a.m. . . . . **General Session AB**  
• *How to Get Bottomline Results through Strategic Sourcing: A Case Study*

10:45 - 11:00 a.m. . . . . **Break. Visit the solution-provider displays.**

11:00 a.m. - 12:00 noon . . . **Concurrent Session AC**  
• *Best Practices in Supply Management Training*  
**Concurrent Session AD**  
• *Best Practices for Defining and Managing the Services Spend Category*

12:00 - 1:30 p.m. . . . . **Lunch and Solution-Provider Displays**

1:30 - 2:30 p.m. . . . . **General Session AE**  
• *Implementation of Supply Chain Management for Services*

2:30 - 3:45 p.m. . . . . **Break and Solution-Provider Displays**

2:45 - 3:45 p.m. . . . . **Roundtable Discussions**

3:45 - 4:00 p.m. . . . . **Break and Solution-Provider Displays**

4:00 - 5:00 p.m. . . . . **General Session AF**  
• *Creative Supply Management Solutions for the Services Sector*

5:30 - 7:00 p.m. . . . . **Networking Reception**

### Friday, December 6, 2002

7:00 - 8:00 a.m. . . . . **Continental Breakfast**

8:00 - 8:15 a.m. . . . . **Opening Remarks**

8:15 - 9:15 a.m. . . . . **General Session BA**  
• *Best Practices in Using Global E-Sourcing for Services*

9:15 - 9:30 a.m. . . . . **Break**

9:30 - 10:30 a.m. . . . . **Concurrent Session BB**  
• *How to Save a Million Dollars Today: A New Paradigm for Purchasing Professional Services in the Human Capital Market*  
**Concurrent Session BC**  
• *Leveraging the Internet to Add Value to Strategic Sourcing*

10:30 - 10:45 a.m. . . . . **Break**

10:45 - 11:45 a.m. . . . . **General Session BD**  
• *Value-Based Supplier Relationship Management*

11:45 a.m. - 12:00 noon . . . **Closing Remarks**

## Registration

Program Name	Member Fee	Nonmember Fee
<input type="checkbox"/> Smart Business: Leveraging the Services Spend Program #3055C	\$795 (USD)	\$995 (USD)

### Four Easy Ways to Register

**Internet:** Register online at [www.ism.ws](http://www.ism.ws). Save \$25 when you register on the ISM Web site, [www.ism.ws](http://www.ism.ws).

**Fax:** Transmit completed form with credit card information to 480/752-2299.

**Mail:** Complete the form below and mail with check or credit card information to ISM Seminars, P.O. Box 22160, Tempe, AZ 85285-2160, USA.

**Phone:** Call Customer Service at 800/888-6276 or 480/752-6276, extension 401. Please have your credit card number ready.

This conference offers 6 general sessions and 4 concurrent sessions. Please place an X in your preferred concurrent workshop session:

**Thursday 12/05/02**  
**11:00 a.m. - 12:00 noon**

**Concurrent Session AC**  
Best Practices in Supply Management Training

**Concurrent Session AD**  
Best Practices for Defining and Managing the Services Spend Category

**Friday 12/06/02**  
**9:30 - 10:30 a.m.**

**Concurrent Session BB**  
How to Save a Million Dollars Today: A New Paradigm for Purchasing Professional Services in the Human Capital Market

**Concurrent Session BC**  
Leveraging the Internet to Add Value to Strategic Sourcing

ISM Member  Nonmember ISM ID # (if known) \_\_\_\_\_

I am a C.P.M.:  I am an A.P.P.:

Dr.  Mr.  Mrs.  Ms.  Miss

First Name \_\_\_\_\_ MI \_\_\_\_\_ Last Name \_\_\_\_\_

Title \_\_\_\_\_ Organization Name \_\_\_\_\_

MAILING ADDRESS:  HOME  BUSINESS

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_ Country \_\_\_\_\_

Postal Code \_\_\_\_\_ E-Mail Address \_\_\_\_\_

( ) \_\_\_\_\_ ( ) \_\_\_\_\_  
Daytime Phone Number\*\* Fax Number\*\*

\*\*For international phone numbers, please include country and city codes.

METHOD OF PAYMENT: (U.S. Funds Only)

Personal  Organization check is enclosed for \$ \_\_\_\_\_  
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Credit/Procurement Card Charge  VISA  MasterCard  American Express  Diners Club

Charge Card # \_\_\_\_\_

Expiration Date \_\_\_\_\_ Amount to be Charged \$ \_\_\_\_\_

Cardholder Signature \_\_\_\_\_

Please check here if you have any special needs that we can address to make your participation more enjoyable and informative (this includes any dietary or physical requirements).

Check here if you do not wish to be included on the exhibitors' mailing list.

**The ISM Guarantee** — Satisfaction with all programs is guaranteed. If you are not satisfied, a refund or free program registration will be provided.