Monsanto

FROM ANNISTON, ALABAMA

DATE November 15, 1965

SUBJECT

REFERENCE

TO Mr. W. B. Papageorge
Anniston

CC: J. C. Good - St. Louis
R. G. Gerbert - Anniston
Vera Crowley
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This Copy For → L. C. Fuhrmeister
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Attached are the 1966 objectives for the Purchasing Department.

H. L. Phillips

/vc
Attch.

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ANNISTON 1966 PURCHASING DEPARTMENT OBJECTIVES

1 - COST IMPROVEMENT

A - Savings of $75,000 (4% of $1,875,000) in the purchase of mechanical and stores supplies and containers will be accomplished by means of:

1 - Increase participation in National Agreements from 75% to 85% with an invoice volume of at least $110,000.

2 - Establish two new area agreements (1 by 5-1-66 and 1 by 11-1-66 Phillips and Gerbert).

3 - Establish one plant agreement utilizing I.B.M. (Gerbert 6-1-66).

4 - Establish six new plant agreements (1 every other month beginning in February 1966 - Gerbert-Phillips).

5 - Continue to recover "in-plant" costs resulting from defective material or equipment (Phillips, Gerbert-continuing).

6 - Develop formal value Analysis Program and generate $20,000 savings annually (Phillips and Gerbert by 2-1-66).

7 - Encourage installation of facilities to handle jumbo tank and hopper cars for freight savings (10-1-65 Phillips).

8 - Review all LTL and LCL purchases of raw materials and revise purchasing practices if necessary to take advantage of savings in bulk pricing and freight rates (6-1-66 Phillips).

2 - ORGANIZATION

1 - Develop ten written procedures for purchasing activities (start 2-1-66 Phillips, Gerbert, Crowley)

2 - Develop method to control salesmen calling on other than purchasing personnel without restricting technical or other informational contacts needed by plant personnel. (4-1-66 Phillips).

3 - Develop job specification for all salaried jobs (1-1-66 Phillips).

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2 - ORGANIZATION - cont'd

4 - All performance appraisals held on schedule (11-1-66 Phillips).

3 - PERSONNEL

1 - All personnel will attend all plant training and informational meetings.

2 - Phillips and Gerbert will attend Purchasing Training Program in St. Louis in March and April 1966.

3 - Phillips will attend Southeast Area meeting in Pensacola in March 1966 and Purchasing Agents Convention in Detroit in May 1966.

4 - Gerbert will attend one area meeting during 1966.

5 - To develop better knowledge of operating and maintenance requirements Gerbert will spend at least two hours per week in the plant with supervisors.

6 - Phillips and Gerbert will make at least six plant and/or supplier visits.

7 - Gerbert will participate in one Purchasing Seminar.

4 - SYSTEMS AND TECHNIQUES

1 - Develop new open order system to simplify routine follow-up and expediting (3-1-66 Gerbert).

2 - Complete review of all stores items on I.B.M. for the purpose of competitive bidding and negotiations of agreements (6-1-66 Gerbert).

3 - At least 75% of all manual orders will be priced (Phillips, Gerbert - continuing).

4 - Establish four blanket construction contracts to cover general maintenance and construction work required during 1966 (1-1-66 Phillips).

5 - Institute weekly review of I.B.M. status reports with storekeeper to establish optimum order quantities and review orders requiring follow-up (1-1-66 Gerbert).

4 - SYSTEMS AND TECHNIQUES - cont'd

6 - Competitive bids will be increased to at least 40 per month (1-1-66 and continuing - Phillips, Gerbert).

7 - Expand use of I.B.M. to write orders for all stores "expensed" items and laboratory supplies and chemicals (11-1-66 Phillips, Gerbert).

8 - Prepare Raw Material and Container Purchase Catalog. (7-1-66 - Phillips).

9 - Review all I.B.M. purchase order headings to up-date and include terms, f.o.b. and routing (start 1-1-66 Gerbert).

10 - Review all receiving reports to evaluate vendors performance against required deliveries and take appropriate action (start 1-1-66 Gerbert).

5 - GENERAL

1 - The department will conduct purchasing seminars for Maintenance, Technical Services and Production as needed.

2 - Develop closer working relationships with the planners to improve lead time.

H. L. Phillips

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