

**Society of Plastics Engineers
Officers' Report
September 2003**

This report documents the major activities of the 2003/2004 Executive Committee to date. It covers some of the activities of the officers and their perspectives on strategically important accomplishments of their committees.

Donna Davis, President

At ANTEC, we discussed the changes in the plastics industry, particularly in the regions where our membership is largest: North America and Europe. Certainly, those trends have remained. We continue to hear of shutdowns affecting our members and technology advancement.

SARS, the global political situation, and the general industry health impacted participation at ANTEC such that net proceeds were down about \$35k from a budget of \$325k. Major Staff efforts cut ANTEC expenses by \$122k, which helped maintain net proceeds within 15% of target. NPE attendance was down about one third, as was SPE seminar attendance. A few more international visitors intended to participate in seminars but did not pre-register, resulting in seminar cancellations. Fortunately, Hector Dilan volunteered to give a group from Argentina the "condensed" version of his seminar when he learned of the disconnect. This cultural difference will need to be addressed as we expand globally.

We also learned from Costa Rican plastics professionals the importance of delivering products via the Internet. The Executive Committee met with about 30 industry leaders, a few of them former members, who shared their perspective on potential value of membership to a distant audience. They described how recent changes in internet access and teleconferencing are leading to global trouble-shooting and development, even supported by digital pictures of hardware and controller screen shots. Travel to a North American conference is not common, and becoming less justified. Consequently, our emphasis on delivering products via on-line seminars and conferencing will be valued by these potential members. They will also value the networking opportunity such as AskPIP for locating others with "niche interests", such as financial analysis of plastics equipment and businesses. The SPE is not so broadly known outside of North America, Europe, Australia, Brazil and a few parts of Asia. However, that is the community most likely to benefit from SPE association in the future. The "strategic" committees looking toward the year 2015 will help us plan accordingly.

In the short term, much attention has been given to developing the budget for 2004 and beyond in light of recent shifts in revenue and other special causes. While it might appear easiest to restrain activities to minimize losses (though staff has already been reduced by almost one third over the past two years), the Finance and Executive Committees feel the Society must GROW back into a healthy situation, focusing on

revenues. A significant effort was undertaken to understand the probable return on investment for the various Society activities; and the recommendation to Council is to invest an additional \$150k in 2004 over the traditional budget to generate additional revenues of \$300k based on special programming for membership and sales of key products. Unfortunately, the expenses will precede the revenues and negatively impact cash flow for the Society. Therefore, Council will address a motion to withhold rebates for two years to rejuvenate the net reserves and address the immediate (1Q04) cash flow situation. While the strategic plan calls for growing net reserves, no progress has been made over the past several years and the overall economy has worsened SPE's position. Individual member dues are not budgeted to increase versus the minimal Cost of Living Adjustment, a significant shift from the historic reaction.

Another key activity for the short-term is hiring a new Executive Director in light of Mr. Cappelletti's retirement in December. A committee has been formed to first define the job description and selection criteria and then advertise and fill the position. Input will be collected from Council at its September meeting. Past-Presidents Norman Fowler and Norm Behn will lead the activity defining the job and selection criteria; and the 2003/2004 Performance Appraisal Committee members, joined by Ruth Carpenter from Staff and Nick Fountas, will interview qualified candidates developing the final recommendation to the Executive Committee in early 2004.

Good progress is being made on new initiatives such as the Packaging and Management Conferences. These will support our mission "to promote and provide the knowledge and education of plastics and polymers worldwide." They will also generate revenue. The following officer reports provide perspective on these and many other activities of the committees.

Karen Winkler, President-Elect

Membership Growth Committee

After a year working with Russell Broome and Tobi Gebauer (staff) on our Membership & Marketing efforts, we have finally compiled all that market research along with the input Council gave in their membership brainstorming exercise (9/02) into a one-page document to help with future planning for SPE operations.

This future plan will help us become more member-centric, expanding globally by providing mechanisms for members to gather and discuss new technological innovations. This document, which you will see in September, will be the basis for next year's operating plan.

Tobi has taken the Council brainstorms one step further. She has taken the best ideas in the top 6 solution groups (Improve Understanding of Member Needs, Increase Member Services, Actively Recruit New Members, Increase Communication to Members, Offer Web Delivery of Educational Content to Members, and Improve Section Meeting Logistics) and has implemented programs that are having a successful impact on membership. Tobi will report on these successes in September.

Len Czuba, Senior Vice President

Recognition Committee

Continuing to work with the various committee chairpersons who are assembling their teams and preparing for the review phase. Deadlines are earlier this year to allow time to fully publicize the elected HSM and Fellows and International award winners. All S/D officers were sent notice of award deadlines with word of encouragement to begin nomination process early. The next important phase will be to publicize widely the need for submissions for the International awards. Your help will be appreciated.

New Product Development Committee

The committee is evolving into its final stage with the new effort at assessing the needs for educational products in the year 2015, committee headed up by Peter Lipp. An immediate effort to determine will be done by the January Council meeting.

Other Activities

Although I was not able to attend the Wire Association annual technical conference in Atlanta, I did line up four SPE speakers who did present papers on our behalf. This is the second year in which SPE had a presence and although we got a late start this year, the team has already committed to lead the effort for putting together another program for next year. Thanks to presenters, Tom Larson (ExxonMobil), Richard Grossman (Halstab), Paul Andersen (Coperion) and Ernie Coleman (C P Technology) who also moderated. We appreciate their work in helping SPE partner with the Wire Association. I continue to participate in the critical work of the Treasurer Hermanson and the Finance Committee and field calls from the groups to which I am liaison.

At NPE I moderated a session Product Design in the New Product Development Process. The sessions were well attended and each attendee received a CD with all the papers and SPE promo information.

Finally I have been leading an exercise to analyze the influence on SPE by SIGs. This work has been the subject of two presentations at EC meetings and on-going discussion related to how to take advantage of this critical new member outreach. A formal presentation of this analysis will be presented when it is completed.

Nancy Hermanson, Treasurer

Finance Committee

The Finance Committee has been busy finalizing the 2004 budget proposal, due for a vote at the September Council meeting. The committee continues to meet monthly to monitor the Society's current financial situation and plan for the future.

In August, the committee took a hard look at the negative cash flow of the Society and after much debate recommended that the payment of dues rebates be suspended for 2 years. This was a difficult decision to make but the consensus of the committee was that this step was necessary to support the long-term viability of the Society. This recommendation will be the focus of a discussion at a virtual presentation on September 9 and during the September Council meeting.

Tim Womer, Secretary

SPI Conferencing

Nearly two thousand participants attended the NPE Conferencing that was held during the National Plastics Exposition in Chicago on June 24 through June 26. SPE provided 68 presentations for 18 different sessions during the three-day event. This past August 28, 2003 I attended the SPI / NPE Wrap-up meeting for which I am the Conference Chair and presented the statistics from the conferencing. The NPE Show Committee was pleased with the results of the conference even considering the reduced overall attendance to the show.

Presently, we are discussing with SPI the possibility of supplying a conference for the next PlasticsUSA show, which will be held on September 28 through 30, 2004.

Constitution and Bylaws

Kishor Mehta chairs this committee and considerable progress has been made in rewriting of the Bylaws. New Bylaws are divided into 18 articles and include all the elements of the existing constitution embedded in them. All the existing Bylaws have been rearranged in these 18 articles. Seven have already been rewritten for clarity and reviewed. Committee meets every month by telephone. The committee will have a face-to-face meeting during the Council meeting in Charlotte on September 19, 2003.

The target date for the completion of this project is ANTEC 2004, which is a difficult one and may not be achievable just because of the enormity of the project. However, the committee is working hard to finish the major elements by then.

Educational Products

Tom Conklin and I have had several conversations on this matter, but nothing totally constructive has been completed to date. A teleconference for the Educational Products Committee is being planned for early October.

Training Products

Allison Calhoun chairs the training and educational products committee, which has developed a plan to survey individual divisions for their specific educational and training needs. A letter has been drafted which will be sent to the chairs, technical program chair and educational chair of each division surveying their specific divisional needs. The letter will be received by each of the target persons on September 12, 2003 and we are requesting responses by October 13, 2003. The committee will review the responses and develop a list of potential training products. This list will be sent to a segmented portion of the SPE membership including engineers, management, technicians, and scientists. Recipients will be asked to rank the options based on their own needs and desires. This survey will be sent in November and responses expected mid-December. From this data, the committee will define at least three new products and provide this information to the Executive Committee.

Blow Molding Division

The Blow Molding Division was having difficulties with the transfer of responsibilities for new board members from out going board members. I suggested to the Blow Molding Division Board that they take the time and have each Board member write a job description for which they were presently responsible. Once the job descriptions are completed then they can be used in the future for new incoming board members. This year's Blow Molding Division Chair, Bruce Thompson has taken the lead and begun the process.

Eldridge Mount, Vice President

Seminars

Due to attendance levels several seminars for the remainder of the year have been cancelled and the full time Staff Coordinator has been eliminated.

Due to the performance of seminars during the past several years the effort to add seminars will be curtailed as we try to maintain a viable seminars program at major venues such as NPE, ANTEC and others where there is a history of success. Existing seminars will be focused on to insure materials are upgraded and current to insure we have good subject matter. Once the Seminars market has recovered the move to add additional seminars will be renewed.

Management Meeting

The committee has been expanded to include Nick Fountas and Dan Cykana (of Bemis). An initial scope for the meeting has been prepared and agreed upon and work to begin the business plan development will proceed at the September Council meeting. A potential location has yet to be selected but is under active evaluation.

Rich Bradley, Vice President

ANTEC Committee, William O'Connell, Chair

All of the changes implemented for the Nashville ANTEC appear to have been well received by the conference attendees. Of special note was the vastly increased attendance at both the Monday "Box Lunch" Business Meeting and the Wednesday night International Awards Banquet.

The ANTEC Committee is well ahead of itself at this time as Council has approved future ANTEC sites through 2011. This was the first time the Committee had suggested a three-year package to Council that was negotiated by the Senior Events Manager, Lesley Kyle and the Marriott Hotel chain.

The sites shall be:

2009.....San Antonio, Texas

2010.....Orlando, Florida

2011.....Boston, Massachusetts

All committee SOP's are near completion or complete at this time, and all subcommittees reporting to this committee have all their SOP's underway and near completion. The committee is currently developing objectives for the coming year. Progress is also being made on updating the ANTEC Manual as well.

TOPICAL CONFERENCE Committee, Dave Arndt, Chair

The TOPCON Committee objectives for this year are ongoing with some work left to do. The GAP ANALYSIS will be presented to Council at the Fall Meeting in Charlotte, NC. This analysis, an extremely important tool, will guide our future conference schedule in areas where the plastics industry is not being served by any other source. SPE will fill the gaps.

Work continues to develop additional conferences outside the North American market. Two conferences are planned for November 2003, one in India, the other in Japan. The committee continues to have difficulty with non- North American sections completing and submitting their conference requests to the TOPCON Committee. An ongoing objective will be to close this gap, with everyone wanting the use of the SPE Logo required to submit the necessary paperwork. To be honest, this will not be an easy task. The third objective has to do with partnering with SPE Headquarters. A group effort with staff and volunteer personnel is currently underway to promote this concept for those sections and divisions lacking conferencing knowledge by visits to their various board meetings, via teleconferencing and virtual presentations as well.

The proposed Leadership Management Conference is being handled separately by Eldridge Mount, as it is being planned as a non-technical event.

The committee and staff are also working with the Injection Molding and the Rotational Molding divisions in developing conferences for the 2004 year. A new Flexible Packaging Conference will take place next March jointly sponsored with the International Organization of Packaging Professionals (IoPP). This is the first conference run by the Flex Pack SIG of SPE.

A joint conference with SPI is being discussed for presentation at the Plastics USA show as well during 2004.

The committee's plate is full, with many new ideas and conferences coming to meet the needs of our members and the plastics industry in general.

Hoa Pham, Vice President

Journals Committee

A survey of current challenges facing the journals and the committee was initiated and is close to completion. It is recognized that the committee work is important and the efforts to achieve the goals would require regular and frequent communications. The committee has set to meet monthly, mostly via teleconference.

ANTEC Technical Program Committee

ANTEC 2004 TPC, 2005 TPC

At the meeting in May 2003, the committee discussed different ways to address the low evaluation response experienced in 2002 and reviewed the organization of the interactive session. The committee will meet again in the Fall to push forward the planning and preparation for ANTEC 2004

Randy Lewis, Vice President

International Committee

As international is the only area in SPE that is experiencing positive membership growth I think it is only right to recognize the members of the International Committee. They are:

Ray Bush – Chairman

Bob Burnett

Hector Dilan - South America

Karel Kuipers – Europe

Jim Cunningham - Communications

Jim Griffing - Student Activities

Ranganath Shastri - Far East

The above folks combined with the super human efforts of Yetty Pauwels and the support of Mike and Susan and their dedicated staff have brought us a growth area in what otherwise has been a less than stellar year. I would like to ask each of you to mention to these IC members, Yetty, Ray Bush and staff that you've heard of this performance.

Also if any of you happen to run into Dan Buckley you might mention a word of thanks for his tenacious fight over eleven years to make international a priority.

Rick Wilson, Vice President

Sections Committee

A document of technical training was rolled out. It is to be used at sections meetings to give evidence of the technical presentation. An assessment must be done to determine its usefulness. It also must be determined if it is having an impact on section participation by members.

Web mail and Email of the local section newsletter has expanded rapidly and continues to expand. There is evidence that it has saved sections a lot of money and has helped increase their retained earnings. This needs to be documented and passed along to other entities of SPE.

The section-mentoring program is still under way. We need to further investigate how effective this program is. If shown to be effective we will then have to convince all sections of this and try to get them to participate in a greater way.

Technical Volumes Committee:

We need to realize the potential of Technical volumes. In the upcoming year we will look at the technical volumes "system" and decide if it is effective. If it determined it is effective we will market to this effectiveness. If it is determined that it is not effective a new system of Technical volumes and their use will be proposed. This will take some time and will need a lot of cooperation from the authors of these volumes

Vicki Flaris, Vice President

New Product Development Committee:

Tracking performance of NPD initiatives throughout 2002, continuing to work on implementation of other programs and making plans for the New Products of the next 1 to 3 years. Preparing summary report for EC and Council and will work with staff to set up an ongoing method of collecting NPD ideas, assessing the opportunity and taking the idea to the market as new product offering.

Peter Lipp, Vice President

Division Committee, Chaired by Robert Portnoy

The Division Committee will seek ways to support sections with technical content and increase Topcon activity. They continue their efforts on the GAP analysis and assist staff with new product development as well as handle divisions concerns. They will submit a VP candidate for the nominating Committee and be actively involved with SIG's.

Product Development Techniques 2015 Committee, Chaired by Peter Lipp

The committee has prepared a tool with which it will be possible to identify technical training materials requirements globally by region.

Claudius Feger, Past President

No Report

Terry Browitt, Prior Past President

Performance & Compensation Committee

The role of Chairman of the Performance and Compensation Committee (PAC) continues into the first 2 months of the mandate of the Prior Past-President. This year the committee was preoccupied by the pending retirement of Michael Cappelletti and ensured that this was processed well. The PAC committee also reviewed its genesis and proposed to the Executive Committee that it becomes a Standing Committee of the Executive Committee instead of an Ad-Hoc committee. This proposal was accepted and will be incorporated into the bylaws when they are rewritten. At the same time a complete schedule of activities was established for the PAC committee, which will hopefully improve communications between the Executive Committee and the Executive Director.

Past-Presidents Advisory Board

The Past-Presidents Advisory Board met at ANTEC and will meet again during the Council meetings scheduled for Charlotte in September. These meetings continue to allow the Past-Presidents of the Society an opportunity to still be involved in the operations of the Society and contribute wherever possible.

The Prior-Past President has always had the responsibility of maintaining the liaisons with other plastics trade organizations and societies. I feel this is an important role but not one that can be handled by one person. With this in mind, a review of this committee has been made and a restructuring will be presented to the Executive Committee in September.

Membership 2015 Committee

Membership 2015 is proving to be a challenging concept. However a committee has been put into place and has started reviewing articles and data trying to foresee what the Society's membership will look like in 2015. It is hoped that an interim report will be ready by September.