



The ACA Group is an alliance of operations and supply chain experts.

Operational Performance  
Improvement Newsletter

Strategies for Improving Business Performance

January 2017

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## Welcome

There is so much volatility in today's supply chain especially as we see the daily debates about trade. Thus, we are focusing on keeping you up-to-date with our new blog articles on the latest supply chain news and trends. This month we are highlighting our recent article on Mexican gas prices and what to be thinking about.

Keeping up with the volatility will not be enough! Thus, we also are featuring an article on thinking long term. Please tell us your thoughts and strategies for succeeding in these ever-challenging times.

Soon, we'll be bringing interviews and podcasts to you as well. Which format do you prefer? Let us know as we are always evolving to provide more value.

Please [contact us](#) if you'd like to talk over your challenge or opportunity. We typically can leverage what we've found is most successful to help think through your situation to develop a plan or to speed up results.

## Thinking Long Term

By [Lisa Anderson, MBA, CSCP](#)



We all know we should think long term. And we talk about thinking long term. But, do we actually think long term - and live with

our decisions even when it's hard? Not nearly as often as we should!

Since we work with already successful manufacturers and distributors that want to build upon and

## The ACA Group Partner Spotlight

accelerate success, we have worked with many executives who think long term; however, it remains a rarity. Just think about those executives who make a great long-term decision but waver when the going gets tough. I imagine we all know too many!

One client hired expensive engineers and R&D experts during the worst of the recession when they struggled to find a job. He had no need for them at that time but he realized that longer term, he'd be able to start designing a new product line to enter a new market ahead of the competition and would gain top talent to help with this endeavor. Do you think they left at the top of the market when the competition could have offered a nice pay increase? Not on your life!

[Read the rest of the article](#)

## Mexican Gas Prices Soar

By Lisa Anderson, MBA, CSCP



The Mexican government took away subsidies on gas, and so prices soared in the New Year. A 20% hike in gas prices has spurred on protests, looting and chaos at

border crossings. Although the objective was to let the cost of fuel adjust to the market, the gasolinazo (which is how the price hike is known) is anything but just a market adjustment in the eyes of the people. They are not happy!

It is already creating havoc in the Mexican supply chain. What should we be thinking about to stay on top of this supply chain trend?

### What Should We Consider; What Impacts Could Arise?

This isn't likely to be a temporary change since it brings gas prices to market levels, and it seems to signal a change in direction from the government.

Thus, one obvious change will be the need to build these costs into our transportation costs throughout the supply chain for items moving around/ through Mexico.

20% seems like a reasonable number to use for analyses.

It has temporarily created supply chain disruption in the form of looting, border jams and the like. Since it



**Ellen Kane, CPIM**

**Focused on solving manufacturing and distribution problems in a practical, understandable way through well-defined systems and ERP.**

Ellen Kane has over 20 years of experience in designing and implementing manufacturing and distribution systems (both computer and manual) to solve "real world" problems. She has held data processing and line management positions in several manufacturing companies.

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## Lean Enterprise

**Grow Your Business While Reducing Overhead Costs**



is a signal of changes to come, perhaps we should account for a bit more supply chain disruption. Do we have backup plans? Do we have alternate routes? Will a 20% increase in transportation cost create any supply chain redesigns? What will other supply chain partners change due to this increase (if anything)? Will we be ready for which of those are likely to impact you?

The ACA Group:

## Additional Resources

Access [The ACA Group](#) library of materials on [Enterprise Resource Planning](#), [Organizational Development](#), [Lean Enterprise](#) and [Supply Chain Management](#).

Would you like to:

- Develop or refine your strategy?
- Improve cash flow, efficiency and service levels?
- Increase throughput?
- Reduce waste?
- Develop a meaningful list of improvement projects?
- Create a learning organization?
- Improve company culture and decision making?

Learn more about our services. Get free resources [here](#).

We also have countless articles on lean strategies. Grab a few tips on our [articles page](#).



## UPCOMING EVENTS

**Lisa Anderson Speaking on the Elevating Your Personal Brand at PMI**

**Starting February 7, 2017**

**Rancho Cucamonga, Calif.**

**Certified Supply Chain Professional (CSCP)**

**Starting February 14, 2017**

**Santa Clarita, Calif.**

**APICS-IE Spring Executive Panel & Networking Symposium**

**Navigating the Global Supply Chain**

**Saturday, May 6, 2017**

**Corona, Calif.**



*The ACA Group is an alliance of operations and supply chain management experts who partner with organizations to improve business performance*



## **The ACA Group**

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