



---

Welcome to the January 2009 issue of the Newsletter! Your local provider of information and learning opportunities related to quality professionals.

**MEMBERSHIP MEETING**

**LOCATION:**

Microtel inn (east)  
12211 Gateway Blvd W, El Paso  
(Between Zaragoza and Joe Battle)

**SCHEDULED HOUR:** 6:30 pm-8:30 pm

**DATE:** January 14, 2009

**SPEAKER:** Rudy Kittlitz

**TOPIC:** ISO TC 69—Statistical Methods of Beijing China

MEETING IS FREE FOR EVERYBODY (MEMBERS OR NON-MEMBERS) AND THE  
SPEAKER STARTS AT 7:00 P.M.

**THE CHAIR SPEAKS**

JOE LISSBERGER

A Happy New Year to each and all of you from the section and ASQ. May this year fair better for all of us than the previous one and may we all see a bright future.

I must once again remind you of the up-coming science fairs for our partners in education, Terrace Hills is on the 16th of January at 10:00 AM, Canyon Hills is on the 15th at 3:00PM and Nolan Richardson is on the 22nd at 3:30. We need judges for all three of these schools so if you can help please let me know.

Another thing that is coming up is the sections One Day Work Shop on the 23rd of March at the EPCC ASC Bldg. You might say why am I calling your attention to this at this time, well the reason is that early registration is by Jan. 30, 2009 and this will save you some money that you can use for other things.

Our first monthly meeting is to be held on the 14th this month as that is the day that our speaker Rudy Kittlitz can be available and his presentation will be very interesting to say the least. So let's have a good turn out.

Joe

## **AUTOMOTIVE SECTION**

HECTOR LUGO

Happy New Year! One of our contributors sent the following: "We all know the phrase, "a rising tide lifts all boats", and this was true during the world economic bubble of the last few years. Almost any firm could survive, even with mediocre performance and no improvement.

Unfortunately, there is a corollary. A really big tide - a financial tsunami - can at least briefly tip even the sturdiest boat. The painful evidence for the Lean Community is the recent announcement that the world's most consistently successful and financially stable organization – Toyota – is now losing money for the first time in 70 years.

How can this be? And what does the financial tsunami mean for the lean movement?

The root cause of Toyota's current problems is the decision in the mid-1990s to step on the gas and gain number one position in the global auto industry. Toyota added enormous amounts of capacity around the world and by 2008 had passed GM as the global sales leader. However, doing this chewed up cash, required borrowing beyond Toyota's modest historic levels, and made the firm vulnerable to a steep drop in demand. A sales collapse was apparently not anticipated, but Toyota more than any firm should have respected its hard-earned knowledge that forecasts – particularly optimistic forecasts -- are usually wrong.

Despite the collapse in demand in every major market, Toyota is not in the desperate straits of many of its rivals. It still has a sterling credit rating and can borrow to keep its new product programs and R&D on schedule. Indeed, if things somehow get so bad that only one car company is left operating, that company will be Toyota.

But the happy era of boundless expansion is now over and Toyota has doubtless been spending a lot of time at the end of 2008 on hansei (critical self reflection.) John Shook, in his management column at [www.lean.org](http://www.lean.org), has been very articulate in observing that Toyota from its beginnings always wanted to be the best at solving customer problems using the least resources so it could survive. But in the mid-1990s it changed course to embrace the common view in business that growth of any sort is good and that being biggest is

best. This is not the lean way and I predict a return to Toyota's traditional view of its purpose. I also predict that the current downturn will prove a blessing by giving Toyota time to replenish its stock of lean managers. Its breakneck growth seriously diluted its managerial experience level and was becoming a grave risk to its long-term success.

But what about the rest of us? The simple fact is that this adversity will force all of us to confront difficult issues in our organizations and in our markets, issues that we would rather avoid and probably have long avoided. For those who reflect carefully, determine root causes, and take focused, creative actions, the future will be brighter.

Let me cite Toyota's history as evidence. This is not the only financial wave Toyota has confronted, but instead is the latest of many:

- The collapse in demand in the Japanese market in 1950.
- The oil shock of 1973 that again depressed demand as the yen soared.
- The world recession of 1981 when both North America and Europe imposed trade restraints that depressed Toyota's exports and required massive investments in foreign markets.
- The yen shock of the late 1980s that dropped the value of the yen against the dollar from 240 to 120 in only a few months
- The collapse of the Japanese economy leading to a decade of stagnation after the real-estate bubble burst in 1990.

By reflecting carefully, tracing problems to their root causes, and taking bold action, Toyota emerged stronger every time.

Despite the gloom of 2008, I therefore have an optimistic view of 2009: Toyota will be fine and will become an even better company. Although all of us will be severely tested in 2009 to determine what our values really are and how we make creative use of adversity, those in the Lean Community who confront root causes and take decisive action will be stronger and more vibrant once the storm subsides. And there will be more of us as desperate times cause many additional organizations to embrace lean.

With high hopes for creative lean thinking during adversity in 2009.”  
See you at the meeting!

**EDUCATION SECTION**

KIM PRIES

What is the logical approach called 'abduction?' It certainly has little to do with kidnapping or heinous crimes. When we use abduction, we infer some antecedent from a consequent. Observant readers will notice that this is a version of the logical fallacy known as affirming the consequent. So how can we use it? The first step is to realize that abduction is much more common than true deduction or induction—it is how our brains work. Once we know we are using abduction, we can then state our inference as an hypothesis. Once we have a hypothetical formulation, those of us who are statisticians know the next step is to perform a test, which is the tool by which we avoid commission of the logical fallacy. The test can be statistical or some other scientific approach to attempting to falsify the hypothesis; that is, an attack on the hypothesis.

Who uses abduction? To name a few: fictional character Sherlock Holmes, fictional TV character Dr. Gregory House, most of the CSI characters, Bones, and many more. Just don't forget to add the test! That is how we stay honest.

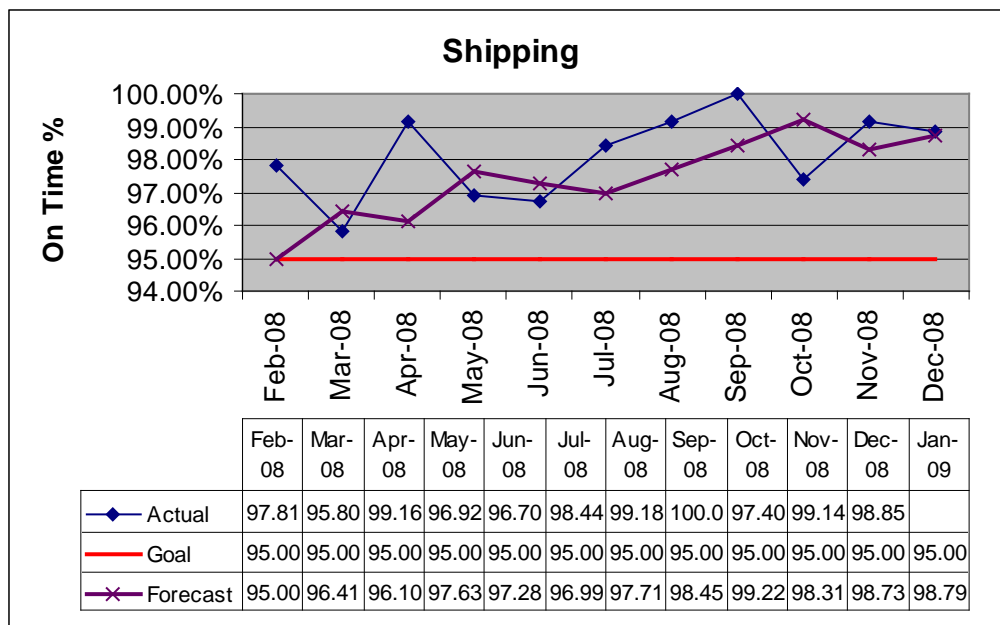
## **Management Systems**

\_Alfonso Enriquez

In this economic recession, there is a need for good forecasting methods.

We have been using a very simple method to forecast the result of the key metric in Management Review. The method uses the previous forecast and the current month to calculate the forecast for next month.  $F_{n+1} = \text{Average} (F_n + A_n)$ .

We started to use this method at the beginning of 2008 at ArcelorMittal Vinton, per recommendation of Daniel Torres, the decrease in sales in our steel industry started around October 2008, in the chart below you might see that the forecast for December 2008 was very accurate compared with the actual performance for the month. The metric in the chart is the percent of actual rebar shipped on time vs. the scheduled shipments.



## RE-CERTIFYING AND ASQ CERTIFICATIONS

STEVEN SCHAFFER

Out of a total of 11 member(s) whose certifications expired June 2008, 2 lost their certifications, 2 member(s) re-certifications are being processed and 7 member(s) completed their re-certifications. **The 2 members that did not re-certify changed jobs and decided to not re-certify.**

Out of a total of 15 member(s) whose certifications expired December 2008, 9 will lose their certifications if they do not re-certify by the end of June 2009, 0 member(s) re-certifications are being processed and 6 member(s) completed their re-certifications.

Out of a total of 8 member(s) whose certifications will expire June 2009, 8 will lose their certifications if they do not re-certify by the end of December 2009, 1 member(s) re-certifications are being processed and 3 member(s) completed their re-certifications.

**Members can re-certify early!** As long as you have enough points to re-certify early, you can. Your Certifications will be extended 3 years beyond the certification expiration date you currently have for your certification. So you don't lose anything by re-certifying early. Out of a total of 6 member(s) whose certifications will expire December 2009, 8 will lose their certifications if they do not re-certify by the end of June 2010, 0 member(s) re-certifications are being processed and 0 member(s) completed their re-certifications.

If anyone has questions on how to re-certify to extend their

ASQ Certifications and/or how to synchronize them if they have more than one, please let me know. Re-certifying by exam now costs more money, since the prices went up January 2005 and is a lot more difficult than re-certifying. You can reach me, the Re-Certification Chair, at 915-612-7392 during working hours and at 915-584-0033 after hours. Both numbers have answering machines and if I don't answer, I will call you as soon as I can. You can also reach me via the Internet at [spikeguate@sbcglobal.net](mailto:spikeguate@sbcglobal.net). I am ready to help with any questions you might have about Re-Certifying or about any ASQ Certifications you might have, call me. The Re-Certification Journal is at the following link and will guide you in the re-certification process <http://www.asq.org/certification/recertification/rucredits/index.html>.

=====0=====

## Job Opportunity

### **The Morgan Group**

P.O. Box 77125  
Charlotte, NC 28271

### **John R. Chaplin**

Phone: 704-844-0421  
[jchaplin@themorgangroup.com](mailto:jchaplin@themorgangroup.com)

LOCATION: Juarez

JOB TITLE: Quality Manager NewPosition

Responsible for developing, planning, establishing and maintaining all quality systems to assure that every product manufactured by the organization meets the customer specifications and achieves superior quality and reliability levels. Responsible for the overall compliance to the TS16949:2002 Quality Management System. Manage and coordinate direct contact with all customers and participate in visiting customer when necessary

#### JOB REQUIREMENTS:

- EDUCATION:
  - Bachelor's Degree : Industrial Engineer degree or similar
  - Bi-lingual (English/Spanish) Required
  
- EXPERIENCE:

- Experience in molding operations
- In-depth background and experience in Quality Systems
- CQM(Certified Quality Manager), CSSBB ( Certified Six Sigma Black Belt), CQA(Certified Quality Auditor), CQE(Certified Quality Engineer) (preferred)
  - Certified in ISO/TS 16949 or ISO9001:2000 (preferred)
  - Lean training is a plus
  - Minimum 3 years experience in the Quality area
  - Experience on PPAP, Control Plan and APQP
- SKILLS:
  - Knowledge of Lean Operating Principles
  - Working knowledge of manufacturing processes, quality systems and procedures, organizational development, financial budgets and controls
  - Good Administrative, communication, and management skills.

COMPANY:

Major electronic supplier to the transportation industry;

=====0=====

**Potential meeting and dinner schedule**

YEAR	MONTH	DAY	TOPIC	LOCATION
2009	January	14	ISO TC69 – Statistical Methods of Beijing China	Microtel Inn (East)
2009	February	18	Bhutanese Education	TBD
2009	March	21	Forrest Breyfogle – Six Sigma	TBD
2009	March	18	Desalinization plant tour. Also, nomination of new officers for 2009-2010	TBD
2009	April	15	Vision testing equipment	TBD
2009	May	20	HACEP (Housing Authority) tour	TBD
2009	June	24	Unknown	TBD
2009	July	22	Executive Committee Meeting 1	TBD
2009	August	19	Executive Committee Meeting 2	TBD

**2008-2009 OFFICERS and COMMITTEE CHAIRS**

Chair, Membership, & Exams: Joe Lissberger  
 Work Phone: (915) 831-2892  
 Fax: (915) 822-1869  
 e-mail: [jlissber@elp.rr.com](mailto:jlissber@elp.rr.com)

Vice Chair & Re-certification: Steven Schafer  
Work Phone: ((915) 612-7392  
Fax: Call (915) 612-7392 for Fax #  
e-mail: [spikeguate@sbcglobal.net](mailto:spikeguate@sbcglobal.net)

Secretary: Lisandra Piper  
Work Phone: (915) 849-3739  
e-mail: [lpiper@hacep.org](mailto:lpiper@hacep.org)

Treasurer & Refresher Classes: Hector Lugo  
Phone: (915) 208-2502  
e-mail: [h7tetor@hotmail.com](mailto:h7tetor@hotmail.com)

Auditing & Student Section: Rajesh Tahiliani  
Work Phone: (915) 747-7752  
Fax: (915) 747-5126  
e-mail: [RTahiliani@utep.edu](mailto:RTahiliani@utep.edu)

Senior Consultant: Rudy Kittlitz, Jr.  
e-mail: [rgke300@hughes.net](mailto:rgke300@hughes.net)

Newsletter: Kim Pries  
Home Phone: (915) 525-1724  
Fax: Unavailable  
e-mail: [jpries1@elp.rr.com](mailto:jpries1@elp.rr.com)

Programs: Rebecca Diaz  
(tentative)

e-mail : [rdiaz@enturia.com](mailto:rdiaz@enturia.com)

Publicity: Fernando Urbina  
Work Phone: (915) 845-7700 x6809  
Fax: (915) 845-7786  
e-mail : [furbina@sewsus.com](mailto:furbina@sewsus.com)

Webmaster, Video, & Photography: Jack Vaughn  
Work Phone: (915) 747-7750  
Fax: (214) 240-1072  
e-mail: [jvaughn@utep.edu](mailto:jvaughn@utep.edu)

Our Section is on-line! Make a suggestion – win a FREE meal! <http://asq1401.org>