

# Supply Chain Management and Marketing Sciences

Improving efficiencies and effectiveness in the end-to-end supply chain cycle

2009, Issue No. 1 [business.rutgers.edu/scm](http://business.rutgers.edu/scm)

Business

Science

Technology

**Greetings!** I'd like to personally welcome you to our inaugural issue of the Rutgers Business School Department of Supply Chain Management and Marketing Sciences Newsletter. The goal of this newsletter is to bring news, information, and resources to all of our stakeholders, including students, faculty, the university community, corporate clients and supply chain and marketing professionals throughout the world.

Our **vision** is to become a nationally ranked, top-rated supply chain department. We will accomplish this goal by our excellence and unique strength in world-class research, innovative teaching, and high quality service in supply chain management to client companies and industry.

Our **mission** is threefold. First, we want to disseminate knowledge through our leading edge research in three focused areas: Sustainability, Responsiveness and Flexibility, and Risk Reduction.

Global competition, economic turbulence, the need to penetrate emerging markets, fend off new competitors, boost productivity and working capital utilization, and ensure a healthy cash flow while maintaining a highly competitive operational and service performance have all contributed to the urgency for developing effective supply chain strategies. Such strategies will enable a company to stand at the top of its industry when the economy improves. Toward this end, the research fellows at Rutgers Business School's Department for Supply Chain Management and Marketing Sciences (SCMMS) and Center for Supply Chain Management have been focusing on the following three areas.

**Sustainability:** Identifying and adjusting your core competencies to build sustainability into your supply chain. Making better use of marketing signals and developing your own supply chain intelligence. Keep in mind that high power IT support does not mean you have an intelligent supply chain. Be proactive and do not wait until a crisis arises. Sustainability has risen to the "C" level in most corporations and our research efforts are on the leading edge.

**Responsiveness and flexibility:** Developing the responsiveness and flexibility to ensure we can quickly adapt to the changes, especially under the current economic turmoil. Tough times create opportunities. If you have the flexibility, you catch the opportunities which lead to business improvement and long-sustaining progress toward your company's long term goals.

**Risk reduction:** Reducing supply chain risks by better collaboration among supply chain partners, choosing suppliers with low financial risks, knowing how to sense, respond and



**Dr. Lei Lei**

Chair, Department of Supply Chain Management and Marketing Sciences

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adapt to unknown/unplanned events are the keys to mitigating risks in your supply chain and company.

The objective of the Rutgers supply chain management program is to work closely with our corporate sponsors to develop leading edge research and to conduct world class education programs for the preparation of future supply chain talent and business leaders.

Our second goal is to excel in classroom teaching of comprehensive and well-rounded programs that focus on end-to-end supply chain management and balance both theory and practice.

Finally, we want to continue our close collaboration with industry and government, with the goal of bridging the gap between academic and business practices, and creating new synergies

across disciplines that promote economic development and drive leading-edge research and innovative teaching.

We are proud of the work we are doing and hope that you will join us on our journey.

Sincerely,

Dr. Lei Lei

*Chair, Department of Supply Chain Management and Marketing Sciences*

## First BSY Associates Scholarship Awarded to Rutgers SCM Student

This past December, The Containerization & Intermodal Institute (CII) selected Disha Kundra, a Rutgers Business School MBA candidate, to receive the first-ever BSY Associates Inc. Scholarship. The scholarship is funded by BSY Associates Inc., a marketing and public relations company in Holmdel, New Jersey.

on Monday, December 8, 2008 at the annual Connie Awards Luncheon at the Newark Club.

The collaboration with both corporate and nonprofit organizations is an integral part of Rutgers Business School programs. "By furthering scholarship advancement

demand," said Dean Michael R. Cooper, PhD. "We are proud of Disha and our Supply Chain Management and Marketing Department, and honored that the Containerization & Intermodal Institute selected Rutgers Business School to find their first scholarship recipient."

*"By furthering scholarship advancement in specialized areas of business, our programs have a multidisciplinary edge – delivering research and graduates that have the business, science, and technology credentials that today's employers demand."*

Dean Michael R. Cooper, PhD

Kundra is in the MBA class of 2010 and a member of the Supply Chain Student Initiative Club and the Finance and Investment Club at Rutgers Business School. She was awarded the scholarship

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The scholarship was established to award an MBA student pursuing a degree in supply chain management or logistics at a New Jersey college. The institute reached out to Rutgers Business School's Supply Chain Management and Marketing Sciences Department to find a deserving student. The opportunity was open to all students working toward a graduate degree in supply chain management. Applicants were required to submit their resume and a brief essay explaining what they plan on doing after completing the MBA program.

## Council For Supply Chain Management Professionals New Jersey Scholarships Awarded

We are pleased to announce that four of our students have received Council for Supply Chain Management Professionals scholarships this past November at the CSCMP New Jersey Roundtable. The New Jersey Roundtable strongly believes that in order for our profession to succeed, it is critical that they support students majoring, or planning to major in supply chain management or related disciplines. Every year, they bring supply chain

professionals to colleges and universities, and award qualified students scholarship and convention grant.

### **Congratulations to our RBS students:**

- Ruccha Uday Neogi
- Jasmine Al-Chih
- Vivek Nayak
- Chen Pokorny

Our thanks also to the CSCMP-NJ and to their President Thomas Tsui, a Rutgers SCM graduate!



Scholarship winners left to right: Ruccha Uday Neogi, Professor Don Klock, Chen Pokorny, Ai-Chih Chang.

## Past Events: The Supply Chain of the Future

Today's supply chain leaders are challenging themselves to determine "what is next" as they creatively find ways to meet business demands. CEOs and CFOs recognize that their competitive success is linked to the performance of their supply chains.

From the pressures of conducting business in a global market place to a look towards the supply chain of the future, the recent Rutgers University summit in December comprised of discussions on various topics and challenges, which those in the supply chain industry are facing! The program agenda included:

**Leonardo DeCandia**, PE, Supply Chain Consultant/ Advisory Board Chairman, Rutgers Center for Supply Chain Management/ and Adjunct Professor,

Rutgers Business School: *Current & Future Manufacturer Challenges in the Pharmaceutical/Health Care Supply Chain.*

**Bob Boucher**, Vice President, Global Customer Service & Logistics, Colgate-Palmolive Company: *The 2016 Future Supply Chain.*

**Dr. Mahender Singh**, Research Director, Supply Chain 2020, Center for Transportation and Logistics, Massachusetts Institute of Technology: *Supply Chain 2020: A Future Forward-Thinking Framework.*

Over 90 attendees enjoyed the educational program and networking opportunity, with many commenting that the event highlighted new and different ways of looking at the future of supply chain management.

## Industry Outreach

We value our corporate relationships! The Center for Supply Chain Management and the Annual Supply Chain Management Certification are just two examples of our industry outreach.

### Center for Supply Chain Management

The Center for Supply Chain Management partners extensively with industry to develop practical solutions to problems encountered by the business community relative to the management of the end-to-end supply chain. Industry is also heavily involved in developing various certificate programs for continuing education.

We are proud to be associated with a corporate team of Center members, including AstraZeneca, Bayer HealthCare, Becton Dickinson, Bristol-Myers Squibb, Bayer HealthCare, Colgate-Palmolive, Deloitte Consulting LLP, Exelon

Corporation, Hoffmann-La Roche, Johnson & Johnson, Merck and Co., Inc., MetLife, Novartis Pharmaceuticals, Panasonic Computer Solutions Company, PSEG, Schering-Plough, and Sciele Pharma.

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### Annual Supply Chain Management Certification Program

Each year the Center offers a certificate program in supply chain management for business professionals. The program covers major aspects of supply chain

## Faculty Spotlight: Professor Don Klock



Rutgers Business School welcomes Donald Klock, Clinical Associate Professor in Supply Chain Management and Marketing Science. Professor Klock is a senior global procurement and supply chain industry professor with over 30 years of international and domestic experience with major multinational consumer products corporations such as Colgate Palmolive, Mars, Inc., and Reckitt and Benckiser. Don recently completed an 11 year stint as Vice President and Chief Procurement Officer at Colgate-Palmolive.

Professor Klock brings practical and relevant experience to the department. His areas of expertise include global sourcing, cost saving identification, supplier innovation, supply chain systems and processes, customer service improvement and change management.

## Lunch and Learn

**The Spring 2009 Supply Chain Management Research Seminar Series has been announced.**

All sessions are on the Rutgers-Newark Campus (215 MEC) and take place from 12:00-1:00 PM. Brown bag it and enjoy the latest research from your colleagues at RBS.

**April 27, 2009**

**Dr. Lei Lei**

Models and Search Algorithms for a New Multi-Modal Shipping Network

**Industry Outreach from page 3**

management, including strategy, sourcing and procurement, logistics, operations management, inventory management, and organizational alignment. Led by Rutgers Business School faculty and top senior executives from local corporations, participants learn how to execute a supply chain management plan that is grounded in today's business needs for competitive effectiveness and operations efficiency. The program has consistently received outstanding evaluations from its attendees. The June 2008 program took place on the Rutgers-Livingston campus and was attended by 20 managers from a variety of supply chain functions and industries.

This year's supply chain management certification program is scheduled for June 10-12 and more information can be found on <http://scm.rutgers.edu/cp>.

**Learning through Cases**

The case method is not only the most relevant and practical way to learn managerial skills, it is also exciting and fun. As part of our effort to link to the outside world and offer "near" real-world corporate experiences for our students, Rutgers faculty members have written a number of case studies. Below is one such case: Yaka Pharmaceuticals. These cases can be used both in an academic setting or in external education programs. If you would like to learn more about our cases or would like to have our faculty work with your business to develop your own cases, please contact the Rutgers Center for Supply Chain Management at [cscm@business.rutgers.edu](mailto:cscm@business.rutgers.edu).

**Yaka Pharmaceutical**

Yaka Pharmaceuticals, a large North American pharmaceutical manufacturing company, is considering changing their distribution strategy, which consists of four options. Till 2004, the first option of the buy-and-hold contract was being used, but Yaka had to move away from this model due to new government regulations. Since then the Fee-for-Service (FFS) contract, initiated by the Big-Three distributors—AmerisourceBergen, Cardinal Health, and McKesson – has been the contract that is in place, where Yaka Pharmaceuticals pays a fee to the distributors for their

distribution services while everything else remains more or less the same as under the buy-and-hold contract. Unhappy with the additional fees, Yaka Pharmaceuticals is considering a third option, which is to work with 3<sup>rd</sup> party logistics service

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providers on distribution. Although it looks promising, Yaka may be traveling down uncharted waters, as the 3<sup>rd</sup> party logistics providers are just emerging in the pharmaceutical industry and have yet to be widely accepted. Finally, a consulting company suggested the Fee-for-Distribution contract, which allows Yaka Pharmaceuticals to work with existing distributors but under a different relationship which resembles that of a third party logistics contract.

Gregg Cullen, the Vice President of sales and distribution at Yaka Pharmaceuticals, collected order information from the distributors and demand data from pharmacies on four major drugs that Yaka produces. Now, Gregg and his team must consider the options in front of them and select the distribution strategy that is best for the company.

Rutgers Business School-Newark and New Brunswick is an integral part of one of the nation's oldest, largest, and most distinguished institutions of higher learning: Rutgers, The State University of New Jersey. Founded in 1929, Rutgers Business School has been accredited since 1941 by AACSB International—the Association to Advance Collegiate Schools of Business, a distinction that represents the hallmark of excellence in management education. Today, with a focus on Business, Science, and Technology, Rutgers Business School is educating more than 4,000 undergraduate and graduate students at two main campuses in New Jersey as well as six satellite locations in New Jersey, China, and Singapore. Steeped in academic excellence, with a distinguished faculty and a corps of over 29,000 successful alumni, Rutgers Business School is highly ranked by the *Financial Times*, *U.S. News & World Report*, *Business Week*, and *The Wall Street Journal*. It is recognized as among the top three business schools in the New York City metropolitan area, and ranked #10 nationwide for "Most Competitive Students" by The Princeton Review.