

2011

ANNUAL REPORT

APICS The Association for Operations Management

Mission Statement

APICS builds and validates knowledge in supply chain and operations management. We enable our community of members, affiliates, and customers to lead in the global marketplace.



Letter from APICS Leadership



Marc Harris, CPIM, CSCP
Chair, 2012 APICS Board of Directors



Abe Eshkenazi, CSCP, CPA, CAE
Chief Executive Officer

Dear APICS members,

Last year, the organization was able to build on the momentum of a successful 2010. The current state of the economy presents a tremendous opportunity for APICS to demonstrate its value. Across the globe, economic variability has increased demand for APICS certifications, education, and membership as organizations strive to remain competitive in this still volatile economic climate.

We are pleased to report that in 2011, APICS has proven that it can be a resilient organization and is better positioned for today and for the future. APICS experienced a significant number of positive outcomes:

- **Membership Growth**
Membership numbers exceeded the objective with overall membership growing by four percent in 2011. This is the first time that has happened in more than a decade with back-to-back years of membership growth.
- **Expanded Events**
The annual conference in Pittsburgh attracted more than 2,000 registrants, which resulted in revenue exceeding projections. In addition, APICS successfully hosted a conference in Asia, leading to additional conferences both domestically and abroad.
- **Milestones for APICS Certification**
More than 10,000 individuals achieved their Certified Supply Chain Professional (CSCP) designations in 2011, while the APICS Certified in Production and Inventory Management (CPIM) program grew to more than 96,000 designees. The APICS CSCP Learning System exceeded sales projections and had a record-setting year.
- **New Initiatives**
In 2011, APICS released new products and benefits to help members and customers succeed professionally. Products such as the newly released APICS Principles program (see page 50); APICS research reports, folios, and career packs (see page 52); and the APICS Supply Chain Channel (see page 53) are designed to help professionals learn, network, and improve performance at work.

We will continue to leverage the successes of 2011 to create new growth and opportunity for APICS, its members, and the global supply chain and operations management community.

Best regards,

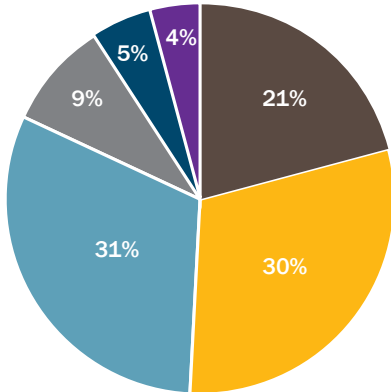
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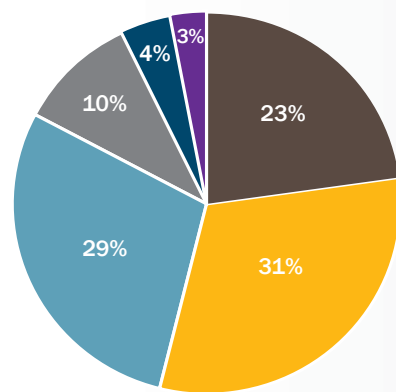
Financials

APICS has maintained its strong financial position and continues to achieve its goal of growing revenue in support of its mission to serve our members and customers.

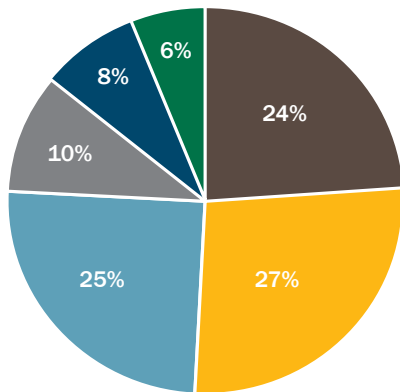
2011 Actual Operating Revenue



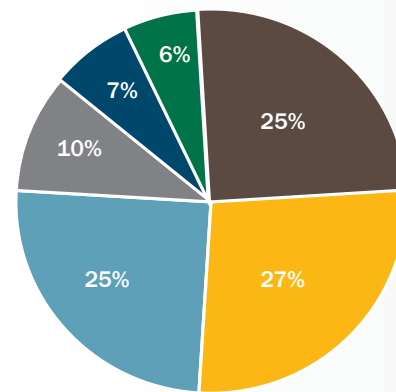
2012 Projected Operating Revenue



2011 Actual Operating Expenses



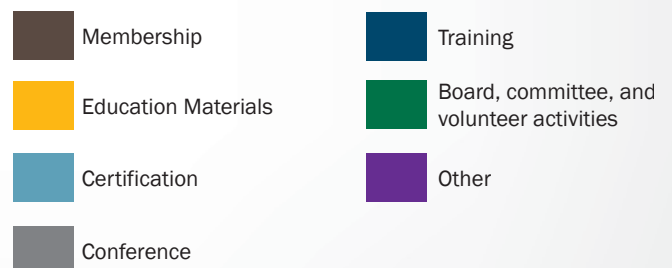
2012 Projected Operating Expenses



APICS 2011-2012 Revenue and Projections

	2011*	2012**
Total Revenue	\$22,900,000	\$24,400,000
Total Expenses	\$20,000,000	\$21,400,000
NOI	\$2,900,000	\$3,000,000

**Figures are estimates only



*Source of Financial Information

The information above has been summarized from audited financial statements for the year 2011 only. An unqualified opinion was issued by Blackman Kallick, LLP, APICS's independent auditors. For a copy of the report, please telephone +1-773-867-1764, or write to APICS, Finance Department, 8430 West Bryn Mawr Avenue, Suite 1000, Chicago, IL, 60631-3439.

APICS 2011—A Year of Growth and Innovation

APICS growth in 2011 was largely due to strong educational and certification sales. The APICS CPIM and CSCP program grew through the efforts of our channel partners and corporate services department.



APICS CSCP Program

In 2011, the APICS Certified Supply Chain Professional (CSCP) program reached an important milestone—more than 10,000 individuals earned the APICS CSCP designation. This achievement speaks to the quality of the certification and the worldwide acceptance of employers. Like the APICS Certified in Production and Inventory Management (CPIM) designation, the APICS CSCP designation is becoming the industry standard for excellence.

In addition, 2011 resulted in the highest sales in the history of the APICS CSCP program.



APICS CPIM Growth

The APICS CPIM program continued to show steady growth in 2011. As of December 2011, more than 96,000 individuals earned the APICS CPIM designation. Testing facilities were expanded to centers in 62 countries across the globe. This marks the first growth in APICS CPIM testing centers since 2007.

In addition, new APICS CPIM designees in North America increased 10 percent compared to 2010.



APICS Principles of Operations Management Program

In 2011, APICS released two of five courses in the new Principles of Operations Management program that will replace the APICS Fundamentals program. These courses are classroom-based and instructor-facilitated to meet the needs of professionals new to the materials and operations management fields. The sessions in each course also can operate as stand-alone mini-courses or can be combined with other Principles course sessions to create a customized learning experience.

APICS Membership Gains Strength

APICS membership rose in 2011, with an overall growth of 4 percent over 2010. The final 2011 membership is 35,547. This marks the first time since the mid 1990s where membership has grown in two consecutive years.

In addition, membership increased in the student, joint international, enterprise, young professional, and international e-member categories.

Global Success with Leading Corporations

APICS enhanced its collaboration with corporations this year and enhanced international growth and relationships. New relationships were established with dozens of top, global organizations including Coca-Cola, Ingersoll Rand, PwC, and Schneider Electric. Existing relationships were bolstered with established companies including Aramco Services, BASF, Cooper Industries, DuPont, IBM, Intel, Novartis, Tetra Pak, and Unilever. APICS corporate expansion demonstrates that APICS is being embraced as the standard for excellence worldwide.

APICS in the News

CNBC and USA Today

APICS made the news numerous times during 2011; most notably, an article appeared on CNBC.com November 29 and in *USA Today* December 2.

APICS CEO Abe Eshkenazi weighed in on the effect of fluctuating demand in a recovering economy. The article, "New small business rule: Sacrifice inventory, save the store," focused on challenges faced by small businesses.



Industry Collaboration

Manufacturing Skill Certification Partnership with the National Association of Manufacturers' Manufacturing Institute

APICS partnered with the Manufacturing Institute to support the Manufacturing Skills Certification System. This initiative brings together leading certifying organizations to ensure the high-quality education and advanced skills that are critical to success are available to individuals interested in going into manufacturing. This NAM-Endorsed Manufacturing Skills Certification System directly addresses the needs of employers and the deficits in manufacturing education and training, which are limiting the pool of qualified candidates for high-quality manufacturing jobs. The APICS CPIM and CSCP programs will be the capstone certifications in the system.



APICS Events Across the Globe

Attendance at APICS events across the globe exceeded expectations in 2011 and included a new event in Singapore—APICS's first event in Asia.

2011 APICS Events

2011 Asia Supply Chain & Operations
April 7–8, 2011 | Singapore

APICS and IBF present Best of the Best S&OP
June 16–17, 2011 | Chicago, Illinois, USA

2011 APICS International Conference & Expo
October 23–25, 2011 | Pittsburgh, Pennsylvania, USA

2012 APICS Events

2012 APICS Asia Supply Chain & Operations
April 5–6, 2012 | Shanghai, China

APICS and IBF present Best of the Best S&OP
May 10–11, 2012 | London, England
June 14–15, 2012 | Chicago, Illinois, USA

2012 APICS International Conference & Expo
October 14–16, 2012 | Denver, Colorado, USA

APICS North American Seminar Series

Topics include

- Strategic Sourcing
- Risk Management
- Demand-Driven Material Requirements Planning

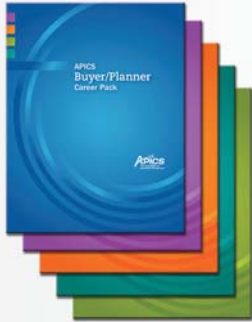
The 2012 APICS International Conference & Expo



Denver, Colorado, USA, will host the 2012 APICS International Conference & Expo. This event is the largest annual gathering of supply chain and operations management professionals worldwide. Attendees will focus on achieving maximum productivity, meeting consumer demand, and remaining agile amid instability and unpredictability. Educational sessions will connect the APICS body of knowledge to strategies and tactics to meet and overcome the challenges companies face in the changing landscape of supply chain and operations management.

Leading the Way with Innovative Research and Industry Content

APICS released new products in 2011 focused on industry research and career advancement for the supply chain and operations management fields. APICS research reports, folios, and career packs provide insights into trends and practices that are key to delivering the highest level of organizational and individual performance.



APICS Career Packs

APICS unveiled career packs in 2011. They offer career path, competencies, and job skills information for professionals in the field. Career packs are useful to individuals seeking to advance their careers, hiring managers looking for qualified candidates, and organizations interested in establishing required competencies for the workforce.



APICS Research Reports

In 2011, APICS introduced research reports as a valuable members-only benefit. These reports are the product of surveys conducted by APICS to gather information about the experiences of supply chain and operations management professionals. Members can use this research, along with practical how-to steps and best practices, to improve operations in their organizations and gain insights about industry best practices.



APICS Folios

The APICS folios were introduced in 2011. The folios highlight APICS research and provide members with practical applications. Folios include research reports, summaries, relevant applications, and articles from the awarding-winning APICS magazine.

New ways to connect with APICS

In 2011, a variety of new avenues were introduced to connect the APICS community with APICS. The launch of a new website, interactive *APICS* magazine articles, and the launch of the APICS Supply Chain Channel position APICS for growth and increased brand awareness.



The New APICS Website

APICS launched its newly redesigned website in January 2012. The new apics.org offers a more streamlined, content-rich web experience for professionals in the supply chain and operations management fields. The new website features expanded content and more interactive features, such as live feeds; a new search function; and enhanced industry content, including *APICS* magazine and research sections.



APICS Supply Chain Channel

The APICS Supply Chain Channel is an exciting new feature of apics.org. The channel expands the networking benefits of APICS membership through an interactive community. Members have access to a global membership directory as well as members-only communities on topics of relevance to the field.



APICS Magazine

A new interface for *APICS* magazine was introduced with the launch of the new apics.org. This user-friendly portal enables magazine subscribers and members to download and access the newest issue of *APICS* magazine and archived articles and to search for relevant content. *APICS* magazine introduced an interactive element, enabling users to comment on articles online.



APICS on Social Networks

APICS continues to grow its presence on various social media networks. At the end of December 2011, the APICS group on LinkedIn had more than 29,000 members. The APICS Facebook page had more than 2,850 members, @Tweet_APICS had 1,250 followers, and there were more than 18,000 views of APICS videos on YouTube.

2012 APICS Board of Directors

Marc Harris, CPIM, CSCP
Chair

Robert Boyle, CFPIM, CIRM, CSCP
Chair-Elect

Mondher Ben-Hamida, CPIM, CSCP
Secretary-Treasurer

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Director, Terra Grande District

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Director, Southeast District

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Merri Rich, CPIM
Director, Pacific Western District

Dana Riess, CPIM
Director-at-Large

David Rivers, CFPIM, CIRM, CSCP
Director, Northeast District

Jason Wheeler, CPIM, CSCP
Director, Great Lakes District

Tammy Williams, CPIM, CIRM, CSCP
Director, Heartland District

APICS Professional Staff Leadership

Abe Eshkenazi, CSCP, CPA, CAE
Chief Executive Officer

Sharon Rice
Executive Vice President

Dean Martinez
Senior Vice President / General Counsel

Core Values

- Trust
- Make Data-Driven Decisions
- Focus on Innovation
- Demonstrate Teamwork
- Personally Meaningful
- Focus on Customer Satisfaction
- Accountability