

Session: “Student Case Competition”

All summit participants were invited to watch a case study competition between teams of undergraduate and graduate students from Clark Atlanta University, Florida A&M University (FAMU), Hampton University, Howard University and Tennessee State University.

In the end, the team representing FAMU — the university’s first time competing in the event — took home the first-place prize of US\$5,000. According to the *Tallahassee Democrat*, which ran an article about the winners, this team of four MBA students (Shannon Kirk, Tiffany Williams, Audreen Robinson and Rayvin Julian), led by team adviser Dr. Roscoe Hightower Jr., prepared together for at least three hours every day the month before the competition. They named their fictitious company STAR Consulting based on the first letters of each of their names.

“Many of these competing colleges have specialized programs in supply chain management,” wrote *Democrat* reporter Cara Boruch-Dolan. “Since FAMU doesn’t, this win was especially sweet for the women. It gave them credibility and notoriety.”

The second place prize of \$2,000 went to the entirely undergraduate team from Clark Atlanta University: Jaralyn McNeal, Kina Carey, Rokisha Coleman and Mikael Pyles, led by adviser Paul Brown, PhD.

Third place (\$1,500) was awarded to the team from Howard University: Angela Williams, Christina Bennekin, Ahinee Laryea and Damon Ingram Jr. The team was led by adviser James Sherard,

In fourth place was the Hampton University team, made up of Jameya Green, Devin Hairston and Joshua Dunn, which was advised by Sid Credle.

Fifth place (and \$500) went to team from Tennessee State University, with a prize of \$1,000. Its members were Adeola Adeusi, Gift Bondwe, Oluwatosin Ekundayo, Camille Green and Monirul Quasem. The team adviser was Dr. Festus Olorunniwo.

“These are great students who came here with support from their universities,” said ISM Board Chair Shelley Stewart, Jr., CPSM, senior vice president of operational excellence and chief procurement officer for Tyco International.

Before announcing the winners, Stewart recognized the competition's judges: David Groomes, vice president, supply chain management at U.S. Facilities, Inc.; G Sean Williams, C.P.M., associate director, global facilities sourcing at Bristol-Myers Squibb; and Leslie Parker, principal at A.T. Kearney. He also thanked the event's sponsors — A.T. Kearney, AMGEN, Corning, Delphi, E-Company Store, Highmark, Hilton Worldwide, Intuit, Kraft, MeadWestVaco, Office Depot, Pfizer, Tyco and UPS — which provided the scholarship money.

The Case at a Glance

Global management consultant A.T. Kearney provided the 2010 case study, which focused on the fictitious Weitzen Paper Company.

After announcing disappointing financials for the 2008 fiscal year, Weitzen decided it would take a hard look at several business areas to reduce costs and improve customer satisfaction. After some preliminary analysis, the key areas identified were outbound logistics costs and forecasting procedures.

Chief Operating Officer Kathryn "Kathy" Weitzen was tasked with evaluating the 2008 logistics cost performance and developing methodologies that would improve 2009 performance. Her evaluation not only had to consider the two key areas as a whole, but also more strategic items, including the correct number of distribution centers (DCs), the impact of the current publishing market, individual DC performance and more.

1st Place: FAMU

The FAMU team proposed converting the company's Pittsburgh DC into a recycling center, essentially creating a sustainable supply chain, with a full implementation time of nine months. This center would collect paper and waste produced by Weitzen and other publishers.

One of the team's assumptions was that this move would result in zero lost jobs at Weitzen's Pittsburgh DC. The team assumed that employees would want to make the transition and stay on the payroll versus leaving the company or being laid off.

Because Weitzen has two other DCs — in Indianapolis and Rochester, New York — the team proposed transporting these DCs' recyclable paper to the Pittsburgh DC located between the facilities. They would also make this service available to other local manufacturers and distributors.

2nd Place: Clark Atlanta University

The team from Clark Atlanta University contended that while the baby boomers were a paperback-in-the-back-pocket generation, Millennials are far more open to new reading technologies — e-mail-based, in particular.

When performing a SWOT analysis for Weitzen, the team concluded the company's biggest strength was its competitive price, and its biggest weakness was its outbound logistics cost.

Recommendations included relocating and/or expanding the three DCs and exploring alternative markets such as health and beauty products (tissue paper, in particular) and consumer packaging. As one team member explained, tongue-in-cheek: "Tissue is something technology can't replace."

Additionally, the team suggested eliminating the Pittsburgh DC altogether because it had the highest unit shipping cost and was the most expensive to operate. Alternately, they proposed moving it to Cleveland, where it would be centered between New York and Chicago — Weitzen's two largest customer markets.

3rd Place: Howard University

The team from Howard University proposed a three-stage process, beginning with Stage 1: Seek publishers near Pittsburgh with which to develop strategic partnerships.

Stage 2 would be to expand the customer base to include growth markets, including children's paperbacks, comic books, tissue and packaging paper.

Finally, in Stage 3, Weitzen would seek alternative revenue streams from the Pittsburgh DC, including leasing, redeveloping or selling the property. It would also involve negotiating new transportation rates out of all three DCs. "Weitzen could optimize logistics costs by shipping primarily from the closest DC to drive down cost, increase on-time delivery and lower supply risk," they reasoned.

4th Place: Hampton University

The Hampton University team offered four recommendations: the first, a restructuring of the logistics process. "The DCs should only be shipping to the two closest publishers," they advised. "And, because the Pittsburgh DC is at 82 percent capacity, it makes sense to restructure."

Second, the team proposed that Weitzen move into the paperback-textbook publishing market. They asserted that while many other segments are increasingly moving to digital, the textbook market is less apt to make that transition.

Third, the team recommended that Weitzen become an international distributor, with a special emphasis on emerging nations. (“Their book sales aren’t affected by technology.”) When asked if they foresaw any barriers to this move, the team said no. “It’s cheaper to export than to import,” they reasoned.

Finally, it was suggested that Weitzen produce on recycled paper.

5th Place: Tennessee State University

First, the team from Tennessee State University zeroed in on the Pittsburgh DC, which, according to the case study, was operating at 82 percent capacity. “We propose that the Indianapolis and Rochester DCs take up the Pittsburgh DC’s distribution,” they explained. “This DC doesn’t add value.”

Second, they suggested a streamlined transportation analysis — specifically, looking into shipping by railroad and offering recycling at the Pittsburgh DC — to reduce costs and increase revenue.

Third, the team recommended Weitzen to move into the children’s and e-books market. They cited statistics that show decreased paperback sales between 2006 and 2008, as well as a projected forecast for 2009 to 2011 that follows this same trend.

— Reporting by RaeAnn Slaybaugh