

Investment Recovery for Pharma Equipment

Keeping Pace with a Fast Track Industry



Regardless of how your investment recovery is handled there are some basic best practices and strategies to consider for fast-changing environments.

All manufacturing organizations need to responsibly manage assets, but pharmaceutical equipment requires unique strategies to manage and recapture the value of equipment. While many of the same '7 R's' apply, they have been adapted to meet the demanding regulatory and market-specific drivers in pharma today. ▶ [Page 6](#)



Top 5 reasons why you need to attend the 2017 Investment Recovery Association Conference and Trade Show in Las Vegas, Nevada April 2-5.

- (1) Take home actionable education and best practices specific to IR.
- (2) Gain career-forward skills through professional development sessions.
- (3) Make lifelong connections with your IR peers and leaders.
- (4) Meet with vendors to solve unique challenges at the trade show.
- (5) Join major corporations like Campbell's Soup, Shell Oil, General Motors, US Postal Service, Duke Energy, Nestle Purina, and many more. ▶ [Page 11](#)



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The Investment Recovery Association +1 Membership Program

Get TWO free registrations to the 2017 Investment Recovery Seminar & tradeshow

For a limited time, the Investment Recovery Association is waiving the registration fee to the **2017 Las Vegas Seminar & Trade Show** for eligible new members*. In addition, anyone who signs up a new member* will also receive free registration. That's two free registrations adding up to more than \$1,700 in savings.

The 2017 Seminar and Trade Show will take place April 2-5 in Summerlin, NV. Investment recovery professionals from the U.S. and Canada will convene for four days of intensive study, workshops, roundtable discussions and the industry's only trade show.

** A "member" eligible for this promotion is defined as a business or governmental entity where the disposition of surplus assets is ancillary to their principal business activity, such as Ford or Campbell's Soup.*

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Members* you recruit can also attend the conference free AND receive the *Investment Recovery Handbook*. (\$900 total value – one per company).

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PRESIDENT'S MESSAGE

NEVER STOP LEARNING

Have you ever sat back and taken a panoramic view of your life and career, both historically and toward future expectations? I'm preparing a presentation for a career development group to provide some guidance to those new in the workforce. So I've invested a lot of energy recounting my life's experiences, education, career steps and events to provide a consolidated recap of how I got to where I am in my career. My ambition is to encourage the next generations to recognize that most of us do not have linear careers, but every step can have a favorable impact on long term success. By that I mean most of us don't graduate with an accounting degree, get hired as an accounting tech, move up to staff accountant, obtain a Master's in accounting, get promoted to accounting manager and finally get named Accounting VP. Most tend to move between departments, companies and even career paths. My career has had plenty of twists and turns and forks in the road.

But as I rehashed my career, despite what seems to be unrelated career opportunities, I found that each of these changes brought a new dimension to my life and career that I needed somewhere down the road. Like a diamond with many facets that are cut at varied angles to reflect light, my career steps augmented developmental areas so that I became a balanced leader, an influencer and more adept in many areas of people development.

I began as an educator but with a technical background. I had a passion to influence people coupled with a technical mindset and desire to dissect complex situations into manageable components. And each successive career step has expanded either my technical understanding or has provided an opportunity for me to grow in some aspect of influencing and developing people...this despite incongruent fields of endeavor.

One of the keys to my success has been that I've never stopped learning. With each successive change in occupation, I've set my focus on being the best in that field and endeavored to be associated with the leaders of that industry and obtain all the knowledge possible. Sometimes that meant being mentored by an industry leader, others it meant additional technical training and for some, it meant being affiliated with industry movers and shakers by enlisting in an industry association. In every case, I pursued greatness and set my sights on being the best. My paternal grandfather taught me that I may not always be the smartest or most skilled, but I could always out-work anyone. Persistence pays dividends!

In writing this month's letter, I feel compelled to share my ongoing efforts for my company's career development team because it has application to our association membership. Many are new to the field of investment recovery; trying to learn to navigate this complex field. Others have several years of experience but may not yet have found that sweet spot of success. My encouragement to all is to be persistent in growing your career. Refine your skills with people, bolster any weak areas, and expand your knowledge.

The 2017 Investment Recovery Conference in Las Vegas has a wealth of opportunities to enlarge your portfolio. The Conference Committee did a splendid job bringing us the best of the best this year! There will be experts in sustainability, opportunity thinking and metal market economies as well as numerous forums, panels and educational experiences. And just as important, we will host one of the largest trade shows featuring vendors who can partner with you in your corporate success story.

If you're hungry for success, this is a must-attend event. If you sense the need to gain proficiency, we have the venue to help you grow! This will be an amazing event! Hope to see you there!

All the Best,



Barry Street, CMIR,
FPL/NextGen Energy
President, Investment Recovery Association / barry.street@fpl.com

P.S. See the +1 promotion on page 3 to learn how you can attend for FREE! April 2-5, 2017, Las Vegas, Nevada.

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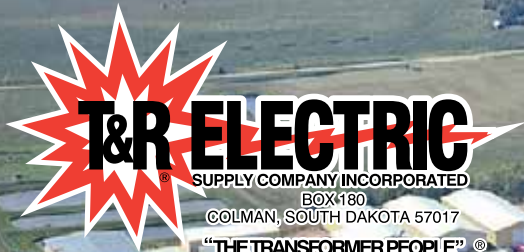


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Investment Recovery for Pharma Equipment – Keeping Pace with a Fast Track Industry



The Pharma Manufacturing Landscape

Mergers and acquisitions among pharmaceutical companies, as well as an ever-changing product mix, lead to surplus capital equipment among pharmaceutical manufacturing facilities. Often these surplus inventories occupy valuable manufacturing and lab space, or are in storage facilities or “bone yards.” An effective capital equipment investment recovery strategy can help turn idled equipment into money-making assets through sales that generate cash, network redeployments that save time and money, or create tax deductible donations. There are multiple approaches to viable equipment investment recovery strategies. Regardless of whether equipment investment recovery is handled project-by-project, through a third party or through a formal department, there are some basic best practices for a pharmaceutical manufacturer to consider.

Investment recovery best practices, specific to the pharmaceutical manufacturing industry, can be grouped into the following topics:

- (1) Inventory identification
- (2) Valuation of the inventory
- (3) Internal uses, or redeployment
- (4) Removal
- (5) Sale

1. Inventory Identification

Identifying surplus inventory is time consuming. If the equipment is installed in a production facility, a solid asset list for the area is the best starting point for an equipment inventory. Typically this is available from the finance de-

partment in the form of a fixed asset list, based on the cost center. Robust preventative maintenance programs are also good sources for equipment lists. While a physical inventory will still be necessary, it can be done much more quickly with a list, as the team will be verifying rather than collecting information. If a list is not available, a physical inventory identifies basic information, including name plate info, internal asset tags and property numbers. Photos of the name tag and of the equipment are helpful in remembering and verifying the information later. Once a list is in hand, the finance department can properly identify the assets on the books.

The next step in inventory identification is determining what items are available for sale. There are three main considerations here:

- Cleaning and decommissioning
- Proprietary considerations
- Approvals and documentation required to sell

Cleaning and decommissioning.

Equipment removed from production typically undergoes a cleaning protocol and decommissioning plan. Always confirm that these processes have been completed according to standard operating procedures. This may require a sign-off from the Environmental, Health and Safety manager to verify that the equipment has been cleaned and does not contain any residual product or dangerous residue. There may also be a sign-off from the compliance department to make sure that the decommissioning plan has been properly executed. The decommissioning plan should remove any batch-related and proprietary information from the equipment.

Proprietary considerations.

Part of making this equipment available for sale will be considering whether the equipment is specific to a proprietary process or product. All proprietary information must be removed, including batch information and process steps. Careful consideration should be given as to whether the equipment itself is part of a proprietary process. If the equipment was designed or customized for a specific process or product, that design or customization may be confidential or a business secret. While this is often unlikely, it is definitely a factor that must be taken into consideration when deciding to sell equipment outside the company.

An effective capital equipment investment recovery strategy can help turn idled equipment into money making assets through sales that generate cash, network redeployments that save time and money, or create tax deductible donations.

Approvals and documentation required to sell. Most firms require some documentation of the sale for accounting and regulatory purposes. Usually fixed-asset disposal forms are available from the finance department. If not, users need to document the asset number, sale or income amount, buyer and the date. The asset-disposal report documents the sale and the decision to sell. The person assigned to sell surplus equipment will usually want to ensure the cost center owner, or other management, has approved the decision to sell; this anticipates the possibility of someone later deciding that they had been saving that particular piece of inventory. The forms are also used to document the value of the sale for accounting, finance and tax purposes.

2. Valuation

Establishing equipment value involves both internal and external research.

Every capital asset should have two values in the accounting records:

- (1) Purchase price
- (2) Net book value

Purchase price.

The purchase price equates to what was paid for the equipment when it was purchased. Often the “price” or original cost used by accounting reflects a project that could have more than one equipment asset or associated construction and facilities costs. In these cases, additional research will probably be required to unravel all of the project’s costs.

Net book value.

The net book value is the current value of the equipment according to accounting. Capital assets are generally depreciated over time. The net book value reflects the amount left to depreciate. This amount will be eliminated if the asset is sold or disposed. Interestingly enough, neither the purchase price nor the net book value has any bearing on the other valuation of the equipment’s fair market value.

Fair market value represents how the equipment can be priced in both the wholesale and retail markets. Both prices have some art and science behind them and are a function of

Next page ►

the overall secondary market for such items. Formal appraisals can represent both wholesale and retail pricing in different situations.

Formal appraisals are most often associated with the due diligence required for loans or mergers and acquisitions. Most often these appraisals are based on what the equipment would sell for in an orderly liquidation, which would most commonly be an auction that was not forced due to insolvency or bankruptcy. End-user buying cycles do not always allow for opportunistic buying at auctions, which causes these valuations to trend towards wholesale pricing, or what dealers will pay. The impact of the valuation, both finance and fair market value, and the ultimate sale, redeployment or donation, are primarily influenced by the company policies that control the fixed-asset disposal process.

3. Internal Redeployment

Moving capital assets site-to-site have special considerations:

(1) Net book value (NBV)

(2) Policies prior to purchase

Many companies consider implementing redeployment programs within their manufacturing networks. Often the same makes and models of equipment are used in different facilities. This is especially true of lab equipment. Redeployment, or moving a piece of equipment from one facility to another within your network, is the most efficient use of idled or surplus assets. The equipment history is known and experiences are easily transferred. This all works in theory. In practice, the process can be quite cumbersome.

Too often, internal redeployment processes poorly represent the equipment available. The equipment list is simply a spreadsheet. The description is not enough to determine suitability, photos and information are hard to come by, and there can be financial consequences at the receiving site, which often ruins the cost savings that can be achieved. A web-based platform can usually help with descriptions and photos. However, the financial piece is the bigger obstacle to tackle.

Net book value

Many companies transfer the equipment from site-to-site at net book value ("NBV"), or the depreciated purchase price, which remains on the books at the time of transfer. The shipping site often disposes of the asset financially by transferring the item to the receiving site at the remaining NBV. If the NBV is at zero-value, then the transfer is a win for both entities because there is only the application of expenses to move the item, reinstall and commission. However, as mentioned above, entire projects are often rolled into the NBV of a given



asset which includes the equipment, construction costs, installation, start-up and so on, which are not generally transferred with the equipment itself. This over inflates the actual value of the equipment on the financial books of the receiving site. That value can be inflated enough that the receiving site cannot realize enough financial benefits from the transfer of used equipment versus buying new equipment. This is an unfortunate result, as the transaction is still a non-cash event for the receiving site, yet undesirable from a financial standpoint. And the equipment remains idled in a state where it is not producing income, but is only generating costs in the form of storage, utilities and so on. The solution is to adjust what value is actually being transferred.

Companies that have implemented advanced equipment redeployment policies use an "impaired value" approach to the valuation of the asset. The impaired accounting approach evaluates the loss in value of an asset that has dropped below its recorded NBV. The goal is to get an idea of the asset's true value in the market and transfer it at that impaired value rather than the NBV. Many redeployments that would be abandoned under an NBV valuation can be successfully completed using this approach. With the financial issues addressed, the other obstacles are either technical or preference.

Policies prior to purchase

Some companies have implemented policies requiring project engineers to consider surplus equipment prior to purchasing new equipment. If not implemented properly, these policies can become bureaucratic exercises because some project managers prefer to buy new equipment and continually write exceptions to the policy. In general, there are two considerations in regards to these policies.

The first consideration is the positioning of the mandate in the project process. The policy is more likely to be successful when the mandate is early in the capital planning process. Ideally, this occurs right after the need is identified and before any new equipment is specified.

The second consideration regarding surplus equipment is that it must be displayed in a centralized place and in a way that allows the project manager to quickly and thoroughly evaluate the equipment and associated costs, such as removal and shipping.

4. Removal Costs

Whether redeploying or selling externally, the costs and options to remove and transport the equipment should always be evaluated within the context of the project. Sometimes, the cost to remove and transport the equipment exceeds the value of that equipment. In redeployment situations, there is a question of who bears the cost of removal. This is usually defined in the redeployment policy, but it may also be a case-by-case situation as well. Most often, the receiving site will pay the removal costs. Removal costs and who bears them are a significant factor to consider when selling externally.

5. Sales Approaches

There are a number of different ways to approach the external market for surplus equipment sales depending on the following factors:

- The organization of the investment recovery group
- The requirements of the project
- The assets themselves

To simplify this discussion, the assumption is that the surplus assets are not being sold as a going concern or as part of a complete facility sale.

The first step is to determine how many resources are available to support the sales effort. This is dependent upon the organization. There are two organization models being considered, **a dedicated investment recovery department versus an ad-hoc team approach.**

1. A dedicated investment recovery department is staffed and resourced to sell to the external market. All of the required policies and procedures are in place.
2. An ad-hoc team approach involves third-party auctioneers and dealers.

Then, the sales approach adopted will largely be determined by the need to manage the sales return and risk while adhering to the project timeline. For an ad-hoc team that is managing a project or series of projects, managing sales return and risk, as well as the project timeline, is a function of the sales method.

For example, auctions and liquidations usually focus on a specific end-date at which point all of the assets must be removed. Since auction buyers generally pay for removal as part of the purchase price, the seller can enjoy significant cost savings, even if the auction-sale value itself is lower than expected.

There are three potential types of offers for an auction; a lump sum sale, a guaranteed minimum return and a commission sale.

Lump sum sale

A lump sum sale transfers all of the assets to the buyer and provides a target date for removal. This puts the speculation risk on the lump sum buyer, but allows for no sharing of any potential upside in the marketplace.

Guaranteed minimum return

A guaranteed minimum return ensures a minimum lump-sum sale price while allowing the dealer and seller to share in the upside of a positive sale after the dealer recovers the guaranteed minimum. The dealer also recovers some amount for the expense of running and marketing the sale.

Commission sale

A commission sale usually puts the return risk on the seller, where the dealer recovers expenses and then a commission from the sale. Not every project is fit for a liquidation or auction. The asset class will help determine the best method for selling a group of equipment. In general, goods that are commonly used among different industries are more likely to have a successful auction, as opposed to goods that are specialized or have a narrow use.

Additionally, not every project requires the liquidation of all of the assets of an area or an entire facility. Equipment in storage or only certain pieces of equipment may be best on an item-by-item sale. In an item-by-item sale, a reputable dealer will be in a good position to help identify the inventory, evaluate removal alternatives and costs and suggest shipping and sales methods that can be helpful for the person who does not have resources available to help with investment recovery activities.

Conclusion

The pharmaceutical industry shows no sign of slowing down. If anything, it will be ramping up under a new administration in the coming years. But one thing is certain, best practices in investment recovery can keep pace with this ever-evolving sector. ■



*Matt Hicks
Chief Operating Officer
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Federal Equipment Company
Member, Investment Recovery Association*



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TOP-NOTCH EDUCATION

Designed by IR for IR professionals. Take home actionable information on: organizational success, cyber security, benchmarking, the metal market, modernizing/decommissioning facilities seizing opportunities...and much more! And it gets better. Swap real-world experiences at the ever-popular roundtables for peer-to-peer best practices.

Power Certification: CMIR Exam: Sunday, April 2

Get a jumpstart on your week—and your career—by taking the Certified Manager of Investment Recovery (CMIR) Exam on Sunday. Individuals eligible to sit for the CMIR Examination must have submitted their Personal Data Forms prior to March 1, and received approval from the association office. If you would like to begin the journey to earn your CMIR designation, please contact, Jane Male, Executive Director, admin@invrecovery.org.

NON-STOP NETWORKING

Be sure to bring plenty of business cards, because the connections you make here could last a lifetime. Sitting in a session? Taking a coffee break? The opportunity to interact with peers, IR leaders and speakers is everywhere. But that's during the day! What about at night? That's when the networking really ramps up at not one but two evening receptions. Mix and mingle on the beautiful hotel grounds while enjoying cocktails and appetizers.

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- Campbell Soup
- City of Calgary
- Cox Communications
- Dow Chemical
- DuPont
- Ford, General Motors, and Chrysler
- Florida P&L
- State of Georgia
- Phillips 66
- Kimberly-Clark
- U.S. Postal Service
- Xcel Energy
- Plus many more



**To download a full brochure with registration form,
please visit invrecovery.org/2017-tradeshow**

EDUCATIONAL SESSION HIGHLIGHTS

MONDAY | APRIL 3, 2017



Workshop: Driving Organizational Success through Sustainability



Dr. Kevin Gazzara

Author & Organizational Leadership Consultant
Arizona State University,
Walton School of Sustainability



Bruno Sarda

Vice President, Sustainability
NRG Energy, Inc.



Park Howell

Founder & President
Park & Co



George Basile

Professor, Senior Sustainability Scientist
Arizona State University,
Walton School of Sustainability

In addition to providing value the bottom line, your work in investment recovery, is also an integral part of your company's sustainability picture. However, the reality is this: Many sustainability programs struggle because they are developed or integrated in ways that miss important organizational dimensions. In this dynamic workshop, you will learn how to incorporate four key pillars of success that will help your organization achieve lasting sustainable change: leadership, strategy, communication and global-context. This cross-functional team of expert practitioners and faculty will provide insights on how to:

- > Create and identify sustainability strategies that promote broad organizational success through an effective suite of actions
- > Apply global sustainability principles to your specific organizational context
- > Integrate your organization's own perspective through a sustainability lens with a global context
- > Employ leadership competencies and behaviors that are critical to leading lasting, transformational change
- > Communicate effectively about sustainability with key stakeholders and audiences

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KEYNOTE SPOTLIGHT: The Champion's Code:

Building relationships through life lessons of integrity and accountability from the sports world to the business world.



Mr. Bernstein is an award-winning business speaker featured on CNN, ESPN, Fox News and the Wall Street Journal. He has interviewed more than 500 professional athletes and coaches who were part of championship teams. Ross concluded that the same metrics and characteristics common among sport champions were also found in top business performers. In an engaging, provocative and visually entertaining style, Mr. Bernstein will use inspirational stories from the world of sports to show participants how to:

- > Create a "culture of excellence" via extraordinary customer service
- > Generate momentum by utilizing the "currency of karma"
- > Follow your moral compass to win "the right way"
- > Be better leaders and create more "buy-in" by embracing change and failure
- > Evolve from "order takers" to "trusted partners"

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EDUCATIONAL SESSION HIGHLIGHTS

TUESDAY | APRIL 4, 2017



Opportunity Thinking™

Pam Henderson, Ph.D
NewEdge

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Ms. Henderson is co-founder and CEO of NewEdge, Inc, a growth strategy and design firm. In this session, leave your old ways of thinking behind to experience Opportunity Thinking™.

Pam takes you on a creative journey where market forces, business models, technology, organizations, environments and design set the stage for unlimited opportunities. IR professionals are encouraged to think out of their comfort zone to discover new business scenarios.

Is That Asset a Liability? The Cyber Risk of Investment Recovery

Chad Pinson, Managing Director
Stroz Friedberg

Cyber security extends into all aspects of property, plant and equipment.

Really? How is that?

IR depends on finding latent value in assets. But what about the hidden risks? As more assets and systems become connected, remotely accessed and controlled—more cyber vulnerabilities are exposed.

What IR cyber risks should you be aware of and how can those threats be mitigated? This session keeps you one step ahead to find hidden value—while avoiding hidden liability.

BREAKOUT: #1 (you pick)

Analysis & Appraisals

Lee Robinette, ASA, Collateral Evaluation

Mr. Robinette will share his experience and knowledge of analyzing and appraising equipment. He will take us through the Analysis and Appraisal steps:

- > Defining the problem
- > Assembling pertinent data
- > Gathering market research (from both new and used markets)
- > Applying knowledge and appropriate appraisal techniques
- > Possessing the experience and judgment to reach an appraisal conclusion

PANEL DISCUSSION: Prospective on Investment Recovery at Facilities

This panel will provide a prospectus on the impact asset recovery has from a financial and logistics perspective on facility modernization and decommissioning. These types of projects are on the rise and this panel will bring a valuable perspective to the audience. The panel consists of an investment recovery professional, demolition contractor, environmental contractor, owner's engineer and state representative. The panel will discuss decommissioning and modification processes, what preparations are needed to optimize the project and lessons learned, positive and negative.

BREAKOUT: #2 (you pick)

CMIR: Scrap Recycling and the Environment

As an integral part of the 7Rs of Investment Recovery, you will learn about the proper sustainability methods that can mitigate risk and create value for your IR department and your company's customers and community.

Analysis & Appraisals Workshop

Lee Robinette, ASA, Collateral Evaluation

Lee will hold a hands-on workshop that will take participants through three hypothetical "appraisals" in working groups.

BREAKOUT: #3 (you pick)

Key Findings from the Recent Benchmark Study

Sean Byro, CMIR, Arizona Public Service

The Investment Recovery Association recently released its 2015 Benchmark Study Results. How do you interpret the findings, how do you use this data, or more importantly, how should you use this data to demonstrate your return to the company.

CMIR: Warehousing, Logistics, Sales

Knowing what is in your warehouse and how much space it takes is good IR practice. Understanding the logistics terms while getting your surplus to the next location is critical to the bottom-line result of the sale.

These items as well as sales and marketing tips and tactics will be shared during this one-hour breakout session.

EDUCATIONAL SESSION HIGHLIGHTS

WEDNESDAY | APRIL 5, 2017



Cost to Benefit Analysis

Mike Mitchum, CMIR, AECOM

What is the true net return on an asset sale? What is truly best for the company and the project? This session breaks down the math for the rest of us! Do not be fooled by large purchase offers that might not be what they seem at face value. Learn to do the math!

- > Become a better negotiator by learning how to properly evaluate a purchase offer
- > Know how to effectively perform a cost-to-benefit analysis—including hidden costs
- > Minimize cost overruns and schedule slippage in the planning stages

Legal Issues Facing Investment Recovery

Jim Cavanagh, Senior Counsel
Warner, Norcross and Judd

IR legal issues rank high as major stress producers. This session will help identify and clarify the most critical legalities each IR professional should be prepared for within your organization. Key topics include anti-trust – the good, the bad and the ugly and why you need a 360-degree understanding of it. In addition, Mr. Cavanagh will demystify contract language and other legal-related items that IR pros need to know.

Economics and the Metal Market Focus

Tatiana Bailey, PhD
Executive Director, Southern Colorado Economic Forum University of Colorado

The sluggish metal market has taken its economic toll on recycling longer than anticipated. When will this market swing the other way? IR professionals count on the metal recycling market as a critical component to their budget. Is 2017 the turnaround year? Tatiana Bailey will provide an in-depth economic forecast explaining important factors impacting your role in investment recovery.



HOTEL ACCOMMODATIONS

Reserve by March 10 to receive the special rate of \$169 single/double + tax.

The headquarter hotel is the JW Marriott Las Vegas in Summerlin, Nevada. You may reserve your room at <https://aws.passkey.com/event/15493824/owner/25334/home> or call **702-869-7017** before Friday, March 10, 2017 to receive the special conference rate of \$169 plus applicable taxes. The guest room rate of \$169 plus applicable taxes will be extended three days prior to and after the conference based on the resort's availability. As an Investment Recovery Association conference guest, you will also be provided a 10% discount on spa treatments at Spa Aquae. There

is complimentary self and valet parking for all attendees. Complimentary shuttle service is provided to and from the Strip. A 19-passenger van is available on a first-come, first-serve basis and runs on a daily schedule.

We've negotiated a special seminar rate at the hotel. The last several years, the hotel sold out completely, so book early.

Be sure to state you are with the Investment Recovery Association 2017 Spring Conference.



Investment Recovery Association Conference mobile App

Join the conversation before, during and after the meeting. The exclusive app can be downloaded at the Apple Store or on Google Play. Once registered and paid, you may establish your profile and begin networking, asking questions and staying in the loop of what is happening.

REGISTER TODAY: invrecovery.org/2017-tradeshow

SCHEDULE AT A GLANCE

APRIL 2-5 | LAS VEGAS

SATURDAY, 4/1	MONDAY, 4/3	TUESDAY, 4/4	WEDNESDAY, 4/5
<p>9:00 am Board Meeting</p> <p>3:30 am CMIR Study Group</p>	<p>6:30 am Registration Opens</p> <p>7:00 - 7:55 am Breakfast</p> <p>8:00 am - Noon Driving Organizational Success through Sustainability Leadership</p> <p>10:00 - 10:15 am Break</p> <p>Noon - 1:00 pm Lunch & Networking</p> <p>1:00 - 1:30 pm Get the most out of your Trade Show Experience Panel with exhibitors and attendees, showing the benefits of using a trade show to improve relationships and bottom line</p> <p>1:30 - 3:30 pm Keynote The Champion's Code Ross Bernstein</p> <p>3:30 - 5:30 pm TRADE SHOW</p> <p>5:30 - 7:00 pm Welcome Reception on the lawn</p>	<p>7:30 - 8:15 am Breakfast</p> <p>8:30 - 10:00 am Opportunity Thinking Pam Henderson</p> <p>10:00 - 10:15 am Break</p> <p>10:15 - 11:30 am Is That Asset a Liability? The Cyber Risk of Investment Recovery Chad Pinson</p> <p>11:30 am - 1:30 pm TRADE SHOW & LUNCH</p> <p>BREAKOUT SESSIONS: YOUR CHOICE</p> <p>1:30 - 2:30 pm Panel Discussion: Prospective on Asset Recovery at Facilities Analysis & Appraisals Lee Robinette, ASA</p> <p>2:40 - 3:40 pm CMIR: Scrap Recycling and the Environment Analysis & Appraisals Workshop Lee Robinette, ASA</p> <p>4:00 - 5:00 pm Benchmark Key Findings Report Sean Byro, CMIR CMIR: Warehousing, Logistics, Sales</p> <p>5:00 - 6:00 pm RECEPTION</p>	<p>No Breakfast</p> <p>8:15 - 9:15 am Cost to Benefit Ratio Mike Mitchum, CMIR</p> <p>9:20 - 10:00 am Legal Issues, Jim Cavanagh—</p> <p>10:00 - 11:00 am Economics and Metal Market Focus, Tatiana Bailey</p> <p>11:00 - 12:30 pm Lunch with Annual Meeting and Door Prizes</p> <p>12:30 pm Departure</p>
SUNDAY, 4/2			
<p>9:00 am Board Meeting</p> <p>9:00 am CMIR Exam</p> <p>NEW TIME</p>  <p>NOON Registration Opens</p> <p>1:00 - 3:00 pm Committee Meetings</p> <p>3:00 - 3:30 pm Board Meeting w/Committee Chairs</p> <p>5:00 - 6:30 pm Navigation & Networking at the Conference</p> <p>5:00 - 6:30 pm Early Arrival Networking Session Informal session with cash bar available</p> <p>6:00 pm EVENING OPEN</p>			



Be Recognized as an Investment Recovery Professional!

Stand out among a list of candidates applying for the same position or promotion at a company. It shows your commitment to education and your professionalism.

Complete the CMIR Personal Data Form (CMIR-PDF) by **March 10, 2017**, which can be downloaded here: invrecovery.org/knowledge-center/cmir

If your investment recovery duties account for 50% or more of your time and you have three years or more experience, you should consider earning the CMIR. Your career will thank you.

The Certified Manager of Investment Recovery (CMIR) was established in 1994 to recognize and distinguish those who have reached one of the highest levels of knowledge and experience in investment recovery.

Here are just a few reasons why you should take the CMIR exam at the next conference:

- Demonstrates to others that you are committed to excellence in investment recovery and have an ongoing pursuit of knowledge

- Up-to-date understanding of every aspect of investment recovery, future trends and strategies essential to your and your program's success
- A symbol of leadership and accomplishment
- Gain a broad understanding and knowledge of Investment Recovery best practices
- Credentials related directly to job duties based on knowledge and experience in the field
- Professional recognition and exposure to aspects of investment recovery not normally or regularly part of your job

LOOKING BACK: 3 TOP SUPPLY CHAIN TECH TRENDS IN 2016

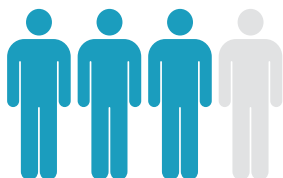
Investment recovery professionals are becoming a vital part of the supply chain. So what key supply chain trends from 2016 can we learn from as we move forward in 2017?

Now is an opportune time to take a look back at the trends and innovations that began reshaping the supply chain in 2016. These trends will continue to impact procurement professionals throughout 2017 and beyond.

A Stronger Focus on Digital Supply Chain Networks

Many supply chains still utilize a mix of paper-based and technology-driven processes. However, more and more companies are moving towards fully-digital supply chain models.

In a recent survey, more than 75 per cent of respondents said that it was important or very important for their organization's supply chains to undergo a digital transformation.



An all-digital supply chain provides procurement teams with more visibility into their supply chain. This enables them to better understand their data, their processes, and their overall operations. Armed with this insight, it is much easier to address issues and implement improvements.

So...are your surplus assets still on someone's Excel spreadsheet? Isn't it (past) time to move to a more system-wide, visible digital format?

The Rise of Blockchain Technology in the Supply Chain

All businesses are at risk of a cyber attack. Recent large-scale

DDOS attacks that crippled sites like Netflix, Paypal, Reddit, Twitter and thousands of others proved a sobering reminder.

That is why many organizations and supply chain teams have started to adopt blockchain data structures to protect their valuable information.

A blockchain is a data structuring approach that groups data together into 'blocks'. Every block cross-references the previous block and the following block to ensure the data is valid, creating a "chain."

In addition, the full chain is not stored in a central location. Rather different blocks are stored on different computers and networks at the same time. Only those who have authorized access to the blocks within the chain can access other blocks and implement changes.

As a result, data stored in blockchains are very resistant to tampering, making it extremely secure in the face of cybersecurity risks.

Major companies are beginning to incorporate blockchain into their supply chains as part of their invoicing, auditing, and inventory-tracking processes. For example, IBM launched a platform to test blockchain technologies to track high-value goods. And Walmart used Blockchain to tackle food safety.

Blockchain gives supply chain professionals a means of combating cybersecurity threats while ensuring that items can be tracked in a transparent and secure way. *Next page ►*

“Uberization” Takes Hold

If you’ve ever taken an Uber from the airport or rented a vacation home through a service like AirBnB, you are already familiar with the benefits of an on-demand, pay-per-use service. Now, the supply chain is getting familiar with them as well, as procurement professionals seek to leverage the approach to manage inventory and reduce costs.

For example, companies are now offering on-demand warehousing services, which could reduce (or eliminate) the need to maintain expensive distribution centers.

Just as procurement professionals are looking to benefit from the trend, companies are looking to capitalize on it. Boeing is betting big on the pay-per-use model and is leasing their planes to Amazon for its Air Cargo network. In the retail space, companies such as Nordstrom’s, Costco and Whole Foods are implementing new options for customers.

About a third of all supply chain professionals see Uberization as a disruptive and important element of the supply chain.

In the past year, these three technologies had a big impact on supply chains and the people who work in them. And they will continue to shape the supply chain in 2017. However, they aren’t the only ones. What other technologies do you think will play an essential role in supply chains in the year ahead?



Ed Edwards
Manager of Audience Outreach

Ed Edwards serves as the Manager of Audience Outreach at THOMASNET.com. He educates procurement and engineering professionals on how to use THOMASNET.com’s Supplier Discovery and Product Sourcing platforms to streamline and improve their work.

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