

SOCIETY of MANUFACTURING ENGINEERS

TORONTO CHAPTER 26

APRIL 2003



<http://www.sme-toronto-26.org/>



Talk: Getting Paid for Failure: R&D Tax Credit - Only for the "Big-boys"?

Speaker: Gregory C. Van Sickle, P.Eng., MBA, Senior Manager,
R&D Tax Credit Service, Deloitte & Touche LLP

Thursday April 10, 2003

Social (Cash Bar) at 5:45, Dinner 6:15 pm, Talk at 7:15 pm

Giorgio D Ristorante, 4377 Steeles Ave West, Downsview, ON, 416 661-8989

www.giorgiod.com/giorgio/main.html

Have you ever risked designing a tool "a little differently" to speed up your manufacturing process? Have you ever decided to try some new tooling or material that ended up failing in production? Have you ever run a "designed experiment" for your Quality Control Department? Have you ever wanted to try that new manufacturing process but just couldn't afford the risk of it failing?

If so, these are some of the examples of how SR&ED can keep your boss happy, help support your department's technical advancement and improve your personal knowledge and skills - plus earn a tax credit.

We all know that all major Canadian Corporations which are involved in manufacturing take advantage of the Scientific Research and Experimental Development Program. This is an important Revenue Canada plan that provides tax incentives to Canadian businesses for their SR&ED work in Canada.

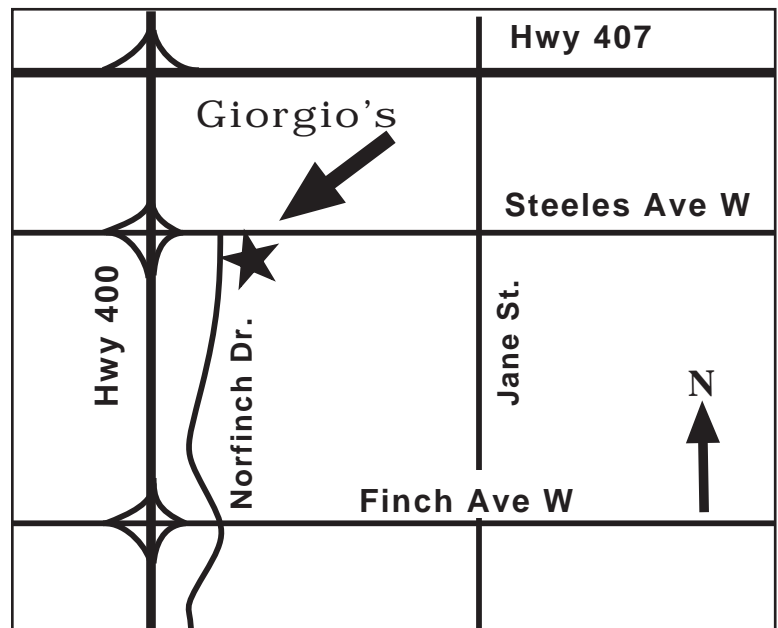
Although not clearly stated, this plan was really designed to support small (not big) manufacturing businesses in Canada. Although it can bring benefit to most companies working in manufacturing, there is a perception that small companies just can't afford to have a "scientist" around to fill out the paperwork everyday.

Gregory will discuss the qualifying elements of a successful R&D Tax Credit Application. Odds are,

many of your development projects can be financially helped by this tax incentive programme. It's also likely that your existing documentation of projects (with some changes to the format) will be sufficient proof for qualification.

Register today for this event with Loris Giuricich 416-448-2225, Lgiurici@celestica.com or Amalesh Chakraborty at 416-894-5168 or camalesh@sympatico.ca

\$30 for members (CMMA & CTMA included), \$40 for non-members and \$20 for students



Mark Your Calendars: THIS SEASON: Topics & Schedule 2002-03

Thursday May 22: Linda Hassenfratz, President of Linamar Corporation will be the speaker at this years joint society dinner hosted by the Grand Valley Chapter of OACETT. The participating organizations compliment each other on many different professional levels and this will give us the opportunity to network and learn more from each other. The regional chapters for PEO, the SME will act as joint hosts. The following societies are currently being invited to participate: ASM, ASQ, CIM, CSIE, CSCE, CSSE.

Wednesday June 4: TBD

Executive Meetings

EXECUTIVE MEETINGS 2003 6:30 pm start:

NEW LOCATION: George Brown College Technology Board Room, C302, Casa Loma Campus, 160 Kendal Ave. (Davenport and Spadina). Map at <http://www.gbrownc.on.ca/campuslocations/index.html#CasaLoma>

Tuesday, April 8

Thursday, April 24, 6 pm Special Exec Meeting
28 Kildeer Cresc.

Tuesday, May 6

Tuesday, June 3

For additional information on the next meeting phone 416-894-5168 or email: camalesh@sympatico.ca

The SME Chapter 26 Bulletin

The SME Chapter 26 Bulletin is published eight or nine times a season by the Toronto Chapter of the Society of Manufacturing Engineers (SME). The SME provides support for people and industries in manufacturing by providing opportunities for networking, professional development and technical information.

Headquarters of this 70 year old professional society are in Dearborn, Michigan. For more information or to join, phone or email the Chapter Chair, Amalsh Chakraborty, at 416-894-5168 or camalesh@sympatico.ca or Headquarters at 1-800-733-4763. Talks and tours put on by the Chapter are listed on the Chapter web site at www.sme-toronto-26.org Headquarters web site is at www.sme.org

NB: Please -update Your Information

Please check that your information in the SME headquarters database is correct!

Phone (toll free): 1-800-733-4763.

Website: <http://www.sme.org/>

You can renew your membership on line by clicking on "Renew Membership" in the Member Services section.

Your Company Flyer Bulletin Enclosure Opportunity

Chapter 26 is offering companies the opportunity to enclose their company flyer in our monthly Bulletin mailing. The piece to be included must meet the following criteria:

- 500 folded flyers ready for stuffing into a #10 envelope supplied by 1 week after copy deadline.
- Is of interest to our membership - is manufacturing oriented (we don't want life insurance or travel brochures)
- Weighs less than 3 sheets of 8.5 x 11 in 20 lb bond paper. Larger items could be negotiated.

We reserve the right to reject pieces we do not feel to be consistent with our professional goals and objectives. Our mailing list is currently over 400 manufacturing professionals. The current price is \$300 per issue. We reserve the right to change any of the above items without prior notice. For more information please get in touch with Ken Kogej, 416-274-2540 or Ken-dante.msn@attcanada.net

Bulletin Copy Deadlines

NOTE: Send material to Jenny Ono Suttaby at jono@jentekcompany.com by the following dates for inclusion in the upcoming Chapter Bulletin:

May Issue: by April 11

June Issue: by May 2

Note: The Joseph R. Benedetto Scholarship

The Application Form for the Joseph R. Benedetto Scholarship is available on the chapter web site at www.sme-toronto-26.org.

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Our continuing thanks to Professor Mark Fox, U of T, for hosting the Chapter's web site on his server at <http://www.novator.com>

An SME Web Ring

If you know about The SME Ring or The Original Web Ring you have already probably checked out several sites. If you are new to the Web or Web Rings then you may be asking, "what is The SME Ring?". The SME Ring is a collection of manufacturing and engineering related Sites and Resources on the Web. No matter what kind of manufacturing (tooling, electronics, aerospace, whatever) you do. As long as you are interested in promoting manufacturing or engineering you're welcome to join. The SME Web Ring may be found at:

<http://chapters.sme.org/171/smering.htm>

Obituary: George Bodi

It is with deep regret we announce the passing of George Bodi on March 13, 2003, in his ninetieth year. George joined the SME (ASTE) in December 1946 and received his 50 year pin in 1996. George and his company, Accurate Machine and Tool Ltd., have been a constant supporter of Chapter 26 in its many programs and activities. George came to Canada with his father in 1926 and they founded Accurate Machine and Tool in 1946. George leaves a legacy of accomplishments and will be sorely missed by his family, friends and business associates. We extend our deepest sympathies to his family and employees.

It's NOT About Oil !

Some of you still think the war is about oil. Here are a few simple calculations to prove it is not about oil. This will allow you to look else where for the reason for war.

The war is going to cost \$500 billion (+/- a hundred billion). Wind power costs about a dollar a watt <<http://www.windpower.dk/tour/econ/>> or <<http://www.energy.ca.gov/distgen/equipment/wind/>>, <<http://www.energy.ca.gov/distgen/equipment/wind/>>. So for \$500 billion George W. Could buy 500 billion watts of installed capacity. This is more than 1.5kw per US citizen. This is more capacity than is installed in the US today. Bringing this energy on line would easily replace any energy purchased from Iraq. It would probably

bring the US on side with the Kyoto protocol. This could also drastically reduce the pollution which flows up into Canada from the Ohio valley and places the US in breach of its air quality treaties.

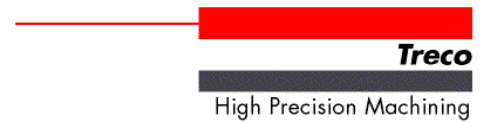
In addition this investment in wind energy would:

- Go a long way towards creating interesting new jobs.
- Generate more tax revenue.
- Last longer than a hole in the sand.
- Make fewer enemies.

So there! It can't be about oil because even a first year MBA would choose wind power over bombs.

George Heintzman
gheintzman@sympatico.ca

Many Thanks to our BULLETIN PUBLICATION and WEB SITE SPONSORS:



Information and links at: <http://www.sme-toronto-26.org/>

SME study: Manufacturers' varying use of lean manufacturing

“Large manufacturing organizations have been bringing lean manufacturing into their operations for decades. Primarily through training and consultants, many have adopted “lean” principles and effectively reduced waste and improved productivity and efficiency in their operations.

But what about midsized manufacturers and small shops? With fewer resources - both people and financial - what can they do to be more lean? Do they have a genuine need to adopt lean principles, or are they already “lean” by virtue of their size and street smarts? Does lean have a different meaning and usefulness for them?

Through a recently completed study of the needs of manufacturers in the Northeast [USA] SME has discovered new information about variations in familiarity with, and need for, lean manufacturing among small, midsized and large organizations and among different manufacturing disciplines - all of whom are represented in our member base.

The study found that while most small to midsized manufacturers identify ways they could benefit from applying lean manufacturing, only one out of four are pursuing it.

About half the respondents from small and midsized organizations said they were either not aware of the advantages presented by lean, not interested, or do not believe they can use the principles to help their operations. Yet, when asked to prioritize where they have problems in their operations, they identified waste in areas that lean manufacturing specifically targets, including:

1. Manufacturing processes
2. Equipment effectiveness
3. Setup/cycle time and general business planning and workforce development
4. Production scheduling
5. Inventory management.

The study also found distinct differences between what professionals at various levels and in various disciplines know about lean manufacturing and the problems that lean manufacturing would help them solve. For instance, job shop owners and corporate executives are less familiar with lean concepts than manufacturing engineers or quality managers. Also, the potential for lean manufacturing to help an organization reduce investments in new machinery is far more important to small job shop owners than to other job categories or professionals in larger organizations.

“While some of this information seems intuitive, it’s important that we asked these questions and let go of any assumptions we may have had about how different professionals and organizations can benefit from lean” said Jim Wilson, Manager of External ACE Activities for Pratt & Whitney Canada Corp., Montreal, Canada. “As a result, we now have data that helps us see where the information gaps really are, and what gaps we should focus on fixing because they can help improve overall productivity throughout the manufacturing supply chain.”

The report had provided the impetus for SME to develop a new SME Lean Manufacturing Pavilion and Conference that will take place alongside the EASTEC Advanced Productivity Exposition (APEX), May 20 - 22, 2003, at the Eastern States Exposition Grounds in West Springfield, Mass. SME will continue to use the results to develop and expand the rest of its collection of lean manufacturing training and education products and services for members.

If you are interested in reviewing the complete, more detailed *Reporting of Lean Manufacturing Needs Assessment of Northeast Manufacturers*, call the SME Resource Center at (800)733-4763.”

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