



Greater El Paso
Section

Amigo
Quality
Volume 29 Number 3

Welcome to the December 2008 issue of the Newsletter! Your local provider of information and learning opportunities related to quality professionals.

MEMBERSHIP MEETING

LOCATION:

Holiday Inn at Sunland Park (Largo Room)

SCHEDULED HOUR: 6:30 pm-8:30 pm

DATE: December 10, 2008

SPEAKER: Canyon Hills MS Choir

TOPIC: Christmas Dinner

DINNER IS \$15.00 FOR EVERYBODY (MEMBERS OR NON-MEMBERS)

THE CHAIR SPEAKS

JOE LISSBERGER

From the Chair:

We have once again come to the end of a calendar year and so our Christmas Party is scheduled for this month on the 10th of December, hope to see all of you there. We are going to have the choir from Canyon Hills Middle School to entertain us. This has always been a very interesting group and they do an excellent job for us. They are one of our Partners in Education schools and really look forward to coming out for us.

Now let us look forward to the New Year, it is time once again for the Partners in Education to have their science fairs and we always look to the section to provide judges for these fairs. Canyon Hills MS will be having their science fair on Jan. 15th at 3:00 in the afternoon. Terrace Hills MS will be in the morning of Jan. 16th at 10:00 and Nolan Richardson MS will be on Jan. 22 at 3:00 PM. Look forward to having a good turnout for these fairs, please help if you can.

May you all have a Merry and Safe Holiday season and return to help with the section after the New Year.

Joe

AUTOMOTIVE SECTION

HECTOR LUGO

According to the latest news, automakers may again report a U.S. sales decline of at least 25 percent for November as tight credit and concerns about the Detroit 3's survival kept demand at the lowest levels in a quarter century.

"The domestics are effectively already out of business, particularly GM," said John Casesa, an analyst at Casesa Shapiro Group LLC in New York. "The combination of the economy and all the news on their problems just stopped them dead."

GM is projected to report a drop of 28 percent, according to Edmunds.com and J.P. Morgan Securities Inc. Deutsche Bank pegs GM's decline at 42 percent. All three forecasters say Ford will record a 33 percent decrease, and Chrysler was down more than 40 percent.

At Honda Motor Co., Executive Vice President Koichi Kondo said U.S. auto demand looked "bad" again in November. He reinforced analysts' forecasts that Honda's decline would be only slightly narrower than the 28 percent drop posted in October.

See you at Christmas Party!

EDUCATION SECTION

KIM PRIES

I have been reviewing corporate distress recently using a tool called Altman's Z. The Z value is a composite of return on total assets, sales to total assets, equity to debt, working capital to total assets, and retained earning to total assets plus some weights for each of the ratios. This value is what is called a discriminant function and it has been around since the late 1960s.

A discriminant function like the Z value allows us to assess the potential for bankruptcy with both customers and suppliers. Given the current economic climate, any reasonable predictor could be very useful indeed. The purpose of a discriminant function is to create "boundaries" based on the variable characteristics in the function. Since the Z has been around for forty years, the classification errors are well known. In fact, the weights are chosen such that they

minimize the classification errors in the function.

How do we know which variables to use in our function? The standard solution involves something very similar to stepwise regression (forward or backward) in which we add or subtract variables (ratios) one by one to assess the significance of each value. We only keep those that significantly affect the discriminant function. Likewise, the regression-type analysis will also yield the appropriate weights to minimize the error.

The Z value can be used in addition to other corporate indices like Moody's ratings. Neat, huh?

RE-CERTIFYING AND ASQ CERTIFICATIONS

STEVEN SCHAFER

Out of a total of 11 member(s) whose certifications expired June 2008, 4 will lose their certifications if they do not re-certify by the end of December 2008, 1 member(s) re-certifications are being processed and 6 member(s) completed their re-certifications.

Out of a total of 15 member(s) whose certifications will expire December 2008, 11 will lose their certifications if they do not re-certify by the end of June 2009, 1 member(s) re-certifications are being processed and 3 member(s) completed their re-certifications.

Members can re-certify early! As long as you have enough points to re-certify early, you can. Your Certifications will be extended 3 years beyond the certification expiration date you currently have for your certification. So you don't lose anything by re-certifying early. Out of a total of 8 member(s) whose certifications will expire June 2009, 8 will lose their certifications if they do not re-certify by the end of December 2009, 0 member(s) re-certifications are being processed and 0 member(s) completed their re-certifications.

If anyone has questions on how to re-certify to extend their ASQ Certifications and/or how to synchronize them if they have more than one, please let me know. Re-certifying by exam now costs more money, since the prices went up January 2005 and is a lot more difficult than re-certifying. You can reach me, the Re-Certification Chair, at 915-612-7392 during working hours and at 915-584-0033 after hours. Both numbers have answering machines and if I don't answer, I will call you as soon as I can. You can also reach me via

the Internet at spikeguate@sbcglobal.net. I am ready to help with any questions you might have about Re-Certifying or about any ASQ Certifications you might have, call me. The Re-Certification Journal is at the following link and will guide you in the re-certification process <http://www.asq.org/certification/recertification/rucredits/index.html>.

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Potential meeting and dinner schedule

YEAR	MONTH	DAY	TOPIC	LOCATION
2008	December	10	Christmas Meeting	Holiday Inn at Sunland Park (Largo Room)
2009	January	21	ISO TC69 – Statistical Methods of Beijing China	TBD
2009	February	18	Bhutanese Education	TBD
2009	March	21	Forrest Breyfogle – Six Sigma	TBD
2009	March	18	Desalinization plant tour. Also, nomination of new officers for 2009-2010	TBD
2009	April	15	Vision testing equipment	TBD
2009	May	20	HACEP (Housing Authority) tour	TBD
2009	June	24	Unknown	TBD
2009	July	22	Executive Committee Meeting 1	TBD
2009	August	19	Executive Committee Meeting 2	TBD

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Our Section is on-line! Make a suggestion – win a FREE meal! <http://asq1401.org>