

## News Release

### Strategic Alliance Announced

May 21, 2000

*Three leading supply chain software and solutions firms have announced a strategic alliance to serve the dynamic printing and packaging industry. Avalon Printing Software, Inc. and ACUMEN Corporation, have joined with Stochos Incorporated to provide a variety of software tools and services.*

Avalon is the developer of Accelerate, an ERP and supply chain management package tailored to the unique needs of the packaging industry. According to Avalon President Andy Armitage, "In such a competitive industry, the only way packaging companies can differentiate themselves is through the quality of their service. Accelerate is designed to help them enhance their service through productivity and quality standards and bring the packaging customer closer to the packaging converter." Mr. Armitage brings many years of experience in the industry to the new strategic alliance.

ACUMEN Corporation is an international business process consulting and software implementation firm focusing on manufacturing and the supply chain. The company is widely acclaimed for its tried and true implementation

methodology and industry leading success rate. In speaking about the alliance, ACUMEN President Phil Perkins noted, "At ACUMEN we seek partnerships with only 'best in class' software developers. In Avalon and Stochos we have found that and more. These companies focus, as we do, on complete customer satisfaction."

Stochos Incorporated is the market leader in the development of quality and statistical process control systems for manufacturers. Founder and company President Don Holmes feels that the alliance is a natural business combination. "Our goal has been to provide systems that appreciably improve the quality of the manufacturing process. Our partnership with Avalon and ACUMEN will allow us to extend our concepts and technologies more

fully into the packaging industry where we can make a real impact."

In launching the new strategic alliance the phrase "The strength of the supply chain is in partnering." has been adopted to emphasize the importance of trust-based collaboration among trading partners as well as those technology and professional services partners that serve the packaging industry. Principals of the three firms feel that the new alliance will allow them to anticipate the needs of their mutual clients, whether shop floor or e-commerce driven. With this in mind the mission of this new partnership is to help these clients gain a competitive advantage through improvements in production planning, scheduling, estimating, quality management and electronic commerce.

For more info, Mark Baird (800)426-4014



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## Statistical Process Control Training

### Basic and Advanced Topics - 3 to 5 Day Course

October 23 - 25 Basic ~ October 25 - 27 Advanced

Course Director: Donald S. Holmes

**Course Description:** This course has two components: a two and 1/2 day basic overview and a two and 1/2 day advanced topics. The basic course deals with such standard tools as histograms, Xbar and R charts, process capability studies and sampling plans. The advanced course deals with statistical process control in automated industries: Key Variable Identification, regression, correlation, principal components, autocorrelation, discriminant analysis and evolutionary operation (EVOP). The course will cover the basic concepts of statistical analysis and their application to practical problems in process control.

\* Review of basic SPC tools and advanced tools important to your type of industry

- \* Introduction to Control Charts
- \* Correlation and Regression, Acceptance Sampling
- \* Multiple Variables and Key Variable Identification
- \* Autocorrelation and Time Series Modeling
- \* Case studies used throughout discussions

**Directed by: Donald S. Holmes**  
**President of Stochos, Inc.**

Donald S. Holmes, who founded *STOCHOS* in 1968, is well versed in the teaching and application of quantitative methods to management systems. He is a Fellow of the American Society for Quality (ASQ) and a certified quality engineer.

## Upcoming Events Calendar

### July 17 - 19, 2000

#### **Unique SPC Workshop**

Statistical Analysis of Operations Data  
Held at: The Center for Prof. Advancement  
East Brunswick, NJ  
To Register Contact: CFP (732) 238-1600

### August 21 - 24, 2000

#### **IMS Expo 2000**

New Orleans, LA  
Ernest N. Morial Convention Center  
Booth #5316

### Sept. 18 - 22 & 25, 2000

#### **Process Optimization Breakfast - Free Continental Breakfast & Informational Seminar**

Locations include:	Detroit, MI	Sept. 18	Grand Rapids, MI	Sept. 19
	St. Louis, MO	Sept. 20		
	Cleveland, OH	Sept. 21		
	Pittsburgh, PA	Sept. 22		
	Chicago, IL	Sept. 25		
	Buffalo, NY	Sept. 25		

### October 23 - 27, 2000

#### **Statistical Process Control Training**

Course Director: Donald S. Holmes  
Basic and Advanced Topics / 3 - 5 Day Course  
October 23 - 25 Basic & October 25 - 27 Advanced  
Registration: Basic \$800 Advanced \$800  
Basic/Advanced (5days) -\$1600  
Location: **Stochos, Inc.**  
**14 N. College St**  
**Schenectady, NY 12305**

For more information or to register  
Contact: Konnie Steele (800)426-4014  
or email: kestele@stochos.com

### **Customer Notes:**

Once a month, **Stochos** will be updating news and information electronically to inform customers of current events. To be put on the new list or if you would like to receive this **QC Report** via email, please send your request and email address to: **kestele@stochos.com**.

### **New Faces...**

Stochos welcomes Lisa LaGrange to the implementation team. Lisa is a Magna Cum Laude graduate of Rensselaer Polytechnic Institute with a B.S. in Industrial Engineering. For the past six years she has worked for the U.S. Postal Service as an engineer. Her duties included network administration, SPC training, facility layout and managing the installation and testing of new equipment. Prior to that, Lisa worked in the metal stamping industry as an industrial engineer and quality consultant. She is currently working with the QMDS implementation and support team.

## **Q & A**

I was reviewing some control charts with my customer the other day, and he asked what formula was used to calculate the Sigma and Cpk. He also wondered if there was a way to change the formula for different purposes.

*Jessie Housman, Alcoa*

#### **(These are produced on Control Charts)**

If your process is in control then:

CpK is defined as:  $\text{Min}[CpU, CpL]$

CpL is defined as:  $\frac{\text{Average} - LSL}{3 * \text{Capability Std. Deviation}}$

CpU is defined as:  $\frac{USL - \text{Average}}{3 * \text{Capability Std. Deviation}}$

Capability Std. Deviation is defined as:  
 $\frac{R}{d_2}, \frac{S}{c_4}$  from control charts which are in control.

#### **(These are produced on the Histograms)**

If your process is not in control then the common notations in use today are as follows:

PpK is defined as:  $\text{Min}[PpU, PpL]$

PpL is defined as:  $\frac{\text{Average} - LSL}{3 * \text{Performance Std. Deviation}}$

PpU is defined as:  $\frac{USL - \text{Average}}{3 * \text{Performance Std. Deviation}}$

Performance Std. Deviation is defined for the whole data set as:  $\sqrt{\frac{\sum(x-\bar{x})^2}{(n-1)}}$

CpK and PpK will be approximately equal if your process is in control. There is no way to change these calculations, they are industry standards.

## **Stochos Summer SPC Software Sale**

**Sale Ends August 31, 2000**

*25 - 35% off regular software prices*

**Custom/QC** is a multi-purpose, SPC/SQC analysis and reporting package that offers a wide variety of control charts and analysis tools to help you meet your specific quality needs.

Features include: Non-Normal Data Analysis      Descriptive Statistics  
Capability Indices (Cp, CpK)      Gage R&R  
Performance Indices (Pp, PpK)      Control Charts

**Custom/QC Basic**      Regular Price: \$495  
**Sale Price: \$350**

**Custom/QC Complete**      Regular Price: \$995  
*(includes basic version)*      **Sale Price: \$650**

**Network Version Available!** (Please call for pricing.)

**Custom/QC DOS** and **SPCPRO II** users receive an additional 20% discount off the regular upgrade price when ordering.

For more information or a free demo disk...  
Please call **(800) 426-4014**, email: [sales@stochos.com](mailto:sales@stochos.com),  
or download off of our web page: [www.stochos.com](http://www.stochos.com)



### Order Form

Custom/QC Basic       Custom/QC Complete

**Customer:** \_\_\_\_\_

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**Email:** \_\_\_\_\_

**Order by Phone:** (800)426-4014 or fax: (518)372-4789

**Ordering by Mail:** Please send your order and payment method to: Stochos, Inc. 14 N. College St., Schenectady, NY 12305 (make checks payable to Stochos, Inc.)

**Purchase Order #** \_\_\_\_\_  
(must be received prior to shipment)

**Credit Cards:**       Visa       MasterCard

For your protection please call us with your credit card number