



Draft
STRATEGIC PLAN
2010 - 2013

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Vision

To be the primary European resource for information on the application and environmental durability of semi-finished plastics products.

Mission

Promote the business interests of the semi-finished plastics and pipe, valves and fittings distribution supply chain, resulting in the growth of the European market.

Values

1. Advocate the value and importance of the entire plastics distribution supply chain internally and externally.
2. Promote members as superior sources within the plastics distribution supply chain.
3. Employ ethical business practices and behaviours in all professional interactions.

Goals

1. An expanded European marketplace for distributed plastics.
2. A membership that is committed to EPDA and its vision, mission and values.
3. Promotion of a quality distribution network providing opportunities for members to keep informed on current academic knowledge and industry best practices.
4. An organization that anticipates the future and focuses on meeting the challenges it brings for the entire plastics distribution community.
5. Enhance the awareness of the features and benefits of plastics.

Radars Screen of Strategic Issues

Industry Issues

1. Future availability of energy and raw material resources; existing and future environmental protection laws and regulations; and occupational health and safety regulations will impact the European plastics distribution supply chain.
2. Plastics are being outpaced for recognition in the marketplace by alternative materials that have industry collaboration and robust marketing initiatives in place.
3. Distribution is being challenged as the preferred channel for selling semi-finished plastics products. Some raw material producers and shape manufacturers go directly to fabricators and end-users, and these in turn, due to their market position, are increasingly bypassing distributors.
4. Distributors must add value (i.e., fabrication services, material specifying, market education, etc.) and communicate that value to ensure their place as the preferred way to market and further define and promote their role and services. In many cases, the customer instigates the contact directly with the manufacturer, thus increasing the need for distributors and manufacturers to educate customers on the value and need for going through distribution.
5. There is both opportunity and potential threats in the development of environmental evolution of plastics.
6. There is an existing and developing dynamic in manufactured products from Asia that will affect the European distribution supply chain.
7. There is a threat to sustainable-profit growth – margin erosion throughout the supply chain.
8. There are a growing number of potentially disruptive industry trends affecting the industry, including unlimited accessibility of data; borderless business; and increased access to alternative sources and distribution channels of materials.

Association Issues

9. The association, by limiting its focus on distributors and manufacturers and not the entire distribution supply chain (resin manufacturer, manufacturer, distributor and fabricator), may be at a disadvantage and can do better at positioning its members to promote distribution as the preferred way to market for selling semi-finished plastics products.
10. There is an opportunity to have associated products and services (non-voting members) to be in the association to provide access to the plethora of ancillary products and services which members need access to and help support the finances of the association without diluting the value of membership.
11. There is a lack of participation in association committees and volunteer leadership positions, thus threatening the future viability of the association.
12. The association's business model and membership dues structure cannot sustain the existing activities and goals of the association, nor can they finance and support any new growth initiatives.

Strategy Sketches

Association Governance, Business Model and Membership Structure

Issue # 9 – The association, by limiting its focus on distributors and manufacturers and not the entire distribution supply chain (resin manufacturer, manufacturer, distributor and fabricator), may be at a disadvantage and can do better at positioning its members to promote distribution as the preferred way to market for selling semi-finished plastics products.

Issue # 10 – There is an opportunity to have associated products and services (non-voting members) to be in the association to provide access to the plethora of ancillary products and services which members need access to and help support the finances of the association without diluting the value of membership.

Issue # 11 – There is a lack of participation in association committees and volunteer leadership positions, thus threatening the future viability of the association.

Issue # 12 – The association's business model and membership dues structure cannot sustain the existing activities and goals of the association, nor can they finance and support any new growth initiatives.

Desired Outcomes

1. Have a strong succession of committed volunteer leaders who will chair committees, actively serve on the Board of Directors and are willing to serve as the future president of the association.
2. A membership structure and dues model that provides for sharing of knowledge and best practices; promotes members as superior sources within the distribution supply chain; fosters communications between distributors and manufacturers; supports and finances industry and association growth activities; and evolves the association from a "social club" to a distribution industry association.
3. Bylaws and processes that provide for flexibility to have a more nimble, responsive and proactive leadership, governance and decision-making.
4. A re-engaged distributor member community.

Guiding Principles

1. Continue to reduce costs and improve efficiencies throughout the association.

Event Sequence

Timeline: Step 1 = 1 month; Step 2 = 3 months; Step 3 = 6 months; Step 4 = 8 months; Step 5 = 9 months

1. Revise association bylaws to (a) include the committee chairs as Board members of the association; (b) allow for more than one member of the Board to be from the same country; (c) create the position of Immediate Past President as a member of the Board; (d) allow flexibility for the Board to decide on penalties for membership dues and other administrative assessments; Members vote on the bylaws changes. **[Completed May 2010]**
2. Research, develop and propose a membership dues structure that provides for parity among the membership categories; will sustain and grow the association to provide

value for the members; and will build administrative capacity to support the volunteer activities and initiatives. The new model may include the addition of new membership categories including resin manufacturers, raw material producers, machinery suppliers and fabricators/processors. Additionally, the new model may reduce the number of complimentary annual conference registrations per member company to one delegate. **[Postponed to May 2012]**

3. Board reviews membership dues structure proposal and addition of new membership categories (item #2 above) and approves for membership vote. **[October 2011]**
4. Membership votes on dues structure and new membership categories by mail ballot. **[November 2011]**

Membership

Issue # 3 – Distribution is being challenged as the exclusive channel for selling semi-finished plastics products. Raw material producers and shape manufacturers go directly to fabricators and end-users, and these in turn, due to their market position, are increasingly bypassing distributors.

Issue # 9 – The association, by limiting its focus on distributors and manufacturers and not the entire distribution supply chain (resin manufacturer, manufacturer, distributor and fabricator), may be at a disadvantage and can do better at positioning its members to promote distribution as the preferred way to market for selling semi-finished plastics products.

Issue # 11 – There is a lack of participation in association committees and volunteer leadership positions, thus threatening the future viability of the association.

Issue # 12 – The association's business model and membership dues structure cannot sustain the existing activities and goals of the association, nor can they finance and support any new growth initiatives.

Desired Outcomes

1. Increase the EPDA membership to 100 by 2012.
2. Develop a membership structure and criteria which includes the entire distribution supply chain from resin manufacturers (raw material producers), manufacturers, distributors and fabricator/processors.
3. Enhance membership offerings.

Guiding Principles

1. Grow membership by increased country presence and aggressive marketing, focusing our member volunteer resources on a number of key countries, markets and development opportunities through a targeted marketing strategy within the supply chain.
2. Leverage the financial strength of the raw material suppliers.
3. The value of the association should not be reduced to the term "networking," but described as building business contacts which support customer relations, including orders.

Event Sequence

Timeline: Step 1 = 4 months; Step 2 = 2 months; Step 3 = December 31, 2010; Entire Strategy = 36 months

1. Develop targeted membership marketing strategy. **[October 2011]**
 - a. Identify country recruiters/ambassadors; set country kick-off meetings, establish guidelines and short-term and achievable goals for recruiters/ambassadors.
 - b. Set key review meetings in November and December 2011 with each country ambassador/recruiter.
2. Enhance the value for the stock shapes members. **[Completed May 2010]**
 - a. Revise and send stock shapes survey to membership.
 - b. Analyse and deliver results during 2010 Annual Conference.
3. Enhance the value for PVF members. **[Completed June 2011]**

- a. Continue to improve upon the PVF educational offerings at annual conference.
 - b. Solicit and groom succession of future PVF Committee leaders.
4. Create an Education Committee to focus on identifying, developing and enhancing EPDA's educational offerings to help improve the value proposition for membership.
[June 2011]
 - a. Identify committee chair and members for the Education Committee.
 - b. Committee develops action plan for identifying, developing and introducing educational offerings to EPDA members.
 - c. Finalize list of sponsors for translating and graphic designing of the *Introduction to Plastics*. **[Completed June 2011]**
 - d. Contract with translation services company to translate and design the translated versions of the material. **[Completed June 2011]**
 - e. Committee develops publishing plan (i.e., print and electronic), timelines and execution strategies. **[Completed June 2011]**

Communications and Marketing

Issue # 2 – Plastics are being outpaced for recognition in the marketplace by alternative materials that have industry collaboration and robust marketing initiatives in place.

Issue # 3 – Distribution is being challenged as the exclusive channel of selling semi-finished plastics products. Raw material producers and shape manufacturers go directly to fabricators and end-users, and these in turn, due to their market position, are increasingly bypassing distributors.

Issue # 5 – There is both opportunity and potential threats in the development of environmental evolution of plastics.

Desired Outcomes

1. Enhance EPDA website content value.
2. Improve the quality of information provided to the members.
3. Promote distribution as the desired channel to market.

Guiding Principles

1. Leverage the value of the IAPD alliance for use of available content and education.
2. Maximise the content provided by EPDA members.

Event Sequence

Timelines:

1. Develop partnerships with other associations and organizations to post reciprocal links and have bilateral information exchange on association and other organizations' websites. **[November 2011]**
2. License or develop additional content for web site. **[November 2011]**
 - a) Use content from each EPDA committee.
 - b) Maximise use of available IAPD resources.
 - c) Solicit technical articles from member companies.
 - d) Develop or license e-learning courses.
3. Develop a searchable plastics website which includes information about various types of plastics, members who produce and distribute the plastics and sample applications for use of the plastics. **[May 2012]**
 - a) IAPD International Strategy Task Force and Board to determine if the *Introduction to Plastics* may be used as a primary source for the information.
 - b) If IAPD material may not be used, develop a volunteer EPDA group to write the content for the website.
 - c) Negotiate with ASI or other outside firm to develop the website. This step includes developing an overall project plan, budget request and Board approval for utilisation of financial resources.
 - d) Develop plan for search engine optimisation.
 - e) Launch website and execute search engine optimisation strategies.

Environmental

Issue # 1 – Future availability of energy and raw material resources; existing and future environmental protection laws and regulations; and occupational health and safety regulations will impact the European plastics distribution supply chain.

Issue # 2 – Plastics are being outpaced for recognition in the marketplace by alternative materials that have industry collaboration and robust marketing initiatives in place.

Issue # 5 – There is both opportunity and potential threats in the development of environmental evolution of plastics.

Desired Outcomes

1. Environmental policies.
2. Active partnership in global environmental activities regarding plastics.

Guiding Principles

1. Leverage the value of the IAPD alliance for use of available content and education.
2. Maximise the content provided by EPDA members.

Event Sequences

Timelines:

1. Develop and distribute a survey of EPDA members' environmental needs and expectations which will assist in the creation of environmental policies that all EPDA members would be asked to support, such as ways to reduce energy consumption. **[August 2011]**
2. Identify other associations and organisations that EPDA should make contact and partner with (such as the Association of Plastics Manufacturers in Europe and International Association of Plastics Distribution) to take advantage of existing industry environmental initiatives. **[February 2011]**
3. Solicit articles and presentations from EPDA member companies to provide examples and information on what initiatives and programmes EPDA members have in place. **[December 2011]**

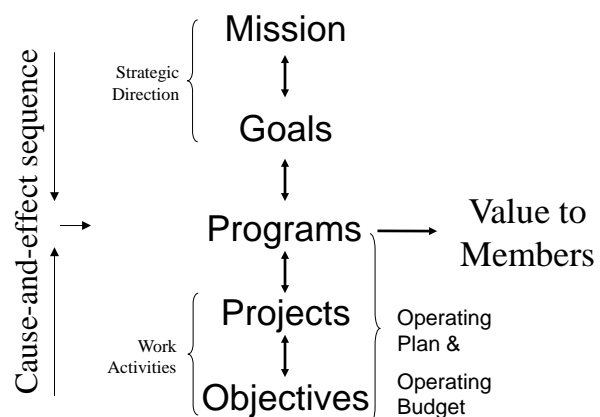
Appendix I

EPDA Strategic Planning Process

The European Plastics Distributors Association (EPDA) strategic planning process looks at the organisation's activities from a standpoint that draws a clear distinction between two fundamental dimensions. One considers the delivery of value to members in the current budget year and the other develops strategies intended to make EPDA viable in the future based on the leadership's best assessment of changing industry conditions. The first consists of the programmes that are described in an Operating Plan and the second by the strategies laid out in the Strategic Plan. This document contains a dictionary of key planning terms.

Programmes

In an Operating Plan, programmes are summarised using “purpose statements” that describe (a) the value delivered to the members and (b) the contribution that the value makes to the mission and goals. Programmes are driven by a series of “projects” that constitute discrete work activities that produce the programme's value. Projects are characterised by “objectives” that describe the year-end accomplishments and explain the resource allocation, both of which allow for management accountability. A cause-and-effect sequence exists in the way these elements relate to each other. The mission and goals provide strategic direction that the programmes and projects fulfill in the value they deliver. The Operating Budget, a companion document, is structured to align with the programmes and projects in the Operating Plan.



Strategies

The EPDA Board of Directors provides leadership through a strategy development process which

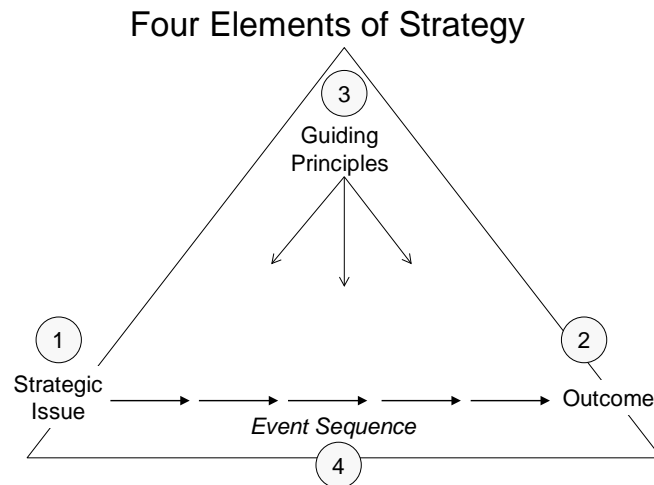
- Maintains a “radar screen” of strategic issues most apt to affect the members in ways that the association should, but has not yet adequately addressed.
- Engages the membership in a consensus-building dialogue on the implications and importance of these issues.
- Develops “desired outcomes” which are to be achieved through strategies that address the priority issues.

The Board assigns responsibilities for managing the strategies, monitors progress made on them, and maintains a dialogue with the members on the need for and purpose of these initiatives. The staff and committees support this work by gathering and analysing the information, and proposing strategies for the Board's consideration. The purpose of this process is to help the members envision the future more clearly and to help EPDA adapt its programmes to serve their needs more effectively.

A “strategy sketch” is a summary of the current status of a strategy and is used to monitor progress. It conveys succinct information on the four major elements of a strategy, which include:

- The **strategic issue** driving the strategy.
- The **desired outcomes** the strategy is designed to achieve.
- Any **guiding principles** that restrict the prerogatives of the strategy managers.
- The major action items stated as an **event sequence** to show the cause-and-effect sequence that moves the strategy from the first step to the desired outcome.

The Strategic Plan is a living document that includes the radar screen of strategic issues and the strategy sketches. The radar screen is updated as needed or once a year. The issues on it fall into one of three categories: (a) monitor for now, (b) research to understand more clearly, (c) take action by launching a strategy. The strategy sketches are updated each time the Board meets.



Key Terms, Definitions

Goals

Indicators that describe how the mission will be accomplished and determine if programmes are aligned with it.

Mission

The organisation's fundamental reason for being.

Objectives

Year-end outcome statements that account for the project's allocated resources, typically categorised into one of three types:

Reoccurring — fundamental objectives that repeat each year.

Improvement — one-time objectives intended to improve the value delivered.

Strategic — makes a contribution to one of the strategies.

Operating Budget

An annual authorisation of resources structured in alignment with the Operating Plan to provide easy cross-referencing of appropriations and expectations.

Operating Plan

A summary of the currently budgeted programmes and their respective projects that deliver value to the members, described in terms of programme purpose statements and project objectives. For EPDA, this is represented in the committee plans and annual operating budget.

Programme Purpose Statements

Value propositions that summarise the value delivered.

Programmes

Vehicles that deliver value to the customers.

Projects

Activities that generate the programme's value.

Radar Screen

A listing of up to 20 strategic issues that warrant the association's attention, typically falling into three categories: ready for strategy, in need of research, worth monitoring.

Strategic Issues

Agents of change, in the form of threats or opportunities that are highly apt to affect the future of the members and the association.

Strategic Plan

A summary of the strategic issues that the EPDA leadership thinks will have the greatest impact on the profession and is something EPDA is in a position to address effectively.

Strategies

Adaptation pursuits designed to address priority issues and consisting of four primary elements:

Issues — the strategic issues as defined above.

Outcomes — a brief description of what the strategy will accomplish.

Principles — parameters put on the manager of the strategy.

Event sequence — the major steps needed to achieve the outcome.

Strategy Sketch

A succinct, uniform way of describing the current status of the four strategy elements.

Values

Fundamental beliefs intended to influence decisions and define the culture.

Vision

Future-oriented statement that reflects the high ideals and challenging ambitions of the profession.