

Customer Council Meeting Minutes



Maryland Correctional Enterprises
Customer Council Minutes
July 30, 2019
MCE Headquarters via Conference Call

Attending via Conference Call: Gwendolyn Adams, Nicole Copeland, Todd Deak, Calvin Johnson, Brenda Lee, Ashley Lohr, Curtis Murray, Steve Shiloh, Joe Sommerville, Tonya Wells, and John West

Meeting was called to order by Stephen Shiloh, CEO, at 9:30 AM

Agenda Item I – Welcome / Introductions: Stephen Shiloh

Agenda Item II – MCE Update: Stephen Shiloh

- This will be Joe Sommerville's last meeting. He is retiring after 27 years with MCE; he has done a tremendous job and will be missed.
- New Secretary at DPSCS; he is high energy and has an extensive background in corrections. He is working to fill vacancies across the department.
- FY19 Sales were \$51.66 million (unaudited); down 6% from last year, but this is our 12th consecutive year earning revenues in excess of \$50 million. We are showing a 5.3% profit through May.
- Inmate employment was at 1,516 through the end of June; this is an 11% decrease. This can be attributed to our vacancy rate and need to maintain a safe 1:20 staff to inmate ration within the plants.
- MCE's vacancy rate is currently 27%
- Open Orders are at \$14.7 million; this is high but part of the reason for the elevation is delayed deliveries and construction dates
- ERP is moving forward; we will have the last round of project manager interviews on 8/27
- MCE mandated staff received the 4% raise in July that was being given to Correctional Officers
- We estimated \$56 million in sales for FY20; we received approval for a \$54.9 million budget to support operations.
- The OLA audit is complete; an exit conference is scheduled for August 13th
- S&B Company Financial Audit will be underway soon; their findings will be due October 1st
- This has been a challenging year; we look forward to hiring more staff and appreciate the hard work of our staff

Agenda Item III – Marketing Division Update: Nicole Copeland

- Customer Service Survey Results:
 - Product and Service Satisfaction – 49% rated good vs. 50% last year
 - Price – 37% Fair vs. 48% last year
 - Quality – 56% Good vs 55% last year
 - Delivery Time – 33% Good vs. 48% last year
 - We can attribute the high vacancy rate to the decreased satisfaction in delivery time; we will also be altering the questions to discover customer needs. Surveys will also be distributed via email rather than in person
 - Calvin Johnson requested information regarding the reported price concerns; Nicole will send that information
 - Gwendolyn Adams asked if customers had the ability to add comments to the surveys – they do
 - The Council did not receive copies of the survey; they will be added to the distribution list
- FY 20 Catalog is still under review by DGS. A notice was sent out informing customers that pricing will be based on the FY19 catalog until the changes are approved.
- We are working to enhance our tour experience. All participants will receive a MCE made item after the tour; the Council is supportive of this idea
- Website – new website will be going out for bid; we want to refresh it and make purchasing easier for customers.
- We put a push on email marketing and have received positive engagement rates
- Curtis Murray asked if we were looking into new markets, Nicole noted that we are looking for more non-profit opportunities. The Council requested a copy of the current Sales and Marketing Plan; this will be distributed.
- MCE attends 10-12 conferences per year; we are reviewing what has been successful and reevaluating what events to participate in.

Agenda Item IV – Sales Division Update: Todd Deak

- We have a new Customer Service Representative in training
- \$1.5 million in Quick Ship sales – record year
- K-12 sales are up to \$165,000 from \$149,000 last year
- Website sales decreased slightly to \$740,000 from \$756,000
- Incoming orders are at \$4.8 million vs \$3.5 million from last year
- A new Marketing and Sales Plan is being developed for January 2020
- Several current and upcoming projects for a busy summer and fall:
 - House of Delegates

- DHS Think Tank
- Shady Grove
- Howard Community College
- Montgomery and PG County Community Colleges
- Easton Armory
- Life Sciences Building
- DGS
- DDS
- Catonsville Court House – Todd Deak will look into timeframe and notify Gwendolyn Adams concerning this project

**Agenda Item V – Council Recommendations, Miscellaneous, Comments & Concerns:
Council Members**

- Calvin Johnson – Has there been any increase in participation in conjunction with the new national policy; no effect to MCE’s knowledge
- Curtis Murray – Thank you for your assistance with the Think Tank Project
- Gwendolyn Adams – thank you for the tour and plates
- Steve noted that there is an open invitation for tours and thanked the Council for their continued support
 - Upcoming events include the Annual Business Luncheon and October 29th meeting
 - Have a great summer!

Meeting adjourned at 10:06 AM

Maryland Correctional Enterprises
Customer Council Minutes
October 29, 2019
MCE Headquarters via Conference Call

Attending via Conference Call: Miracle Banks, Nicole Copeland, Todd Deak, Zina Gertner, Ashley Lohr, Danny Mays, Curtis Murray, Stephen Sanders, Steve Shiloh, and John West

Meeting was called to order by Stephen Shiloh, CEO, at 9:35 AM

Agenda Item I – Welcome / Introductions: Stephen Shiloh

Agenda Item II – MCE Update: Stephen Shiloh

- Sales are starting out strong; YTD over \$17 million
- Vacancy rate remains high
- Open Orders - \$12.6 million
- ERP Project Manager will hopefully be on board at the beginning of the year; MCE will follow up with Danny Mays regarding DGS approval
- JJ Peters has been appointed as the new Senate member to the Council; we are still awaiting an appointment from the House of Delegates
- OLA Audit Report will soon be published; only one finding
- Annapolis Showcase is scheduled for 1/23/2020
- We are getting ready for our annual Bea Gaddy dinner preparation
- Meeting schedule for 2020 will be sent in December
- I am retiring after over 33 years; thank you for your support through the years

Agenda Item III – Business Plan Update: Ashley Lohr

- Business Plan is written every May during our Managing for Results Seminar and shapes goals for the future.
- Some minor changes this year regarding digitization, staff development and expanding the CARES program.

Agenda Item IV - Marketing Division Update: Nicole Copeland

- FY2020 Catalog
 - New cover and font
 - We will be looking to change the layout in the future
- New website has gone out to bid; pre-bid meeting is scheduled for October 31st
- New Showroom is open Monday, Wednesday and Friday. We are in the process of updating signage.
- Annapolis Showcase
 - Scheduled for 1/23/20
 - Will feature textiles and mini seating showroom
- Upcoming Targeted Campaigns:
 - Quick Ship
 - Clearance
 - Furniture Restoration
 - Graphic Design
- We are updating photos for our website and new collateral

- 2020 conventions list has been finalized; we are working on better tracking leads from our shows
- We are in the process of building a new sales and marketing plan

Agenda Item V – Sales Division Update: Todd Deak

- Incoming orders are at \$16 million vs \$16.2 million last year at the end of October
- Website sales are at \$246,000 vs. \$224,000
- Quick Ship sales are strong at \$425,000 vs. \$377,000 last year. We are looking to raise the maximum order quantity on some of our Quick Ship Items
- Working to promote more clearance items
- Current Capital Projects
 - Howard Community College
 - DGS
 - DDS Hunt Valley
 - Shady Grove
- Upcoming Capital/ Large Projects
 - Morgan
 - Anne Arundel Community College
 - CCBC
 - MDTA

Agenda Item VI – Council Recommendations, Miscellaneous, Comments & Concerns: Council Members

- Sandra – Todd please call me about a project; congratulations to Steve!
- Danny – Email me about ERP

Meeting adjourned at 10:00 AM