

RESEARCH RISK MANAGEMENT, and you'll find extensive list of resources that all types of business use to identify, assess, and mitigate risk. To me, risk can be broken down into three very basic categories: risk taken out of necessity, risk taken by choice, and risk taken unknowingly.

Every time you get in your car to drive to work, you put your life at risk. You realistically don't have a choice whether or not to take this risk; if you want to earn a living and provide for your family, you just do it. Similarly, when you cut your grass, you know there's a chance you could run over something that could be thrown by the blade and find its way into your body. We certainly eat out of necessity but assume risk even with a healthy diet due to unknown ways our body could react to and metabolize food.

Risks you take unknowingly are the scariest ones. The recent news regarding lead paint in children's toys is a good example of this. Our reactions of anger and mistrust for institutions that we think are supposed to be protecting us are understandable. I would like to focus on the risk we take by choice, and more specifically, "opportunity risk." I wrote previously about how entrepreneurs helped build the fluid power distribution industry, and have adapted over time to resist the forces that, in most cases, select a business out of existence (Notable Words, 2007 Manufacturers Directory). They didn't accomplish this without significant risk to their businesses and often to their personal wealth.

All entities face uncertainty and risks as they strive to grow value and evolve to be better. While we attempt to minimize the risks that could erode value, opportunity arises out of this search to address uncertainty. We attempt to build new service offerings or improve existing ones that will increase value and revenue. Unfortunately, we don't get it right every time. That's okay because we learn by trying. If you don't have a few failures under your belt, you probably aren't taking enough risks. Winston Churchill said, "The optimist sees opportunity in every danger; the pessimist sees danger in every opportunity." Even with failure, the optimistic and audacious attitude of a leader will inspire teammates to follow while you undertake a venture not even totally understood by all. As Steve Covey says, if you "begin with an end in mind" your likelihood of success can be greatly improved.

We all have different appetites for risk, whether personal or business; hopefully maturity and wisdom has an influence on how much risk we are willing to take. As we mature, we gain wisdom not to try the foolish things we did in our youth. We also try things because we have matured and gained confidence in predicting outcomes, a confidence that we didn't have when started in business or were young. I wouldn't trade the experiences of my youth that were risky (and perhaps foolish) for anything. It's one part of life's experiences that provides balance to the decisions made today.

Like the many businesses that comprise the fluid power distribution channel, FPDA too has chosen to pursue new opportunities so we may provide unique and valuable "customer" benefits. Our new path is not without risks. However, the FPDA leadership has completed a two-year research and planning venture resulting in exciting changes that we believe will transform the organization, and we're confident the risks we may be taking are worth the value we will create. Visit www.fpda.org for my January 2008 President's Message to learn more.



Publisher

Innovative Designs & Publishing, Inc.
3245 Freemansburg Avenue, Palmer, PA 18045-7118
Tel: 800-730-5904 or 610-923-0380
Fax: 610-923-0390 | Email: AskUs@ifps.org
www.FluidPowerJournal.com

ASSOCIATE PUBLISHER **Marc Mitchell**

EDITOR **Kristine Coblitz**

VP OPERATIONS **Lisa Prass**

ART DIRECTOR | WEB MASTER **Adrienne Brandt**

ACCOUNT EXECUTIVES **Dudley Mann, Bob McKinney**

ACCOUNTING **Donna Bachman, Debbie Clune**

CIRCULATION MANAGER **Andrea Karges**

CREATIVE CONSULTANT **Christopher Hercik**

International Fluid Power Society

1930 East Marlton Pike, Suite A-2, Cherry Hill, NJ 08003-2141
Tel: 800-308-6005 or 856-424-8998
Fax: 856-424-9248 | Email: AskUs@ifps.org
www.ifps.org

2008 Board of Directors

PRESIDENT

Elizabeth Rehfus, CFPE, CFPS | Crafting Solutions, Inc.

IMMEDIATE PAST PRESIDENT

Robert E. Kraft, CFPE, CFPS | Kraft Fluid Systems, Inc. (*retired)

FIRST VICE PRESIDENT

Robert Yund, CFPS, CFIPT, CFPC, AFPI | Hennepin Technical College

VICE PRESIDENT MEMBERSHIP & CHAPTER SUPPORT

Leo Henry, CFPMM, CFPC, AFPI | Altec Industries, Inc.

VICE PRESIDENT CERTIFICATION

Rickey L. Rodeffer, CFPC, CFPMT, CFPS, CFIHM, AFPI |

The Boeing Company

VICE PRESIDENT EDUCATION

Jon Jensen, CFPSS, AFPI | SMC Corporation of America

VICE PRESIDENT MARKETING AND PUBLIC RELATIONS

Darryl Powell, CFIHM, CFPMT, CFPS, AFPI | Applied Industrial Technologies

TREASURER

John Groot, CFPSS | The Knotts Company, Inc. (*retired)

Directors-at-Large

Mike Lang, CFPHS, Parker Hannifin Corporation

James F. Simpson, CFPS, CFPMM, AFPI, SMC Corporation of America

George L. Bufink, CFPMM, CFPC, AFPI, American Electric Power

Gregory K. George, CFPS, CFPC, AFPI, Walt Disney World

Neil Skoog, CFIPT, CFPMM, CFPS, AFPI, ERHCO, LLC

Robert E. Evans, CFPS, Trackmobile, Inc.

Wayne C. Farley, CFPMM, CFPMT, CFPC, AFPI, American Electric Power

Patrick J. Maluso, CFPMM, CFPS, AFPI, Western Hydrostatics, Inc.

Scott M. Nagro, CFPS, HydraForce Inc.

Mark Perry, CFPHS | Fitzsimmons Hydraulics

Dennis Crouch, CFPC, CFPHS, CFIPT, AFPI | General Motors (*retired)

Mike Anderson, CFPS | Motion Industries

Honorary Directors

Robert L. Firth, Consultant

Raymond F. Hanley, CFPE, Consultant

IFPS Staff

Donna Pollander, Executive Director

Sue Tesauero, Certification Manager

Sue Dyson, Membership Coordinator

Adele Kayser, Public Relations Manager

Danielle Goulet, Certification Coordinator

Diane McMahon, Certification Coordinator

Beth Borodziuk, Administrative Assistant

Nick Pollander, Certification Assistant

Megan Whithouse, Bookkeeper

Paul Prass, CAE, CFPS, Managing Director

Fluid Power Journal (ISSN# 1073-7898) is the official publication of the International Fluid Power Society published bi-monthly with four supplemental issues, including a Systems Integrator Directory, Off Highway Suppliers Directory, Tech Directory, and Manufacturers Directory, by Innovative Designs & Publishing, Inc., 3245 Freemansburg Avenue, Palmer, PA 18045-7118. All Rights Reserved. Reproduction in whole or in part of any material in this publication is acceptable with credit. Publishers assume no liability for any information published. We reserve the right to accept or reject all advertising material and will not guarantee the return or safety of unsolicited art, photographs or manuscripts. POSTMASTER: Please send Address Corrections to Fluid Power Journal, PO Box 2548, Orlando, FL 32802-9830