

# Leading Watch Retailer Saves Time and Money through Integrated Print Management

## Client

A leading manufacturer and retailer of fine watches that sells through international boutiques, a mail order catalog, corporate sales and several websites

## Market

Retail

## Solution

Print Management

## Service

Integrated print management, including sourcing, procurement and distribution. Desktop access for end-users provided through a secure, user-friendly web portal.

## Benefits

- Increased visibility of spending and usage patterns
- Greater process control
- Improved productivity
- Measurable, sustainable savings

## Situation

For many years, a prestige retailer of fine watches worked with multiple printers and print-related suppliers to produce and distribute its marketing collateral. Using multiple vendors meant no consolidated real-time inventory or usage data, and no real end-to-end management of its print supply chain. This made it impossible for stakeholders to track, evaluate or measure the company's print-related spend.

In 2008, the company spent \$2.5 million on marketing collateral. Nearly \$1 million was spent on basic marketing pieces – such as warranty books, packaging, bags and stationery – with the remainder spent on high-end catalogs for luxury products and other advertising. This amount did not include print being outsourced by other departments within the company, such as Marketing or Training & Development.

The company used two print-related brokers to store, kit and distribute its materials from multiple warehouses. The material was paid for on receipt and carried as an asset on the balance sheet. The company paid storage fees to both suppliers, but cost data was not easily available or reportable. Freight invoices were submitted monthly and not allocated to a particular order's shipment.

Consequently, company stakeholders did not have the ability to manage their supply chain effectively at either the corporate or retail store level. There was no access to accurate, meaningful inventory reporting available in real-time. With weak inventory control, employees had difficulty locating items in storage. Inventory and usage reports were formatted in a way that did not allow the company to analyze and aggregate data. When the recession dampened consumer demand, putting pressure on revenue, the company's operations and marketing personnel were challenged to reduce costs and improve efficiency.

## Solution

For many organizations, the cost of printing and related services averages 2-3% of annual sales, yet too often its impact on the income statement is overlooked. For a retailer this size, reducing print expenditures can be a big boost to the bottom line. When a new CFO came onboard in 2009, the company began searching for ways to control margin erosion. With WorkflowOne's help, it developed a new approach to print management that improved productivity, quality and service, while reducing overall cost on a sustainable basis.



*WorkflowOne delivers measurable results to retailers and other businesses through process simplification, best in class sourcing, and exceptional service.*

*Let us help you with:*

- *New store openings*
- *Point-of-purchase distribution*
- *Integrated marketing services*
- *Labels, tickets and tags*
- *Visual graphic communication*

Prior to this management change, Procurement had tried to supervise print purchasing. But since it was not a large direct spend category, print didn't get as much focus as other materials. Since the company was contemplating an IPO, management realized that its cost accounting for inventory would have to be Sarbanes-Oxley compliant.

In looking for a solution, the retailer was introduced to WorkflowOneAccess, an enterprise-wide, customizable web portal to manage its print supply chain from design to delivery. WorkflowOne collaborated with internal staff to build a desktop "dashboard" that centralized and streamlined the sourcing, purchase and distribution of print collateral. The portal offers single-point access to tools, processes and technology that dovetailed with new SOX-compliant processes the company was starting to implement.

WorkflowOneAccess offers a web-based catalog that enables users to shop online for all retailer-branded items within pre-approved budget limits. The portal reports spending against budget levels throughout the year, so store managers have a better idea of how much more they can spend. As items are selected online, the portal shows the shipping charges in advance, a handy feature that managers like.

The portal also supports digital asset management of key company pieces, such as stationery, business cards and marketing materials. By storing files that can be repurposed, the retailer improved productivity and reduced end-to-end delivery time.

WorkflowOne helps ensure that the company buys printed materials economically by using its proprietary NetSource technology platform, which allows employees to request and review bids from multiple suppliers online. Web-based surveys measure supplier performance, and standard reporting displays supplier activity. The "report writer" feature also allows company stakeholders to track, measure and review spend across a variety of categories, including brand, project and buyer.

WorkflowOne also recommended migrating some of the company's warehoused items to digital print-on-demand products, which created further savings, freed up working capital and increased cash flow.

## **Benefits**

With WorkflowOne's help, this leading retailer now has better tools with built-in metrics to exercise greater purchasing and expense control of its marketing materials. Accurate inventory records are available in real time, allowing company employees to purchase economic order quantities, which reduces the risk of obsolescence. There's less need to destroy outdated materials, which delivers significant cost savings in both production and storage.

The company has been able to establish baselines for spending and has gained more control over its information and processes. By increasing visibility to usage and spending patterns, as well as improving productivity across the board, they have achieved measurable, sustainable cost savings without tarnishing the image of their upscale brand.

## **Contact Us Today**

To learn more about how WorkflowOne can generate results for your organization, contact your local representative or visit our website: [workflowone.com](http://workflowone.com)

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