

An Inventory Depletion & Print-On-Demand Strategy

Customer Challenge

A Fortune 100 equipment manufacturing company wanted to leverage the digitization of their technical and service literature — allowing them to use this information in a variety of formats and for multiple purposes. The company had a goal of eliminating costly inventory and migrating from paper distribution to electronic delivery as the primary medium of providing technical equipment documentation to their end-user customers and dealer network. However, they still needed the ability to provide paper distribution of manuals as requested.

This customer had been printing all technical and service literature through Midland, placing it in a warehouse and fulfilling orders for this literature from inventory as needed.

Midland Information Resources Solution

Midland offered this customer an inventory depletion strategy that enabled them to work toward elimination of inventory and move to a just-in-time printing model. The overall goals of the program are:

- Print only as needed or ordered vs. a print to inventory model
- Maintain the ability to deliver paper documents to their dealers and end-user customers
- Reduce obsolescence and scrap of unused or out-of-date publications
- Reduce inventory through print-on-demand (POD) initiative
- Maintain an electronic library of information for repurposing to print, CD-ROM or DVD duplication, or electronic delivery
- Provide technical documentation on a more timely basis

Our Midland solution involved analyzing literature order history and current inventory levels to determine what manuals would be moved to a print-on-demand mode vs. titles remaining in inventory and eliminated

through ordering. By adopting this strategy, the company was able to leverage the digital file investment and make titles available for multiple uses in various outputs. Our multiple-process solution included:

- Enhancement of an 800# call center to allow end-users and dealers to place orders
- Implementation of a transitional warehouse
- Electronic link to dealer network
- Implementation of print-on-demand system
- Conversion of eligible publication titles to POD based on estimated usage forecasts
- Computer linkage of the POD process with EDI ordering and invoicing system for a seamless and automatic order-through-fulfillment process
- Addition of 10,000+ titles to the POD library
- Transition of 500 quantities or less forecasted titles to POD program
- Electronic library for technical literature

Key Customer Benefits

- An electronic library of information was created that can be used for repurposing across all output media
- Optimized communication between our customer and their end-user customers and dealer network
- Enhanced quality of the product and reduced overall turn-time and costs
- Allowed for the ability to deliver paper documents or electronic information to dealers and end-users as requested
- Produced a savings of \$750,000 per year in scrap and inventory costs
- Reduced 8,000 square feet of warehouse space used to store literature
- Reduced the remaining inventory dollar value by \$1.4 m.