



Executive Brief

The new mandate for integrated systems

How printing, packaging, and publishing companies can use technology to keep pace with change



Highlights

Traditional reliance on disparate, loosely patched systems and manual processes are preventing companies from keeping pace with market demands and global competition.

To take advantage of the new global economy and opportunities to expand market share, companies need to leverage next-generation ERP tools.

An end-to-end ERP solution that offers industry-specific functionality and best practices can create a competitive edge.

Executive summary

The printing, publishing, and packaging industry has undergone a technology revolution, vastly changing operational processes and expectations for quality, speed, and costs. This new high-speed, high-quality era in printing is placing added pressures on companies, often leaving them with systems ill-equipped to keep pace with current business demands. Fortunately, the adoption of an end-to-end ERP system will enable forward-thinking printing companies to improve visibility, better manage accounts and streamline even their most complex processes, increasing their ability to meet customer demands, while improving profitability.

Background

The highly specialized issues of pre-press production, presses, papers, inks, consumption, and bindery processes have forced manufacturers and printers to turn to customized point solutions to manage their printing operations. Typically, they had to settle for solutions that offered single-focused, limited functionality, such as scheduling press runs and creating estimates. Financial and business operations were managed with separate accounting systems.

There was a time when this was sufficient. Largely regionalized and relying on manual craftsmanship and labor intensive skilled artisans, printers enjoyed a period of high profit and limited competition. The high cost of huge printing presses kept infringing start-ups to a minimum. Growth could be sustained by building intimate customer relationships and showcasing the accomplishments of skilled technicians. High quality printing was a true art form.

The dramatic revolution of digital prepress, inkjet, and laser printing processes has changed the market, suddenly and drastically. High definition images, intricate packaging engineering, a variety of surface materials, extreme sizes, specialty inks, on-demand delivery, and online quoting have become standard fare. Expansion in emerging markets has brought pricing down. Reduced consumer spending has dampened growth. The result is that competition is fierce. Margins are thin.

No longer can printers, publishers and packaging companies like yours settle for systems that meet only some of your needs, some of the time. This new era in

printing calls for a new level of sophistication in managing processes, resources, costs, and the customer experience. Your internal systems need to keep pace with the changing environment, if your company is to survive the tumultuous market evolution. But how?

The advantages of an end-to-end ERP system

Whether your company is involved in manufacturing, printing, publishing, or packaging, you need to eliminate silos of information, which create inefficiency and inaccuracy. You need an end-to-end ERP system that delivers real-time, company-wide visibility to streamline processes and maximize profit potential—key considerations in the printing industry today. With an end-to-end ERP system, you get:

- One system that speeds the flow of information, eliminates gaps in communication, and encourages collaboration and cooperation between departments, divisions, and cost centers.
- Access to a common database and one source of truth to create greater accountability, accurate reporting, and a total financial perspective.
- Real-time data, which gives you instant access to inventory, scheduling, account, and financial status. Managers can maintain a vigilant watch on bottom-line financial status —anytime, anywhere, using smartphones and tablet devices.
- Timely access to data that allows you to respond more quickly to customers, easily answer questions about scheduling and delivery, and identify issues, such as press downtime or paper stock outs, before they impact customer satisfaction.
- A common database that eliminates redundancies, dual data entry, and overlapping processes. You'll cut down the amount of time you spend updating manual spreadsheets and resolving conflicts between disparate systems.

Focus on responsive service

Prepress production equipment, presses, packaging machinery, and bindery equipment have evolved to a level where exceptional quality is now considered standard. Now, it's time to use customer service as a way to differentiate yourself from the competition. Responsive service is critical to the printing, publishing and packaging industry. In this instance, service breaks down into four

key concerns: Speed of delivery, accurate estimates, consistent quality control, and positive customer relationships.

Speed of delivery. The proliferation of “quick print” shops that promise next-day service and on-demand digital printing capabilities have changed the expectations of consumers, creating a target audience that has no patience for slow turn-around, delivery delays, or missed deadlines. This mindset carries over to large printing operations and complex press projects, as well. Customers assume that high quality printing, no matter the size of the press run or complexity, can be produced quickly. You’re forced to try to live up to that expectation, even when it’s impractical.

Printers and manufacturers with printing divisions, like you, can turn to technology to speed up your performance. ERP software can help streamline workflows by creating clearly defined operations and methods to escalate exceptions. The same software can help automate steps, assist personnel with decision-making, and alert managers of issues that have the potential to delay timely fulfillment of orders. Easy-to-use workspaces also help make workers more productive with minimal training.

Speed of delivery also relies on the availability of materials, including, paper, ink, chemicals, and adhesives. It’s critical that you maintain proper inventory, with careful monitoring, including environmental controls to prevent paper from warping and compliance regulations for storing flammable chemicals. When you implement an integrated ERP system, you’ll have the tools in place to help your purchasing managers track consumption, project usage, analyze trends, and better manage relationships with suppliers. Real-time, accurate inventory data allows managers to confidently schedule, plan, and promise delivery dates to customers.

Scheduling of resources, from presses to personnel, is the third factor in speed of delivery. You need to efficiently plan and optimize equipment capacity so that projects are paced appropriately. Scheduling functionality inherent in today’s manufacturing ERP systems helps alleviate bottlenecks, idle time, and backlogs. It can help you coordinate the flow between prepress art approval, press time, and post production.

Accurate estimates. The estimating process is critical to both your company and your customers. Customers need an accurate quote quickly; your company needs to

produce a quote that takes into consideration the customer’s needs, plus the many factors that affect your cost of doing business, per-unit-price, and profit. You also need to factor in market conditions, competitive pricing, and your desired profit margins, as well as fluctuating pricing on raw materials. In aggressive efforts to meet competitive pricing and maintain customer loyalty, it is easy to fall into a dangerous cycle of lowering bids to retain business or buy new business. This can backfire when margins are so thin that it’s possible to actually lose money on a project.

You need to fully understand every factor that helps determine total cost in order to produce reliable, accurate estimates. This means factoring in amortization of the cost and maintenance of high asset equipment, value of equipment time, overage, scrap, and consumables. ERP solutions, which can analyze the full scope of a project, make cost analysis and estimating easier and more accurate.

Quality control. Maintaining quality standards is critical for any company involved in the printing industry—whether you’re a manufacturer with a printing/packaging division for consumer electronics, a web printer publishing catalogs, a commercial sheet-fed printer specializing in direct mail/fulfillment, or a silk-screener imprinting golf balls with corporate logos. Certainly, precision alignment, vibrancy of color, and clarity of resolution continue to be quality control check points. As capabilities and specifications become more complex, quality control, too, becomes more complex. Metallic inks, biodegradable paper, synthetic papers, serial imprinting, and engineered die-cuts add layers of complexity. Highly specialized projects, such as printing serialized tickets, scratch-off prizes, mailers imprinted with the recipients’ names, and limited edition items with strict quantities all underscore the essential nature of quality control.

The more critical the situation, the more important it is to have solid systems in place to manage the variables, control the parameters, and ensure consistent quality control. Manufacturers in other high tech industries have already proven how valuable quality control systems are in establishing criteria, defining specifications, and detailing step-by-step procedures and workflows to ensure compliance. Now, printing companies, like yours, can take advantage of these embedded ERP system controls.

Prepress managers, press floor managers, and bindery managers can use customized workbenches, contextual

decision making tools, and personalized reporting metrics to monitor role-based key performance indicators (KPIs). They can even monitor reports from any remote location using smartphones and tablets. They'll be able to monitor the most important details from anywhere, at any time.

Positive customer relationships. Satisfied customers tend to be repeat customers. This is why the focus on meeting customer expectations needs to be a priority. Like so many other industries, the printing industry is turning to value-add services as a way to foster loyalty. You may be considering a range of options, from fulfillment services and drop shipments, to helping manage and analyze databases for mailings. Printers and publishers like you may also be implementing innovations to appeal to customers' environmental concerns, such as using recycled papers and soy inks, and supporting reforestation programs.

You can promote such value-add programs and offerings to customers through embedded customer relationship management (CRM) functionality in your ERP system. A fully-integrated ERP system can help you manage customer relationships and communication, and manage campaigns to help your company grow.

Maintaining accurate customer records is another important ways that an end-to-end integrated software solution can help you step up to meet competitive challenges. Enhanced customer data can help you strategically analyze trends and better forecast demand. With an integrated ERP system, you'll be able to develop initiatives to stay in touch with your customers,

recommend new products, and promote your value-add services, all adding to the personal customer experience.

You'll be able to further the relationship by providing your customers with online portals and collaborative opportunities. You can use your ERP solution to offer your customers, as well as your sub-contractors and suppliers, access to convenient online systems for estimating, inventory, and social networking features. With a next-generation ERP system, you'll be able to coordinate specifications, quote requests, repeat orders, art submissions, proofs, package diagrams, shipping arrangements and delivery schedules through online portals, and offer social networking and online collaboration.

Infor can help

When you incorporate your printing processes into your overall ERP system, you'll be able to manage your entire manufacturing process with one end-to-end solution,

By combining the advantages of full visibility, process control, and financial management with the specialized needs of creating printing quotes and estimating resource needs—one system can control your day-to-day activities, plus enable long term analysis, planning, and strategic growth.

That system is Infor™ Industrial Manufacturing. Infor Industrial Manufacturing for Printing, Publishing, and Packaging is specialized for companies like yours.



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