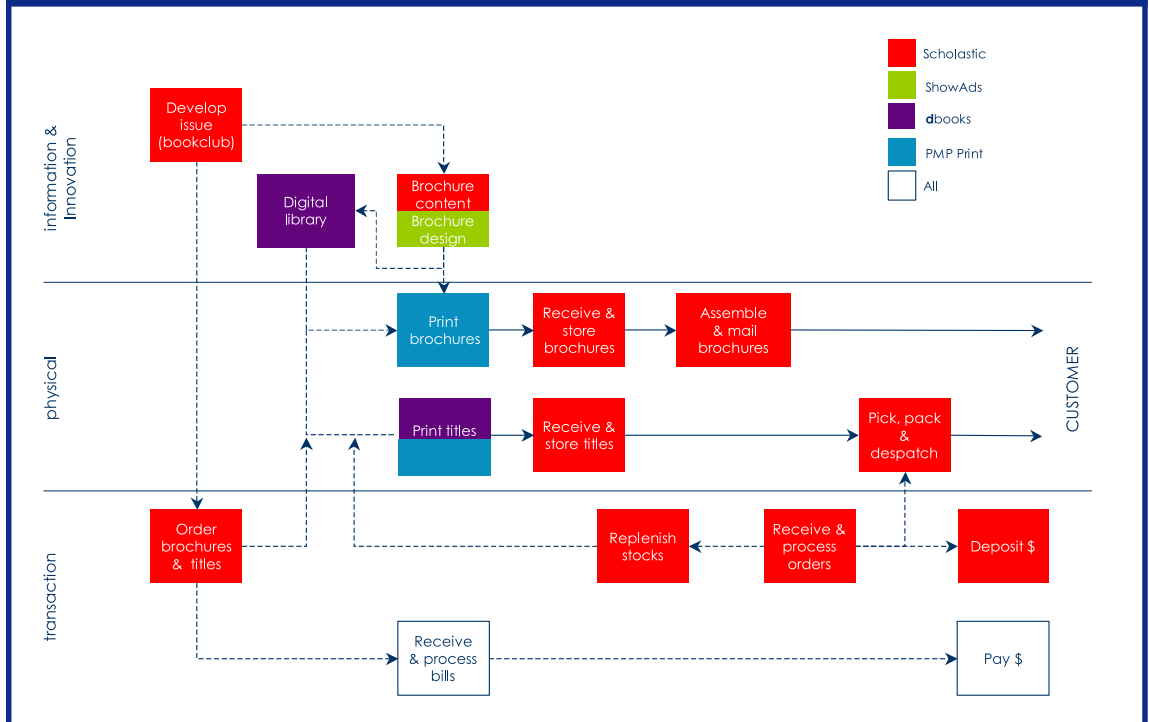


SUCCESS STORY

**PMP Communications (dbooks)
Show-Ads
Scholastic Australia**



The Children's Book Club value chain goes digital



Dramatic improvements in customer service levels, time to market and cost reductions are achieved by effective deployment of digital workflow solutions across the value chain.

*Paul van Veenendaal
General Manager*

PMP Print Management Services

The Organisations

PMP has grown to be the largest graphic arts, printing, publishing and media company in Australia. PMP is implementing new digital workflow technology in their graphics processes, resulting in efficiency gains, significant rework savings, shortened lead times, improved quality and strengthened market reputation.

Scholastic Australia brings the best of children's publishing to Australian children and is recognised as a market leader in Australian children's publishing.

Show-Ad's expertise in digital asset management encapsulates digital photography, digital libraries of images and documents, and digital printing as well as the creation and distribution of digital files through their national wide area network. The system offers greater 'late editing' facilities, along with security and industry standard files.

The production of catalogues, book titles, corporate brochures and promotional material can be "re-purposed for various" print formats, internet, extranet and new media products.

The Project

The book publishing industry currently pulps 36% of its stock due to the long runs required by traditional offset printing. PMP's dbooks solution eliminates this wastage and drastically cuts storage and inventory costs. It has potential to be a vital part of online e-commerce solutions.

With dbooks it is economic to print runs as small as 200. dbooks is a turnkey book production and content management solution for book publishers. Publishers continue to seek reductions in inventories, and retailers in the return of unsold books. In this environment, the ability to offer digital expertise is the cornerstone for current and future client relationships with book publishers.

**VALUE CHAIN
MANAGEMENT
PROGRAM**



SUCCESS STORY

PMP Communications (dbooks) Show-Ads Scholastic Australia



The digital library enables publishers to increase title life, and utilise the asset value of their backlist, and offers import-replacement opportunities in the reprint and short run markets.

New workflows allow previously labour intensive tasks such as file optimisation, colour management, trapping, proofing, imposition, archiving and film/plate making; to be electronically managed for increased process control and productivity.

The technology is a first of its kind with integrated colour management, remote proofing linked to client sites, and an ability to track jobs, manage archiving and generate detailed production reports.

The Projects

Each partner recognised opportunities to streamline and radically alter the existing value chain to improve the level of service, reduce waste, lower costs, and to greatly reduce the cycle time. The project challenged current processes and practices, and showed how 90% of activities that don't add value could be eliminated, and how 60% of value adding activities could be combined. The book club value chain covers:

- selection of titles;
- design, proof, print, kit and dispatch of catalogues;
- digital library, file transfer of book content and cover graphics;
- procurement and printing of books;
- fulfilment of school orders; and
- incoming and outgoing payments.

Project Methodology

The key to developing the value chain partnership was the use of workshops to enable the frontline people from the partners to simplify the processes, take ownership of the changes and then to drive them forward. This allowed all involved to understand and contribute to simplifying the whole of the process, not just their own functional area. This was especially useful in developing working relationships across the chain. The value chain was mapped in detail to provide a clear picture of the 637 activities undertaken over the life of a book club issue, and the 345 activities to print a traditional offset run. Teams in the workshops reduced these through simplification of workflows, application

of graphics and scanning technologies, and the functional integration of business systems

Benefits And Outcomes

The project provided many benefits for the partners:

For Scholastic

A basis for dramatic improvement in the Book Club publishing process;

- 80% fewer process steps; and
- 60% fewer handovers.

For Griffin and ShowAds

A basis for significant improvement in the traditional offset printing business process:

- 25% fewer process steps
- a 50% increase in value-adding proportion

Lessons Learned

- Project teams representative of each segment in the end to end process;
- Mapping the process, end-to-end, to identify wasted time and resources;
- Sensing and protecting the confidentiality needs of each partner;
- The facilitated workshop approach enables the people to redesign processes and take ownership of what has to change;
- Strategic use of existing and new technologies: including: e-commerce, graphics, job workflow, and scanning;
- Need to maintain a high level of project reporting and communications that enables key executives of each partner to drive resource and decision priorities;
- The right level of drive and delegation, and accountability and vested interest in better performance, carries projects forward to realise the benefits;
- Need to get an early handle on likely challenges arising from split responsibilities and the geographic and functional spread of entities;
- Project objectives must match the business priorities of each entity's executive;
- Existing contracts, partnering, tender and commercial factors, including competitive suppliers, can delay or constrain options for introducing new arrangements.

This project was facilitated by Geoff Stockdale and Bob Allardice of Stockdales Pty Ltd, project managers accredited with the Value Chain Management Program. The Program is an initiative of the Commonwealth Government.

www.valuechains.industry.gov.au

