

Project Summary

Objectives

- Manage growing inventory of sales and marketing materials
- Support needs of employees
- Provide international access to distribution partners
- Track and report on success of marketing programs
- Reduce costs

Results

- The system provides seamless and immediate access to products to 1,150 users, including 125 channel and international partners
- Improved inventory reporting and management identifies product obsolescence
- Total warehouse storage fees were reduced by over \$4,000 per month
- Eliminated the overstock issue and gave the client the freedom to make frequent content changes to their products

Inventory Management

Summary

Hologic, Inc. is a leading international women's healthcare company with annual sales of over \$1.5 billion. The Company needed a solution that could manage their growing inventory of sales and marketing material and better support the needs of their employees and distribution partners around the world.

To solve this challenge - and bring order to their chaotic inventory management - Hologic turned to Goodway Group, a leading Web-to-Print and fulfillment operation located in Burlington, Massachusetts.

Using the web portal and fulfillment services provided by Goodway Group, Hologic was able to better track and report on the success of their marketing collateral, provide nearly 1,200 employees and partners access to the materials they need, and realize greater efficiencies in their entire printing and fulfillment process.

The Challenge

Hologic had recently gone through a period of growth and acquisitions. As a result, the Company quickly found themselves with over 2,000 distinct marketing products that included printed material, promotional items, and sample equipment.

Further complicating the challenge was that the parent company and its biggest acquisition each had their own fulfillment partners, so inventory was split between two vendors – each of which had its own ordering platform and reporting capabilities.

As a result, major users found themselves having to complete large orders by accessing both systems. This took excessive time up front and complicated back-end order tracking. Further complicating the process was that neither system was particularly strong in the area of user permissions, which meant that the needs of 1,200 'clients' were managed by a handful of product managers and senior creative services staff. Clearly, this was time consuming and caused delays in the fulfillment process.

▶ Goodway Group Case Study

Finally, since reporting was disparate and deficient, meaningful inventory management was impossible. Hologic had no clear understanding of what was being used, what inventory was left, and what was out of date.

With contracts with both fulfillment houses expiring in the year ahead, Hologic knew they had to take action. They issued a complex RFP that included a long list of services they hoped would resolve their current inventory and fulfillment challenges.

After a lengthy vetting process, Hologic selected Web-to-Print 2.0 by Goodway Group to take over the entire program.

Getting Buy-In and Adding Value

During the vetting process, key constituents had the chance to view the capabilities of the Web-to-Print solution. But Goodway and Hologic knew that for the new solution to succeed, all users would need to buy into it.

To get this buy-in, the Company asked Goodway to present again – this time to all 1,200 potential users. These presentations were done through a series of three webinars timed to accommodate worldwide divisions.

As more demos took place, and conversations with key decision makers continued, it became clear that the Web-to-Print solution had more to offer Hologic than what had been outlined in the original RFP. As a result, key features were added to the project, including controlled versioning and reporting capabilities that would help the Company target items to switch from print-and-store to Print-on-Demand.

Bringing Order to Chaos

After a few months of program development, the system was up and running, providing Hologic's users around the world with a seamless, easy solution for ordering their sales and marketing materials.

The system has 1,200 users, including 125 channel and international partners. The system's restriction abilities allow for user access to be regulated by division and job position. This means that Hologic's sales representatives can only order parts related to what they sell, and can only order up to predefined quantities each month.

To place an order, the user logs into the system through a web portal. Once there, they can view the products that are of interest to them. Once the user places an order through the portal, it generates a series of automated emails, including:

- Confirmation of order receipt
- Notice of the need for Administrative approval (if required)
- Reminder of orders pending approval
- Notice of approval or Administrative changes to the order (if required)
- Notice of order shipment – including hyperlink to the carrier's tracking site

The system also generates other emails such as:

- Confirmation of new inventory receipt
- Notice of low inventory
- Online Help Notification

Eliminating the Bottlenecks

Three months after the portal went live, orders averaged 450 per month or 21 orders per day. Today, orders now range between 500 and 650 per month or 23 to 30 orders per day. Peak marketing cycles may see up to 50 orders per day, while slower days may see only a dozen. An average order consists of six line items and 25 individual packages pulled from inventory.

▶ Goodway Group Case Study

Improved Inventory Reporting and Management

In setting up the transfer of goods from the two incumbent fulfillment houses to Goodway, Hologic was able to identify 500 parts that were obsolete, something they couldn't grasp previously due to weak analytics. So right from the start the number of distinct parts dropped by 25%.

When the site went live, over 500 skids containing 1,500 distinct parts were relocated to Goodway's production facility in Burlington, Massachusetts and its satellite facility in Billerica, Massachusetts.

Over time, the usage reporting functions in the Web-to-Print system helped to identify products that get used and products that don't. Since its implementation, Web-to-Print portal has identified:

- 237 additional parts for immediate elimination
- 486 parts whose inventory can be reduced by 80% - primarily due to a shift in product focus and the resultant overstock in those parts.
- 158 parts whose inventory can be reduced by 50% for the same reason

This totals 881 parts or 59% of current inventory. When presented with this information, Hologic authorized the removal of 200 parts on over fifty skids of materials.

When Goodway's recommendations are fully implemented, an additional 681 parts on 225 skids can be removed. Total warehouse storage fees can be reduced by over \$4,000 per month.

The Move to Print On Demand

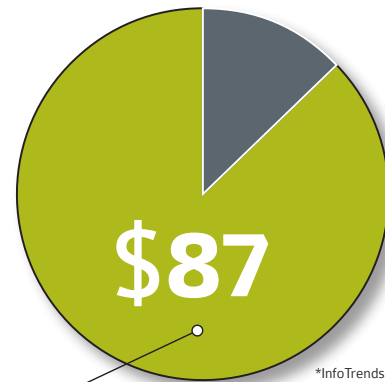
At the start, all of Hologic's products were preprinted in large quantities and stored in the warehouse. The result was large amounts of overstocked items that needed to be eliminated. To ensure that overstocks are a thing of the past, Goodway now prints much of the Company's material on a print-on-demand (POD) basis.

Since the inventory reduction program began, Goodway now prints and ships an average of 45 POD orders per month. As more inventory is removed and new products go online, the number of items printed on demand will continue to increase. This will completely eliminate the overstock issue, guard against obsolescence, and give Hologic the freedom to make frequent content changes to their products.

Satisfaction

Periodic performance reviews show unanimous satisfaction at all levels of participation.

FOR EVERY **\$100** SPENT
ON BUSINESS
COMMUNICATION ONLY
\$13 IS RELATED TO PRINT



goes to the development and management of the final product.

Web-to-Print 2.0 by Goodway Group reduces these non-print costs by:

- Facilitating Document Creation
- Reducing Administrative Burden
- Lowering Warehousing Costs
- Lowering Distribution Costs
- Eliminating Obsolescence

Corporate Background

Goodway Group of Massachusetts is a forty-five year old division of an eighty-five year old privately held print, marketing, and distribution company headquartered in Philadelphia, Pennsylvania. The company has a proven history of recognizing industry trends and responding to those trends with new technology and innovative solutions. Today, the company is focused on developing and delivering web-to-print programs to meet the demands of their clients.

To learn visit www.goodwaygroup-ma.com
or call 781-272-2690