



Inventory  
Management  
| Printing for  
Books,  
Catalogs, and  
Direct  
Marketing

# Inventory Management | Printing for Books, Catalogs, and Direct Marketing

## 1) How Do You Categorize Your Inventory?

Are you looking at your inventory as, say, 3 buckets:

- Available
- Safety
- Back-ordered

Each of these serve a different purpose in your planning and ability to satisfy your customers. If you understand this, you can then build supply chain rules.(your business may require more buckets - the key is to identify each way inventory impacts your organization)

## 2) Forecasting - A lost art, or perhaps a little Wizardry.

Inventory Management itself doesn't have to be overwhelming. How much do you need, how long does it take to get it here. Of Course this is over-simplified.

Our Publishing Clients that succeed in the balance of back-orders and just in time, do an amazing job forecasting. You cannot produce what you don't know about. If you have \$1.00 to spend - spend \$.75 on getting a good forecast. Information is currency!

## 3) What are your Inventory Turn Goals?

CFOs want the best use of the company cash. Purchasing folks want the lowest possible unit cost. What is the biggest driving factor. Beyond the financial aspect, what is the shelf-life of your content? Are you publishing programs that get revised every semester? Or perhaps you have several legacy programs that don't change much. Over the years we have seen publishers go from a 1 buy strategy, several turns in a year and now back to a balance of both. Where do you fall?

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## **4) What is the cost of a backordered product?**

If you don't have a sense of what it is costing you to disappoint your customers ...**start!** We see a distinct difference in our customers that know very clearly, what the cost is to delay a delivery. Armed with that information, they are able to offer substitutions and alternatives (when possible) to offset those costs.

## **5) What is your marketing strategy?**

Are you a "Build it and they will come" kind of organization? Perhaps you are a Produce Some, Sell Some kinda company. Both work...but not together. Based on some of answers you give above, it will be pretty clear.

## **6) Know different supply chain / production options to help meet your goals.**

You may have some programs that move much faster than others. Some may be very expensive to produce. Fortunately today, there are options to help meet your goals. Traditional Offset printing still offers the best Economics - from a pure Unit Cost standpoint. Digital Printing, while a little higher on a unit cost basis, can significantly reduce your TOTAL cost, when you factor in Capital Cost, Square Footage, and other overhead burdens. With today's technology, there are even distinctions inside of the Digital Printing category. There are fewer excuses for not getting it right these days.

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By the time you are ready to mass produce your content, you have invested a lot of time, money and some blood / sweat & tears. Seeing the fruits of your labor sit idly on a shelf gathering dust or, angry calls from customers because you cannot get them the goods on time are frustrating.

**We Understand This.** We have built our manufacturing platform to serve you in all of these environments. We can help you determine the best inventory policy and change with you as your needs change. We can also help you 'test' demand. If you only take 1 point away from this - start with a good Forecast!

Start The Conversation

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