

CDP

HEALTH CHECK

Outsourcing – Positive Business Practice...

The growth of outsourcing as a strategic business tool demonstrates the commitment of UK companies to remove excess costs, and to divest themselves of non-core processes.

This trend is driven by the need to focus finances and infrastructure on core revenue streams – ensuring that the business defends its competitive edge and is fit to respond effectively to change and opportunity.

Outsourcing is not a new phenomenon – it is a proven process to reduce cost whilst leveraging expertise in several non-core business areas. Major examples where outsourcing has proven to be effective are:

I.T.	Fleet Management
Personnel	Catering
Facilities Management	Payroll
Logistics	Credit Management

But where does Print Outsourcing fit into the business mix...?

Outsourcing Print – Practical Business Management

In survey after survey, the single fact that all business managers acknowledge is: "That over 85% of companies do not know how much print costs them". (Source IPIA.) Why is this?

- Primarily, because "print" is a very diverse product. It covers Functional, Marketable, Financial, and Critical print needs.
- Secondly, because of its diversity, "print" is purchased and used by many within an organisation.
- Thirdly, due to the above 2 points, the true cost of print is absorbed and hence hidden into several different cost centres.
- Finally, "print" is seen as a result of a need rather than a business process that can be improved.

Over 70% of respondents to surveys agree that "print" is an area that should be investigated and possibly outsourced...but they do not have either the time or expertise to carry out this exercise.

At **CDP** we believe that it is time to move forwards and focus on managing print properly.



Print Management – Controlling Print Costs...

On average, it has been estimated that the true "Cost of Print" equates to around 3% of a company's total revenues. What is the true cost of print within your company? Is it 3% of your revenue? Less? More! How can you find out? Where do you start? What expertise can you utilise to analyse your true cost of print?

CDP's Core Business is Print Management. We have outsourced all non-core processes which means that our only focus is on minimising total print costs whilst maximising print efficiencies for our clients.

So, how can we do this for your company?

CDP – The Print "Health Check"...

The **CDP** Health Check is a proven system that is focused on reducing the total print costs affecting your company.

It provides an unbiased analysis on areas of your business that use or purchase print.

It covers the 4 key print use areas, which are:

- **Functional Print** – allows your company to operate on a day-to-day basis.
- **Marketable Print** – promotes your company to your target audience.
- **Financial Print** – print that is vital to a company's cash flow system.
- **Critical Print** – any item of print that is very time sensitive.

CDP Health Check – Time Well Spent...

Depending upon how detailed your requirements are will govern the time involved in completing the Health Check.

The level of integrity supporting the Health Check report can be tailored to meet your exact business needs.

The Health Check presents a full and impartial report covering your basic known print spend. In addition, we account for areas where "Hidden Costs and Forgotten Costs" are incurred within your company's total print procurement processes such as:

- Ad Hoc Buying
- Multi-Order Processing
- Fragmented Purchasing
- Historic Product Design
- Solus Manufacturing
- Artwork & Brand Management
- Stagnant Supplier Base
- Ineffective Stock Management
- Excessive Logistics
- Uncoordinated Distribution
- Product Obsolescence
- Lack of Proper Reporting & Management Information

HIDDEN COSTS



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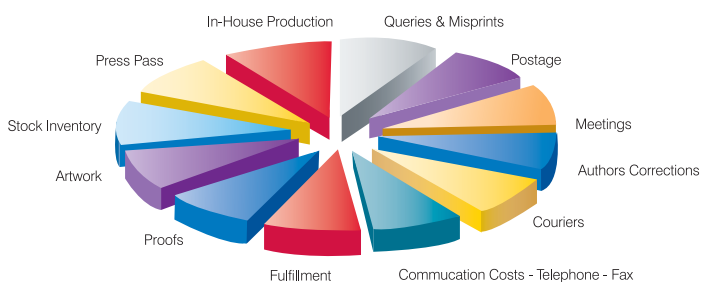


CDP Health Check – How it Works...

The **CDP** Health Check follows a proven critical analysis path:

- **Stage One** – We analyse which printed items are ordered and used by your company. We offer alternative pricing schedules and possible product re-engineering for comparison.
- **Stage Two** – We investigate who orders what, when, and why. We then offer a more streamlined approach to managing print.
- **Stage Three** – We review your supplier base to see exactly how many suppliers your company uses for its print needs. From this we propose a reduction in vendors thus leverage purchasing power with fewer, more suitable and efficient suppliers.
- **Stage Four** – Finally, we produce a White Paper on our findings which chart a more effective procurement model to reduce your total print spend. This includes monitoring and reporting on all of those "Forgotten Costs" that are absorbed somewhere within your organisation – but all impact on the total price you pay for print.

FORGOTTEN COSTS



Health Check – The Benefits...

CDP recognise that every company is different and that there is no such thing as "one size fits all".

Your White Paper will be as individual as you are. Tailored to meet your current and future business goals.

Our aim is to give you as much critical and relevant information as possible on the total cost of print within your company... and what to do about reducing it.

Below are some of the major benefits that **CDP's** clients have achieved by following the Health Check recommendations:

- More streamlined procurement processes
- A defined Print Strategy
- Visible and accountable ordering procedures
- Quicker routes to market
- Product re-engineering
- Batch Manufacturing
- A more focused and flexible supplier base
- Centralised and managed Artwork systems
- Nil stock-outs
- Lower cost logistics
- Forward planned distribution
- Timely and relevant Management Information
- Reduced wastage and redundant stocks
- A reduction in the Total Print Spend

FINANCIAL BUSINESS SCHOOL



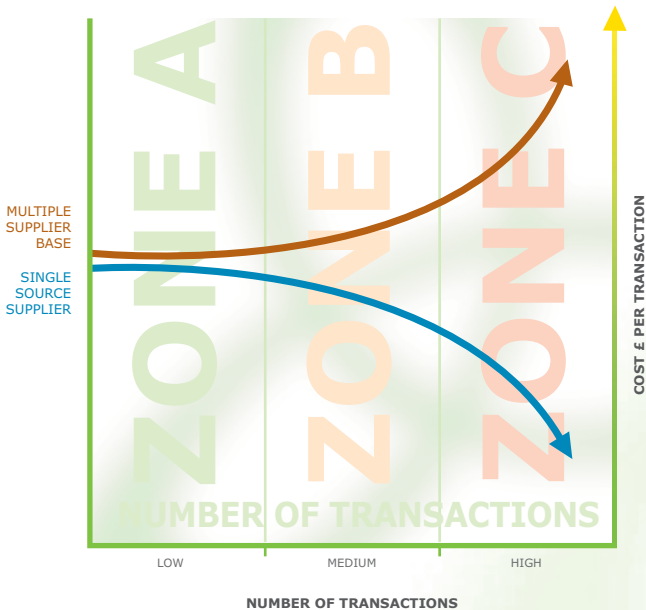
Health Check – The Costs...

There is no cost! **The CDP Health Check is Totally FREE of Charge.**

"Why is it free?" By following our recommendations we both share in the cost saving benefits. Remember, both our companies have a mutually vested interest in increasing the savings and decreasing your spend. How big the savings depends upon how far along the line you wish to take up our recommendations.

By embracing Print Management you achieve both short term gains and long term business benefits. Primarily we target to reduce your up front visible print spend. Longer term our goal is to eliminate unnecessary hidden costs and administration from the total procurement process. **CDP** view the whole strategy as a true business partnership.

The diagram below shows how **CDP** Print Management have reduced the total print spend, both hidden and up-front for many organisations. More detailed Case Studies are available on request.



- ZONE A** Low number of transactions, limited spends
= limited cost savings achievable
- ZONE B** Medium number of transactions - costs start to rise
= ideal scenario to introduce 'Health Check'
- ZONE C** High number of transactions - high costs (hidden and known)
= Print Management must be introduced

Health Check – Next Steps...

This document has been carefully researched, amended, and updated over several years because markets and businesses change.

CDP Print Management was launched in 1974 with the idea that a strong and diverse printing and marketing resource, managed by experienced print service professionals, could provide powerful and cost effective business solutions.

Today, with secure, climate controlled logistics centres in London and Liverpool, **CDP** continue to provide forward thinking businesses with truly bespoke and effective Print Management Solutions.

At a time when many companies are cutting staff and eliminating costs, and when clients must focus on their core business, **CDP** are here to manage their diverse range of print needs by delivering quality, service, and increased flexibility in print procurement.

So, even after 30 years, our mission hasn't changed. In fact, it has now become even more important for companies' competitive marketplace to use our services. But this is just the start...

Visit our web site www.cdp.co.uk to see more about **CDP's** services and products.

You can also contact either of our offices below or phone **0800 1954 991** for more information on reducing your total "cost of print"...

...The next step is up to you...

If you want "print" to cost you more – that's your business.

If you want "print" to cost you less – that's our business... **Print Management**

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CDP - more than just Print Management