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Cedar Graphics: Making a Strategic Decision

Cedar Graphics is a full-service printing company located in Hiawatha, IA that also offers a comprehensive array of fulfillment, mailing, and prepress services. Founded in 1986, the company is one of the largest printing companies in the United States. It has won many business awards including the Governor's Achievement Award and five Master Printers of America, Best Workplace in America awards.

Several years ago, Cedar Graphics' senior managers decided to use digital printing technology as a foundation for capturing new business and securing ties with existing customers. To begin implementing the plan, the company invested in two Hewlett-Packard Indigo 3050 7-color digital presses. The next step—a crucial one in the company's strategic plan—was to find software that could help the company add value to a customer's business processes through the application of digital printing technology.

From Printer to Marketing Service Provider

“We needed a platform to help us go to market as marketing service provider,” explained Mark McIntosh, director of fulfillment services for Cedar Graphics. “All printers are faced with issues arising from the commoditization of the industry.” Cedar Graphics was no stranger to these issues, and wanted to alter its corporate vision to recast itself as a marketing service provider.

The company was also interested in updating its inventory tracking system so that it could track inventory in real-time and revamp its order processing system. Management wanted to use a just-in-time print model similar to the manufacturing model used by other manufacturing industries.

McIntosh noted that when he started looking for software solutions to help the company reach these goals; he was not expecting to find a single solution capable of meeting all its needs. “Most software on the market today is for workflow management, but not real-time inventory,” said McIntosh. Printing companies with goals similar to Cedar Graphics often resort to piecing together different applications.

Fortunately for Cedar Graphics, McIntosh had a lead of a software company that could potentially manage both workflow and inventory control. He had seen Boston-based interlinkONE, Inc. at an industry trade show six years earlier, while working for another company. At that time he liked what he saw so much that he held on to the company’s information for reference as a potential future prospect. After hearing how interlinkONE’s products had evolved in the interim, McIntosh moved the company to the top of the list. It was clear to him, even at this early stage in the evaluation process, that interlinkONE could do everything the Cedar Graphics wanted. “Getting updated on the new version of interlinkONE’s software was a pleasant surprise,” said McIntosh.

After the update, making the final purchase decision was easy. “We evaluated all the competitors and decided on interlinkONE,” said McIntosh. “We have been very happy with all the value-adds and the exceptional service the company provides.”

Unexpected Benefits, New Efficiencies

Although the company has done no formal studies of how it has benefited from the implementation of interlinkONE’s software, McIntosh and the other managers know it has helped the company meet its goals. Not only has Cedar Graphics been able to add value to its digital printing services, it has also streamlined workflows and improved print inventory management.

Offering a comprehensive print management solution to some of its major customers has allowed Cedar Graphics to win new print business from these customers. The heart of the solution is a corporate Web site created for each customer by Cedar Graphics using interlinkONE software.

The company sets up the customer's Web site and does all the development and training, and charges for these services through a one-time fee.

The Web site allows customers to order and manage both static and personalized print online. Customers can also order stock items through a shopping cart, but can also order highly customized or versioned print online.

The site also allows customers to view real-time print inventory numbers online at any time without needing to reach a customer service representative. In addition, low inventory flags automatically trigger a print run to replenish the inventory. Before anything is printed, however, a Cedar Graphics customer representative makes sure any changes and updates to the document are made and the file is updated.

The Web site gave Cedar Graphics the opportunity to solidify relationships with existing customers and gain new print business from them, but its partnership with interlinkONE has allowed the company to profit in other ways, too. Cedar Graphics is now able to profit substantially more from fees it charges for add-on services such as inventory management and warehousing of printed materials. "Fulfillment and order processing are some of the most profitable services we offer," explained McIntosh.

Before having the capability to track inventory, Cedar Graphics did not charge customers for storing printed materials. The company also had no easy or effective system for keeping track of these materials. For example, previously, the company might pre-print shells for later customization and personalization and not have a process to track how many pieces had been used or how many remained. More than once the company had to rush to print more shells for a job. Today, McIntosh said, every piece is accounted for through the interlinkONE system—and any extras are tracked and put back into place for future use.

The company is also now able to track, in real-time, the amount of space occupied, as well as the versions and locations of customers' printed materials. Having real-time information allows

Cedar Graphics to make more profitable and timely decisions about what materials need to be kept and what can be discarded.

The ability to have accurate real-time information on existing inventory, and streamlining workflows, has radically changed how the company does business. Cedar Graphics is now able to move more jobs through the printing and fulfillment process in less time—with higher profit levels, less waste, and fewer customer complaints. The just-in-time approach has also helped the company even out production cycles. Heavy demand and low demand cycles have given way to a more regular and steady production level year-round.

“Our workflows have changed and our processes have improved,” said McIntosh. “Today, with the interlinkONE software helping manage the processes, our company is able to guarantee next day turnaround on many jobs.”

In addition, Cedar Graphics is now a more attractive marketing service provider because of its ability to offer online print ordering and management services and faster turnaround on many jobs. Thus, customers can get their goods and services to market faster and plan implementations more effectively.

Looking to Future Successes

Cedar Graphics is looking forward to extending its online ordering system to accommodate more customers. Although the company is excited about its new services, it has been selective in bringing customers into the program. McIntosh noted that the company sees little value in trying to convince customers to use digital print or Web-to-print, and would rather make sure the recommended services are a good fit for the customer. “If it’s conducive to a customer’s business, we will suggest it,” said McIntosh. “interlinkONE gives us that capability.”

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