

PAPERWATCH

Customers Are Watching Their Paper More Closely



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Increasingly, commercial printers receive paper or paper specs and quantities that their customer has ordered directly from mills or brokers. “Customer-owned” paper, when no longer part of sales, gets treated quite differently in inventory and estimating, not to mention the challenges it sometimes gives press operators and quality control. To keep tabs on their paper, customers and, some printers, are tracking orders, shipping and actual consumption using Internet-based software Service-Oriented Architecture (SOA) utilities.

SOAs require no capital investment, no change to current IT infrastructure, tend to be easy to self-manipulate and make data available on a 24/7 basis. These software tools often integrate with a customer ERP system via XML technology, though for now they pose no threat to taking over the heavy lifting of inventory accounting functions.

To participate in SOAs, paper buyers and their vendors pay a monthly subscription fee. This buys them rights to collaborate online to manage paper orders via any web browser. Typically, the utilities include setting up printer locations, paper order

specifications, generating reports and more.

One such utility is Oakland-based PaperManager (www.papermanager.com). Using XML, orders may be uploaded or downloaded between the software and a printer or customer’s local MIS. A sister company, Go2paper - The Paper Marketplace, can pick up any excess inventory and post it for open bidding—closing the loop on every paper purchase for both the customer and print shop.

Printers and paper suppliers see their customers using SOAs to confirm orders, check applied inventory and track inventory at all the plants that may be working on a project. Printers who’ve used systems such as PaperManager have learned that this is actually an excellent tool for tightening their customer relationships—in part because it provides operations with clean, real-time data and reduces contentious communications and guesswork.

Most print buyers who supply paper to printers rely on e-mail or faxes. “Keeping spreadsheets up to date is always troublesome,” says Mike Conran, owner of PaperManager. “Printers’ inventory data is not always consistent with what contract buyers would have, leaving them with the responsibility of organizing inventory and consumption.”

The new SOA systems are made for big paper buyers who contract printing out to a variety of local printers for local distribution, mailings or inserting. PaperManager is currently used by some of the biggest buyers—retailers like Home Depot, Gottschalks and Target, and publishers like *OK Magazine*—along with many partnered printers and suppliers.

“PaperManager was introduced to us by a paper supplier who knew that we wanted to take out the worry of inventory management,” says Kevin Holt, materials procurement manager at Home Depot. “So far, the system has increased our knowledge of paper consumption, making it easier for us to track what we use and where we use it.

“Customer service has been exceptional,” he adds. “Our requests for modifications have been handled quickly and in such a way as to benefit all users.”

>> Printers can buy (and sell) excess roll and sheet inventory online: www.go2paper.com