



# Common Pain Points Steal Company Profits

An important step to creating a more nimble and profitable enterprise is to identify “pain points” – those costly bottlenecks and redundancies that effect internal and external efficiencies. Additionally, you must know where to look for these organizational and budgetary opportunities.

Through extensive market research, Logix3 discovered similar problems affect retailers, distributors and suppliers of all sizes. The two areas that frequently rob organizations of efficiency and resources are: 1) new item initiation processes and 2) packaging design and approval management.

When these two processes are dysfunctional, companies suffer from:

- » Dissatisfied customers and lost sales
- » Lack of accountability
- » Slow speed to market
- » Inconsistent quality
- » Cost overruns

In contrast, companies with streamlined web-based data management and workflow processes achieve multiple benefits:

- » Flexible and efficient task completion
- » Reportable outcomes to ensure accountability
- » Collaborative development and decision-making
- » Increased accuracy
- » Faster time to market
- » Improved profitability

## Case In Point – SYSCO Realizes 80% Improvement in Turn Time

Packaging management was a clear pain point for SYSCO Corporation, a \$40-billion foodservice marketer and distributor. SYSCO suffered from inefficient internal processes for collecting and storing package management data. The result was costly rework, a reduction in product development and slowed speed to market. In 2003, SYSCO turned to Logix3, which designed a Package Artwork Collaboration (PAC) system to eliminate those pain points.

Within 90 days of the 2004 implementation, the customized workflow system exceeded SYSCO’s goals. Speed to market increased by more than seven weeks. After four years of using the streamlined process, average turn times decreased from over 100 days to 21 days – about an 80% improvement.

“The speed and accuracy improvements we have experienced from the Logix3 Package Artwork Collaboration (PAC) System have been remarkable. With full implementation of the Logix3 Packaging Management web application, we think it is realistic to expect a packaging development project to be completed in seven days,” says Mark Mignogna, Vice President of SYSCO’s Quality Assurance.

How is this achieved? With Logix3’s transparent web application, all stakeholders in SYSCO’s packaging development/production process are able to review, change and approve projects quickly and with a thorough

record of all tasks and completion rates. This includes hundreds of internal and external workers each day who have access to Logix3's Resource Center and user-friendly Workflow Management software applications. Furthermore, SYSCO's suppliers can choose approved production-ready artwork created in the centralized, reliable Logix3 platform – further streamlining the process.

In addition to reduced turn time, the incidence of rework and the use of staff resources have decreased for the 20,000-plus corporate brand products moving through the package approval process, allowing for millions of dollars in cost savings. SYSCO estimates that process improvement will contribute \$50 million in incremental revenue every year.

Another success involves Tree of Life. In 2008, this leading marketer and distributor of natural organic products teamed up with Logix3 in order to identify pain points resulting from new item initiation. "Providing more efficient product information through better data management is a great benefit for our customers. We're always looking for ways to improve our services, and making the change to a more technology-savvy integrated system helps us and our partner retailers and suppliers be more successful in all of our businesses. With more than 40,000 individual products available through Tree of Life, having an easy-to-navigate and well-organized system is a win-win for everyone," says Troy Bencoter, Senior Vice President of Category Management at Tree of Life. Now the brand's 2500-plus suppliers can manage multiple tasks through the efficient Logix3 online service as well.

## Innovative Applications for Clients Small and Large

Not every company needs such a comprehensive solution. Logix3 offers both consultative and transactional services to address workflow needs of clients across sectors, regardless of their size. The solution chosen depends on the complexity and frequency of challenges faced by your company.

While consultative services offer solutions for large companies desiring customized pain point management, including a staffed resource center for support, transactional services provide an alternative for smaller firms. Logix3 has created cost effective and user friendly web-based solutions that can be used by companies on an event by event basis, i.e. for each project that requires streamlined collaborative workflow management. These transactional services can be purchased in packages starting as low as 25 workflow events.

Questions essential to isolating the level of need and the specific pain points within your organization include:

1. How many products go through new or redesign package events / annually?
2. How many total new items do you have in a year?
3. How long does a typical new item initiation take from start to end?
4. How many internal/external personnel collaborate on a typical project?
5. Would automated workflow processes that align all stakeholders improve efficiency and accountability?

Over the last nine years, Logix3 has served more than 200 clients, including retailers, suppliers, distributors and food brokerage firms. Its largest clients include SYSCO, Tree of Life and Acosta Sales and Marketing. Logix3 Founder/President Bruce Kern has worked in the CPG industry for over 30 years and brings a wealth of process and workflow management expertise to every project.

*For more information, contact Logix3 experts at 877.847.9372 or visit [www.logix3.com](http://www.logix3.com).*