

# Prudential PLC

Over the last 5 years, HBPG have been a supplier of Personalised Corporate Stationery Print, Operational Print and Point of Sale Print to the Prudential PLC. HBPG do not have an exclusivity agreement and as such the client organises their Point of Sale material to be printed and then delivered into the HBPG Warehouse & Distribution Centre. There are four key elements of the HBPG service offering, these are full Stock Management, Personalised Corporate Stationery, Print on demand and a fully interactive website with on-line ordering and management information facilities.

Corporate Stationery - HBPG manufacture Letterheads, With Compliments Slips and Business Cards within the Corporate Stationery division, which operates to a SLA and to agreed brand & compliance guidelines.

Ad-Hoc Print on Demand - Orders are received from users via email or fax, and are accepted only with cost centre data.

WEB Enabled Order Capture, Stock Management & MI - The HBPG website (WEBBOSS) fulfils three functions:

## ORDER CAPTURE

Corporate Stationery and orders for stock are captured, complete with financial and all other necessary information, by WEBBOSS and are downloaded into the appropriate channel within our business.

Corporate Stationery users create their own artwork for their product and approve it as part of the on-line order process.

Controls exist within the system to prevent users over-ordering or stepping outside brand & business area guidelines, or from having goods delivered incorrectly.

Orders for stock are collected and, if the amount ordered exceeds that available, a message is flashed to the customer informing them that the balance of their order will be fulfilled once replenishment has taken place and the goods are put to stock.

Delivery of stock is again governed by a SLA, and is completed by the Prudential's nominated carriage supplier, who invoices their customer direct.

## STOCK MANAGEMENT

The stock portfolio of approx 1300 lines is split into two sections, broadly Common User & Marketing Collateral.

### Common User:

Approx 80 lines that are printed and owned by HBPG. HBPG manage the CU items by plotting usage and referring to the CU

form owner (for details of changes etc that would prevent the line being re-printed) when replenishment is due. Unless instructions are received to the contrary, printing then takes place and the goods are put to stock.

### Marketing Collateral:

Owned by Prudential and manufactured by their rostered suppliers, the lines are managed by the Prudential's Form Owners. The Form Owner (marketeer) is responsible for obtaining management information for each item in their portfolio from WEBBOSS. From there, actions are handled by the Strategic Sourcing team who place orders on the rostered supplier which alerts HBPG Warehouse team that replenishment or replacement stock is inbound. HBPG manage the physical movement stock from this information.

Stockholding, Pick, Pack & Distribution - Prudential stock is held in a mixture of large and small pickfaces, depending on the usage & bulk of the item involved. The operation is financed by an activity based fee attached to all live stock lines and lines that are suspended but nevertheless have stock present. Discontinued lines and suspended lines with no stock do not attract a charge. On receipt of the Client's call-off order, a picking list is produced containing all the details necessary for the pick, pack & dispatch operation, including a note of any issues with the line in question - insufficient stock level, for example. The pick/pack operation is subject to several quality checks designed to minimise the number of items despatched incorrectly. Performance is currently rated at an accuracy level of above 99%.

To follow is a summary of the business' achievements to date in delivering operational value and cost savings (in excess of £2.3m) to Prudential:

- Removing obsolescence from the stock portfolio - £0.9m over 2 years
- Rationalising the envelope portfolio - reduction of 75% in volume.
- Reducing the cost of stock maintenance (monthly management fee) - £1.6m over 4 years.
- Development, implementation and maintenance of the WEBBOSS platform.
- Design & implementation of a tailored MI solution.
- Successful management of multiple brand re-alignments.
- Successful management of FSA regulatory changes.

