

Case Study Klopotek software implementation – Product Planning and Management (PPM)



Taylor & Francis Group
an informa business

The "Global Tracking" (GT) project started in London with its main focus and primary goals within editorial, production and marketing. It has a strong impact on the business processes within the editorial department, as indeed on the whole editorial-production workflow. The editorial department can now carry out a preliminary estimation on the basis of the existing production price lists and all necessary information is available in a single database accessible worldwide. The system unites technical information with the economic perspective. We talked to Jeremy North (JN), Managing Director of Taylor & Francis Books UK, and Nigel Eyre (NE), Production Director of Taylor & Francis Books UK, in Milton Park, Abingdon.



Nigel Eyre (left) and Jeremy North discussing advantages of the "Global Tracking" project for the editorial and production department

What improvements have been made to the internal editorial department's processes and to those connecting the editorial and production departments?

JN: First of all, it has brought a new level of accuracy to the way in which we plan projects – getting it right at the start rather than repeatedly going back to it to improve the information as we go forward. That is a major change for us. Secondly, it enables us across the business, including editorial and production, to share information much more easily than before. This creates now a seamless flow and sharing of information across

teams. We also see further ways in which we can integrate the workflow for e-books or marketing purchase orders into the GT system.

NE: From the production side we can share production information across the Group. For example all of our price scales can be viewed and used by staff in the UK, US, the Netherlands and elsewhere. It is very beneficial having just one database feeding both the editorial and production parts of the system. This gets rid of a lot of duplication, reduces errors and processes become more streamlined.

ABOUT TAYLOR & FRANCIS

Building on the experience of two centuries, Taylor & Francis has grown rapidly over the last two decades to become a leading international academic publisher. With offices in London, Brighton, Basingstoke and Abingdon in the UK, New York, Boca Raton and Philadelphia in the USA and India, Australia and Singapore in the Pacific Rim, the Taylor & Francis Group publishes more than 800 journals and around 2,500 new books each year, with a books backlist in excess of 40,000 specialist titles.

Taylor & Francis are providers of quality information and knowledge that enable their customers to perform their jobs efficiently, continue their education and help contribute to the advancement of their chosen markets. Customers are researchers, students, academics and increasingly professionals.

Taylor & Francis Group is an Informa business (www.informa.com). Informa plc is a global information provider for the academic, professional and commercial markets.

PROJECT FOCUS

Product Planning and Management (PPM): editorial, production, marketing

PROJECT TIMEFRAME

- November 2003 – workshop UK
- February 2004 – project start UK
- 2004/11/15 – implementation finished UK
- 2006/03/27 – go live USA/New York

PROJECT LOCATION

Abingdon and New York, planned in Boca Raton, Florida

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The extended Excel spreadsheet provides production information from PPM and allows for individual formulas to be added, in order to support sales forecasts and breakeven calculations and lies at the very heart of the decision to manufacture a book or not.

How do you rate the new possibilities this has opened up for individual and targeted calculations based on production details, including sales forecasts, royalty information and overhead costs?

JN: With the previous system we only created a very simple calculation of what was the gross margin. The Klopotek system enables us to take a much more holistic view on the investment decision, the likely risk and the reward. The old system simply looked at a single print run. We are now taking a view on the project's potential across more than one print run. This obviously provides a huge amount of flexibility in terms of adapting your sales forecast to particular methods of production.

Secondly, because we are now looking at other measures as well, like break-even point and return on investment, we have been able to put in much more rigorous targets for each book.

The extended Excel spreadsheet was developed by Excel specialists with detailed business process knowledge of Taylor & Francis.

What solutions did the Klopotek PPM application offer for combining the "hard facts" that it produces with the highly sensitive and individual publisher's data? What impact did this have on management decisions?

JN: We see possibilities to sell very specialized product types to particularly tightly defined customer groups by matching the information and profiles you have got about people with the profiles you have got about particular

The technical calculation is based on various price lists from different suppliers and with different product criteria, which are stored in PPM. Taylor & Francis simplifies the process of importing price lists by using the PPM "Supplier Ground" tool, making it possible to respond quickly to price changes.

How do you compare this to the differently structured price lists that you used to receive?

NE: The Supplier Ground is excellent for us. Previously, it needed a knowledgeable programmer to actually put the new prices into our old system. Now I can do this in a matter

" We tend to look at the business in terms of key product types but historically, we have never had good information to match against that. So it has been very impressive what we have been able to do with the Klopotek system. "

Jeremy North

books. Previously, we had not been able to combine hard facts, such as sales information, print runs and margin, with descriptive data, such as particular product types, text book or reference work. This is in some ways the most powerful thing we will get out of the system: It will help us to shape our future publishing direction.

of minutes and update it safely by using the Excel part of this supply tool. We are also able to break price information down to more detailed cost types and can easily import the actual prices from a particular supplier. So, at any stage along the production process we have a much more accurate picture of the likely costs for a project.

Global strategy – global software – global marketing



Roger Horton, Chief Executive, Taylor & Francis Informa Group plc

Taylor & Francis has locations all over the world, such as in England, the Netherlands, Singapore and the United States. In the past, each location used an independent software system and database, but now the IT structure at Taylor & Francis is changing. The business in the different locations has already been or is soon to be globalized. Therefore the objective is to standardize processes and to use one common data pool. The Klopotek software offers multi-location, multi-currency and multi-language capabilities. How does this fit in with your global strategy? Academic publishing is very different from the rest of the businesses that we have within the Informa Group. Taylor & Francis Group is one of those individual businesses which have their own ideal infrastructure for running a business. Formerly, we had to replace several structures and several systems, the major one being a legacy system that had

existed for many years in the UK. We had to find one that would both fit into the overall system and into our business requirements, i.e. something very specific and specialized but nevertheless very rigorous and very robust to serve all parts of the book business around the world.

Essentially, we had legacy systems which we developed for the business rather than as a global concept. We had to define what style would fit the business and could also be globalized. After a lot of work and a lot of thought the Klopotek system was the one which fitted our requirements best. Nowadays, the academic publishing business needs to be across the world. We are going to have structures, systems and management that will serve this global aspect – this is a massive change for us as a business.

As an academic publisher, Taylor & Francis has smaller print runs than a trade publisher and production must therefore be particularly efficient. The PPM parallel production feature provides the required functionality to maximize efficiency.

What has benefited you most so far?

NE: We have a better estimate of the respective unit costs because the Dual Edition function is set up on Global Tracking in such a way that shared costs such as copyediting are split based on the actual print run proportions rather than just dividing them in half between the hardback and paperback. It gives us more clarity about what books actually cost and – in due course – the profitability of each version.

It is also beneficial that you can use one master schedule which then feeds into both components of a dual edition. The synchronization function has been further improved since the patch was added in January.

What advantages do you still anticipate in the future?

NE: It would be very good if we could include the e-book into our costing, provided that we can get the programming in the background. We've not been able to get the costings for the colloquial languages packs to work within the system – the main problem being that the components of the packs (books and CDs) are also sold separately which makes the

assigning of costs more complicated. Also, we have still not used the functionality for multi-volume set calculation for our major works projects so there is potential for development there.

Our use of the tasks function has so far been limited. Over the course of the next few months we expect to start using this more for purchase orders, supplier letters, etc.

JN: We plan to use this functionality in the system in due course to support e-books, multi-volume works and other multimedia products so as to create integrated records.

Thank you very much for the interview.

Global Tracking – benefits from a successful go live implementation in the USA

Taylor & Francis New York is the first location in the United States to join Global Tracking (GT) – the implementation project of Klopotek Software. The project involved replacing the legacy systems within the editorial and marketing departments. In contrast to the UK, production is carried out by a subsidiary in Florida. Although the UK has already been using GT since November 2004, the NY project was started as a new implementation. Taylor & Francis' decision to globalize business processes within editorial and marketing was a great help in getting this project off the ground. We asked Mary MacInnes, Vice President for Editorial and Marketing, Taylor & Francis Group New York, about the project.

What is the advantage of carrying out a rollout like this in different locations in several steps? And how did you manage to convince your NY staff to agree to the project?

The New York office provides a gateway for sales and marketing of the UK Routledge product and also the indigenous US Routledge product into the North American markets. The stepped approach to the roll out allowed both functionality and business processes in the UK to lead the way for the very similar US business. We learnt from challenges in the UK roll out and refined the system in the US implementation. For instance we learnt that it was very worthwhile to clean the product information before migration. Getting a team together, training staff and encouraging effective usage must be led from the management level. I was fortunate in having both my experience as a Director of the UK business and the knowledge of how the US business had changed during

my tenure here to see a truly global business emerging with the system to support it.

What major challenges did you face during the NY implementation?

Our own schedule was challenging and uncompromising, the temptation to let it slip was always there but we never did. The complete implementation took five months. We also placed a heavy burden on the US Core team during the planning and implementation, with staff working intensely on the project whilst holding up all their usual targets and obligations. Technical support is crucial, and cross departmental responsibilities were sometimes challenging to influence.

In the past the UK and the US worked with different systems. If you compare this to the situation you will have in the near future – what do you think you stand to gain? How will it change your business?



Mary MacInnes and her team faced the implementation challenges with great success

The gains are potentially enormous. Elimination of much duplication across product and business partner functions, streamlining of business systems such as intercompany ordering, inventory management, shared accountability for data quality, time and cost savings in the transfer of information (formerly paper based), the ease of presenting a shared market brand, gains in tracking global sales and marketing. I am very excited about the possibilities the Klopotek system is now offering us.

Timely up-to-date – PPM in catalog production

Customers expect a high level of detailed information on Taylor & Francis products. They want a large number of products and a great variety of marketing material, for all kinds of purposes. This puts pressure on the marketing department. Mark Majurey, Marketing Operations Director at Taylor & Francis Books UK, gives us some insights.

How does PPM support your catalog production?

The work that we used to put into creating catalogs with our legacy systems – all the double-keying, the triple-keying that was required by entering the same details into several systems across the board – has now been cut out, so it has freed up a lot of administrative time. It has also potential for improving data quality, because everyone is accessing the same record, whether you are an editorial, marketing or production person. Therefore, we have access to the most up-to-date information. And it is also not just about print production, it is about online catalog production. Having our website updated, and having ONIX feeds to various parties, like Nielsen Book Data, has made that process a lot quicker and a lot more timely.

Reusable data and media-independent structures are essential today; as automated procedures are required to produce a variety of marketing materials, such as catalogs, data feeds to customers or websites in a fast and efficient way. The Klopotek catalog export software module provides XML and the capability of XSL transformation. How did using XML change your marketing processes?

Using XML brought us in line with a lot of partners, third parties and other joint ventures. It gave us an industry standard by which to communicate with them and give them our information. The fact that we can output XML in a structured way as an ONIX feed means that all of these feeds only have to be maintained in one particular way now. We are able to take advantage of the cutting-edge technology in the publishing industry, both in terms of content as well as getting our information out there into the market.

How does XML/XSL affect the workflow between marketing and design?

The fact that we can output as XML all the different fields means that it increases our ability to structure design aspects. Most of the layout becomes automated, which has removed a lot of manual work in the Design department, saved a lot of costs, but more importantly, has improved the turnaround time for producing marketing materials. So XML and XSL has really contributed to the automation, the link between outputting your content held in the database and laying it out and presenting it in a formatted way to the market.

Transition from ISBN-10 to ISBN-13

We talked to Chris Menmuir, Project Manager IT Services for the Klopotek & Partner project and responsible for the ISBN-13 project at Taylor & Francis, about the transition.

The change-over to ISBN-13 is not simply a matter of flicking a switch on 1st of January 2007. There will be a phase during which both ISBN-10 and 13 can be used to ensure continued data exchange with your trading partners.

How does the Klopotek system support this?

We anticipated ISBN-13 about one year ago, by including both ISBN formats on all of our printed books and by making our staff, partners, customers and suppliers aware of the necessary changes and timescales. The Klopotek system has allowed us to plan, develop and test the individual areas of change prior to switch-over. When this is complete, with a simple software "switch" we will be able to present ISBN-13 as the unique identifier.

The transition from ISBN-10 to ISBN-13 is currently making waves throughout the publishing industry. The introduction of ISBN-13 influences your whole business. In what way is this project linked to the Global Tracking project and the structure linking Taylor & Francis and Klopotek & Partner?

The GT project is central to the entire Academic Books Division and is the repository of all product, customer and sales order information. We are working closely with Klopotek to implement the necessary changes for all the internal and external system interfaces, data feeds to web sites and partners, for management reports, product catalogues, document templates and the like.

Taylor & Francis entrance area in Milton Park, Abingdon, UK



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