

Communis, in strategic partnership with Pitney Bowes, celebrates new business growth.

Customer profile

Communis
communis.com

- A leading provider of multi-channel marketing, transactional and regulatory customer communications
- Headquartered in the UK, with offices across Europe; 2,200 employees
- Serves major brands from financial services, retail, utilities and telecommunications sectors



A major outsourcing deal

Communis is a marketing services group whose goal is to boost commerce by helping clients communicate more effectively with their customers. As the UK's market leader in transactional print, Communis has enjoyed a fruitful relationship with Pitney Bowes starting in 2006, when Communis equipped their transactional print Center of Excellence in Speke, Liverpool, with Pitney Bowes technology. Recently, Communis won a ten-year outsourcing contract—their biggest deal ever—with a major UK retail bank that demanded new levels of operational excellence and productivity, and created a host of new requirements.

"We very rarely lose a customer because they rely on us for mission critical communications which directly affect their cash flow. Pitney Bowes helps us secure this position."

— Andy Blundell, Chief Executive

Technology used

- Mailstream Productivity Series and Mailstream Evolution™ inserting systems; Vantage™ Mail Sorting system with Flexline™ Stackers
- DFWorks™, P/I™ Output Manager and Intellijet® Print Process Manager
- Professional Services, Onsite Maintenance Services

"Pitney Bowes enabled us to boost operational excellence in our business whilst giving us class-leading technology and quality."

—David Herridge, Managing Director

Business challenge

Winning the ten-year contract to provide transactional print and mail services to up to 30 million of the bank's customers was a major coup for the company.

The initial challenge involved consolidating the bank's several disparate transactional mail production facilities under one roof. This made sense because the bank projected a sizable move to electronic delivery by its customers. A reduction in the amount of paper communications produced would mean that a single site would be able to handle the new, smaller volume. The bank's site at Copley, West Yorkshire was chosen, and Communis took over operations.

The existing inserting technology from two incumbent service and equipment vendors in place at the Copley facility was outdated and not able to meet performance and quality requirements. "The operational team spent quite some time evaluating the marketplace and comparing options," said David Herridge, Managing Director of Communis' Produce division. Pitney Bowes came out on top, in particular the Pitney Bowes Mailstream Productivity Series and Mailstream Evolution inserting systems.

Solution

"We've selected our technology solutions in terms of best of breed per area, and for high-speed enclosing that means Pitney Bowes," said Andy Blundell, Chief Executive, Communis.

Pitney Bowes won a ten-year contract to deliver a single-source mail and sorting solution across both the Center of Excellence in Speke, Liverpool and the new facility in Copley, West Yorkshire. "The benefit for us was a common platform and standardization across both transactional sites. We can leverage synergies which give us a lower maintenance cost because Pitney Bowes engineers are covering two sites that are not too distant geographically," said Mark Vickers, Operations Manager, Communis Copley.

However, a change in scope from the bank came soon after, requiring a larger print volume than was originally forecast. The change affected the bank's retail statement product, which accounts for 47 percent of the total volume at Copley. While the anticipated annual production volume had been 350 million packs, the actual volume jumped to 400 million. With a limited amount of floor space, the team was challenged to get more productivity out of the available equipment and resources. "We had to recalculate the rate that we needed for that one product. We needed to double our hourly output," said Vickers.

Double the output with zero errors



"Working in joint partnership with Pitney Bowes was what really helped us achieve results," said Vickers.

Rewarding success

Engaged, motivated operators proved to be the last piece of the puzzle. Communisis invested in a full training exercise and skills assessment for every operator. The company also completely rethought its shop floor culture, moving to one where success is rewarded and healthy competition is promoted. "We're encouraging our operators to work to a very high standard in terms of both quality and throughput. And we're rewarding success on that basis, and acknowledging our people publicly," said Prestwich.

Every hour, team leaders walk the floor, measuring the performance and output of each machine and reviewing every operator to identify any issues. Results are posted on an interval control board for everyone to see. "We also have a leader board where we applaud the success of our top performers," added Vickers. "The person that's got the most envelopes through in a 12-hour shift gets put on the leader board. We are astounded by the results we see!"

100% right the first time



But operational excellence at Copley is not just about speed. "Quality is paramount. If there is any issue at all then it doesn't make it on the board. It's got to be 100 percent right the first time," added Prestwich.

"We got incredible support from Pitney Bowes. They made sure we had all the support we could ever want."

—Tom Prestwich, General Manager

Doubling output

"The challenge was how to effectively double the output whilst at the same time maintaining daily SLAs with zero errors," added Tom Prestwich, General Manager, Communisis Copley.

"In the end, we had to transform the entire site," says Herridge. "This was a massive cultural transition and a retraining exercise for all the staff as well." The end result was the Copley Center of Excellence.

"When we realised we were in a difficult situation, we got incredible support from Pitney Bowes," said Prestwich. "They really went above and beyond to make sure that we had all the support we could ever want."

A cross-functional team of key Pitney Bowes and Communisis engineering experts was formed. Working together, the team created an action plan incorporating the Six Sigma data-driven approach for process improvement and lean manufacturing techniques. The plan identified issues and bottlenecks for every facet of the process: the materials, the people, the equipment. The team reviewed how the material was presented and printed. All equipment was reviewed to ensure it was working to its best capability. Input and output speeds were optimized and standardized.

"The relationship with Pitney Bowes is open, honest, based on trust. We have great relationships at all levels, and, most importantly, they help us deliver great service to our customers."

—David Herridge, Managing Director

For Communis Copley's large banking client, reliability and integrity are very important, and there is zero tolerance for errors. Pitney Bowes technology provides end-to-end document control, driving compliance. "Our clients expect everything to be 100 percent right 24 hours of every day, and we can rely on Pitney Bowes to help us deliver that," said Herridge. "Pitney Bowes are world class in terms of reconciliation," Prestwich continued. "And quality here has never been higher."

"Quality has never been higher"



"Our experience with Pitney Bowes machines in our Liverpool factory, which is one of the largest of its type in Europe, gave us confidence that they really understand this market and have developed hardware and software which eliminates risk," Herridge added.

Partnership wins

The new Copley Center of Excellence is highly productive. It is today a fully integrated white paper factory system, from document creation and management through to print, inserting and sorting. Pitney Bowes P/I™ Output Manager and DFWorks® control software are used in Communis sites to ensure the integrity and security of every pack and that communications are compliant with strict regulatory requirements. Pitney Bowes IntelliJet Print Process Manager is used as the digital front end to optimize the fleet of HP T300/T400 PageWide Web Presses that support the majority of transactional color inkjet production printing.

The unique strategic relationship with Pitney Bowes offers a consultative approach geared to Communis' success.

"When you are making this kind of investment, it's clear that you must choose the right partner," said Herridge. "We have a level of trust with Pitney Bowes which we've built over many years. Pitney Bowes has a commitment to this business and to our success."

Integrity, security, compliance



The ten-year contract with Pitney Bowes for both Centers of Excellence is testament to this trust, and to ensure ongoing success, Pitney Bowes is providing onsite engineers via a ten-year maintenance contract. "Working in partnership with Pitney Bowes helps us deliver for our clients," says Prestwich. "The sum is greater than its parts."

Today, the Pitney Bowes and Communis teams work together seamlessly as one. The level of technical service is high. Communis benefits from full 24/7 service with five or six engineers onsite per day. But the strategic partnership goes further: Pitney Bowes onsite engineers work closely with the Communis teams to drive productivity and continuous improvement initiatives, supporting Communis' world-class status as a service provider.

Strategic partnership



"We need partners, like Pitney Bowes, that can take a long-term view, that can invest in the latest technology, which is state-of-the-art and resilient," said Blundell. "Pitney Bowes has always kept up with market trends and has always been a leader in this market," added Herridge. "So it makes sense to align ourselves with them. Pitney Bowes is the perfect choice as a technology partner."

Senior Communisis executives discuss the strategic partnership with Pitney Bowes in this video.

<https://www.youtube.com/watch?v=LqCjSpQ2LLc>



Benefits

"Our experience at Copley has shown us what can actually be achieved with the right technology, the right focus, the right training and the right people," said Herridge. "The market is highly competitive, it's becoming more and more so, and every client wants best value for money. This has really helped us to see what can be achieved in terms of productivity."

Throughput almost tripled



The productivity improvement has been impressive: an increase in operational throughput on high-volume machines by almost triple, plus a significant reduction in labor costs.

European leaders

Pitney Bowes tracks and rates the productivity of over 150 inserters across Europe. Communisis Copley recently achieved the number one spot for the most productive inserter, and held five of the European top ten positions. This achievement is all the more impressive considering that those very machines have almost tripled their output within a few months.

"We also reduced manpower at the same time," said Vickers. "We started with the industry standard, which is two men per machine. Now we only need one. We've reduced labor costs and our cost per pack accordingly."

"The only way that we can really drive unit cost competitiveness is to continue to focus on operational excellence by improving our productivity right across our range of services. And that's what we're working with Pitney Bowes to deliver," added Herridge.

Creating more value for clients

Not only is Communisis helping its large retail banking client manage regulatory communications, it is also helping to make them more valuable, with color insert capability. "There is a regulatory requirement for banks to communicate with customers," said Herridge, "So why not use this as a vehicle for other messaging? Banks must be more competitive today, particularly with a new generation of customers that is less loyal and more interested in finding the best banking deal. We can evolve these communications into targeted information that's relevant for that customer and help our client boost its competitive advantage."

Communisis is also helping its client save on postage costs with the Pitney Bowes Vantage Mail Sorting system. In the UK, two-thirds of the cost of a mail piece is postage. The Vantage Mail Sorter consolidates the mail to maximize postal discounts for the client, and also offers 50 percent faster throughput than the previously installed system.

Today, there are 29 Pitney Bowes® inserting systems at the Liverpool facility and 15 Pitney Bowes inserters at Copley, with 99 percent of the Copley volume dedicated to the retail banking client. But ad hoc clients benefit too, and the productivity gains keep growing. A recent run of an ad hoc job was the most productive ever at Copley, with a peak of 230,000 DL envelopes in a 12-hour shift. It's the kind of operational excellence that gives Communisis Copley a huge competitive advantage.

*50% faster
postal sorting*



Solutions for today and tomorrow

"Our focus is to move the business forward strategically whilst not losing its history and fundamental capabilities, to make it relevant now and for the next decade or so," said Herridge. "Today, it's not about transactional print and mail. It's not even about multichannel. It's about intelligent communication management."

"This means putting the end customers in control of their communication types," Herridge continued. "Pitney Bowes understands not only hardware but also software technologies that can help us deliver easily to multiple channels. We are very much engaged with our Pitney Bowes team as we decide how we manage these communications going forward."

Now that the Copley Center of Excellence is performing optimally with the bank client's needs being met, Communisis has plans to commercialize the site with work for other clients. "We are in a very strong position now as we look to bring in more clients and increase our sales," said Prestwich. "We are operating at a level which we never anticipated we would be at this stage," agrees Vickers.

"It's all about intelligent communication management, a whole end-to-end communication piece with our clients. Pitney Bowes provides the technology to enable this."

—David Herridge, Managing Director



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pitneybowes.com



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