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THE DOCUMENT COMPANY  
**XEROX**

**Xerox Global Services  
Digital Fulfillment Services**

**IT  
Case Study**

# Prosoft

## Slashes Shipping Costs by 50%, Improves Service and Expands Global Markets with Digital Fulfillment Services

# Client benefits close-up

- Time-to-market was substantially improved, helping Prosoft be among the leaders in delivering the most up-to-date technology training materials.
- Flexibility to update courseware content whenever necessary eliminating the problem of obsolete inventory and contributing to 99.4% order accuracy and customer quality acceptance.
- Lead-time for shipping its courses was substantially reduced due to a cost-effective inventory control system set-up and managed by Xerox.
- Shipping costs were reduced by 50 percent, while enabling distribution to 80-90 percent of its global customer base within 48 hours.
- Worldwide Fulfillment Centers and a hosted digital repository gave Prosoft the capability to provide 99.9% on-time delivery for its 36,000 annual shipments.
- A set of sophisticated measurement tools gave management a detailed picture of its business—including top courses titles, shipping concentrations, business peaks and valleys and their biggest customers—and supported better strategic decision making.



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**Austin, Texas-based ProsoftTraining is one of the largest Information Technology Integrated Education Solution companies in the world, marketing more than 1,000 different instructor-led and self-study courses to academic institutions, commercial training centers, corporations and individuals. In fiscal 2001, Prosoft's courseware revenues rose a dramatic 241 percent, representing almost half of total company revenues of \$31.43 million.**



*With the rapid adoption of the Internet in Europe and Asia, Prosoft is poised to significantly expand its global reach by delivering skills training courseware and certification products.*

## The Xerox Solution

## The Challenge

*Prosoft primarily markets its courseware to more than 5,000 academic institutions, commercial training organizations and corporate training groups worldwide.*



With global sales offices in United States, Ireland and Hong Kong and significant partnerships in China, Japan and Korea, the company has built a solid network of more than 5,000 training customers in the U.S. and many other countries such as Canada, Great Britain, Netherlands, Norway, Spain, Australia, Saudi Arabia, Sweden and Trinidad.

Highly technical course materials remain current for only four-to-fifteen months. Prosoft's commitment to keep pace with rapid technology changes by frequently updating its content has helped them maintain a strong competitive advantage in the marketplace.

Three years ago, Prosoft was producing 10-14 million print impressions per month with just three high-speed, high volume Xerox DocuTech® digital printers in a single, centralized printing center in Phoenix, Arizona. However, with 60 percent of its business coming from East Coast customers, the company was constantly fighting to match the faster delivery times and lower shipping costs of East Coast-based training firms. And according to Bob Geiges, Vice President of Publishing Operations at Prosoft, their file management system was simply "a zip disk on a desk" managed by one person, leaving the company's intellectual property seriously at risk.

"While we were doing a remarkable job of filling worldwide orders in those days, I was extremely nervous about how we were doing business," explained Geiges. "I knew that if we were going to win in this global marketplace, we needed to establish a worldwide distribution network that would keep our materials current and price competitive."

That's when Prosoft went looking for a strategic partner that could service its growing worldwide customer base. While Prosoft took a look at several imaging suppliers, Geiges says that only Xerox was able to deliver a true global reach and the "total solution."

"Xerox took on more than just their traditional role of imaging," explained Geiges. "It was not any one thing, but rather the combination of everything they were willing to do for us—imaging, multimedia reproduction, shipping and tracking, secure file management and inventory control—that told us they were the right choice."

Once the contract was signed, Xerox assumed responsibility for ProsoftTraining's Phoenix Production Center. As part of the agreement, Xerox hired all of ProSoft's Production Center employees and purchased the company's reproduction equipment and supplies. Xerox also utilized its other in-house fulfillment centers across the country to handle the spectrum of U.S. orders. The Xerox fulfillment centers in Canada, United Kingdom and Australia fill the international orders.

Newly released materials are first proofed to ensure that the font, pagination and kitting are consistent among all fulfillment centers. Xerox generates a bill of materials from its centralized file repository and can fulfill orders, either from its inventory or by initiating a customized print-on-demand job. Each fulfillment center maintains a network of high-speed, high volume imaging technology, including Xerox DocuTech® digital printers for production of course materials. First, the appropriate document and multimedia files are processed. Then, if required, diskettes, CDs and other multimedia items are duplicated.

As many as 3,000 requests for course materials are placed by instructors each month. The instructors order course kits, indicating how many students, when and where the materials are needed. Requests are sent to the appropriate Xerox fulfillment center for processing via a high speed, broadband network.

*"There is no doubt that Xerox helped us raise the bar for service in our industry and our customers have definitely noticed the difference..."*

**Bob Geiges**, Vice President of Publishing Operations at Prosoft.

Final kits are assembled, and completed orders are typically shipped within 24 hours. Order confirmation and tracking numbers are sent back to Prosoft to expedite and facilitate customer interaction. Xerox tracks all shipments daily to proactively handle any shipping-related problems, including any late and damaged orders.



*Prosoft's strength lies in its commitment to frequently update its courseware to reflect the latest technology and best practices.*

Because of the size and complexity of the operation, Xerox introduced a set of performance measurement tools and regular reporting that summarized all ordering and shipping activity. To date, Xerox has consistently exceeded contractual performance targets set for print quality and order accuracy, while achieving a 99.9% on-time delivery rate and overall Prosoft customer acceptance of 99.4% of its 36,000 annual orders.

"There is no doubt that Xerox helped us raise the bar for service in our industry and our customers have definitely noticed the difference, both in reduced shipping costs and attractive delivery times," added Geiges. "And our competitors see us as a very serious player in the global marketplace."

In the next few years, Prosoft intends continued expansion into new markets, while adding value to the supply chain relationships it has established with its customers and their network of some 5,000 training locations. "With Xerox, we now have the critical infrastructure in place to market our products anywhere in the world," added Geiges. "And Xerox has assured us that they can increase their service capacity as our business grows and our needs expand."