

Time Warner Book Group, formerly known as Time Warner Trade Publishing, came into existence when Time Inc. and Warner Communications merged in 1990. Domestically, it consists of Warner Books and its various imprints: The Mysterious Press, Warner Vision, Warner Business Books, Aspect, Warner Faith and Little, Brown and Company and its various imprints: Little, Brown Adult Trade, Little, Brown Books for Young Readers, Back Bay and Bulfinch Press. In addition, TWBG distributes publishing lines for Hyperion, Arcade, Disney, Harry Abrams, Time Life Books, and Microsoft.

The Challenge: Infrastructure and systems inadequate

Time Warner Book Group was expecting dramatic sales growth in the next five years. However the bookstores and distributees were not satisfied with the service they were currently receiving from the distribution network, which consisted of four major warehouses across the Eastern US. The dramatic growth was only going to make the situation worse.

The Solution: A single center, single systems

Exceed Consulting was brought in to evaluate the situation and to design and implement a better solution. After evaluating the operations and systems in all the warehouses, analyzing order data, and defining the requirements of all clients, a solution was selected. The solution involved constructing a new 500,000 square foot, 32 foot clear distribution center in the Midwest. This new distribution center would house the distribution operations for all Time Warner's business units and distributees.

Exceed then detailed conceptual designs and descriptions of operations and layout and prepared to bid out the warehouse management system software, the material handling equipment, and the facility. Once the vendors were selected, the implementation phase began. Exceed developed a master project schedule and served as overall project manager, participating in the testing of any systems and verification of compliance with operational objectives.

The Results: Consolidated center generates greater profits, improves response

The resulting 220+ person distribution center has kept pace with the projected growth and has met the financial projections of a 50%+ IRR. But most importantly, client satisfaction has increased substantially. The high satisfaction together with the flexible system and operations led to the addition of two new distributees into this building; Microsoft Press and Time Life Books.

"Exceed not only helps you design a system, they have a lot of experience in what will and won't work.

One of their strongest points is their ability to work on the floor with supervisors. Winning the supervisors' confidence is key to making any system work."

Senior Vice President of Distribution
Time Warner