

1-800-flowers.com saves 20% of its annual print budget by utilizing the SupplyLogic Solution.

Chris McCann the President of 1-800-flowers.com confirms:

“Our relationship with SupplyLogic has exceeded our expectations in every respect. Their approach to indirect supply chain management is unique and has resulted in the delivery of quality products at lower costs with increased efficiencies enterprise-wide. We recommend SupplyLogic to companies desiring to lower indirect costs and increase efficiencies”.

Executive Summary:

1-800-flowers.com agreed to utilize SupplyLogic, only if it could be shown that an annual savings of at least 10% would be realized in its indirect supply chain. 1-800-flowers.com has secured annual savings of 20% (in excess of \$1,000,000 annually) in its supply chain process for non-catalog printing. Because of these results, 1-800-flowers.com further engaged SupplyLogic to optimize another component of their indirect supply chain, packaging supplies, resulting in \$1,500,000 of additional annual savings.

Business Challenge

In the competitive world of gift retailing, 1-800-flowers.com had the challenge of maintaining high quality service and products to meet a wide range of consumer tastes. To achieve their objectives, 1-800-flowers.com acquired five gift-retailing companies to increase the variety of their offerings. It was clear that 1-800-flowers.com had been successful in achieving its growth targets, but the larger organization was very fragmented due to the acquisitions. 1-800-flowers.com now had the task of integrating all of these organizations and brands in the most effective manner, so that they could maintain control of quality and costs.

Solution

1-800-flowers.com turned to SupplyLogic for assistance in developing a complete solution for managing its print, promotional and packaging supply chain process. They knew they had cost-saving opportunities in this area, but they did not know how to maximize these opportunities efficiently.

The SupplyLogic solution uses a unique logical approach based on online technology. The first targeted area for improvement was non-catalog printing. Instead of having multiple locations and multiple brands all using different purchasing employees and vendors, SupplyLogic set up a customized online shopping cart that includes items from printed forms, labels, and stationery to direct mail programs. Then SupplyLogic uses its online RFQ and eAuction systems to manage the suppliers of these items, so that every order gets the best quality, price, and delivery for 1-800-flowers.com. To ensure that SupplyLogic is accountable, dashboard tools help 1-800-flowers.com maintain control and analyze performance results.

Benefits:

With the SupplyLogic solution, 1-800-flowers.com has seen numerous improvements:

- >> Lower product costs
- >> Lower inventory costs
- >> Lower processing costs
- >> Lower postage/freight costs
- >> Improved accounting efficiencies
- >> Improved quality and service
- >> Improved brand consistency
- >> Measurable performance and savings