

# Route the Money

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# How did it start?

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- 2007 - 2008 – The economy crashes
- Routes were very expensive
- Gas prices were approaching \$4.00 per gallon
- There were so many down routes that the Publisher had to help deliver papers
- And the #1 song on the billboard chart was .....

# What were our choices?

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- Shrink our delivery footprint
- Continue to add fuel credits to routes
- Go back to afternoon delivery to reintroduce a youth carrier force
- Combine routes to help with coverage and help contractors make more money
- Outsource delivery
- Take on delivery of other papers

# What did we do?

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- We started delivering other products as well as outsource some of our own papers
- We met with the Laconia Citizen who had delivery in our market and started the conversation

# How did it work?

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- We looked at both geography and route penetration to decide who would own a territory
- Both papers charged the same rate to keep things fair
- We setup depots to receive papers and give drivers a place to organize their products

# It was working – but where do we go from here?

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- If home delivery was working so well, could we handle single copy delivery
- What about collections – both vending machines and stores
- We started to locate machines near each other
- Started to currier store invoices between properties for collections
- We would fax returns to each other for day end and billing
- All was good in the world!!!

# Until Service Issues Started Growing

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- The Citizen was struggling as a paper and suffering carrier losses that were impacting service
- After months of getting worse and customer frustrations growing – a decision needed to be made ...
- Take on all the deliveries ourselves for both papers

# The Merge

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- We now covered a very large part of central New Hampshire
- We added District Managers and Single Copy collectors
- Built a true distribution center with driver manifests that had both products information on it (Carry along Pub in DSI)



# Time To Look Around

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- We have a substantial commercial printing branch
- Could we deliver anything that we are printing?
- We approached a couple of customers and they jumped aboard as well

# Can't We All Just Get Along?

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- How crazy would it be to deliver more competitors in our market?
- What would subscribers think?
- Could our contractors handle more papers without getting confused?
- What could we do to streamline information flow?

# Where do we stand 10 years later

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- We deliver 14 different publications
- Our routes are covered by only 88 contractors
- These 88 contractors cover over 3500 miles per night
- We collect 240 stores for all of the papers we deliver

# The Good

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- We recently went to NEWZWARE which has allowed us to maintain Home Delivery addresses of all Pubs we deliver in one system.
- Our route lists have all pubs in delivery order so that anybody can handle delivering a route without being overwhelmed.
- We maintain draws and returns in our system for most of the pubs allowing us to collect from a store with only one invoice
- Our collectors are testing software to input returns at the store using a chrome book that will automatically upload to NEWZWARE

# The Bad

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- Every paper has its own needs
- All 14 products that we deliver have different paperwork, reporting, tracking etc...
- Some products bill Sunday through Saturday while others bill Monday through Sunday
- Some papers bulk product to us and we are responsible to break down the routes and hand them out to carriers
- Each customer has a point person that we are in contact with – in some cases HD & SC are not the same person

# The Ugly

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- Customers figured out that we are delivering their paper and started calling our customer service department for complaints, vacation stops, billing questions
- Our call volume from 6:30 – 10:00 am has increased significantly
- We go through a lot of paper for manifests and messages to carriers
- We ran out of room
- Our receiving area only has 2 dock doors

# We Are Moving

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- To address the space issue and to accommodate a new press, we are moving our production and distribution operation
- We now have 10 dock doors and 42,000 square feet of space
- Our new production center is right off the highway
- Plenty of room to stage advanced sections from our customers

# Outside The Newspaper Industry

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- I often wonder if we can handle other products going to the stores we service
- Magazines
- Candy
- Batteries



Questions?

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