



## NEWS FOR IMMEDIATE RELEASE

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### Activity Based Management Tool Released in Litho Traxx™

What are the *real* costs incurred in running a print business? Sure, many companies use a variety of sophisticated costing programs to determine labor and material costs, but unfortunately, decision makers are forced to “guesstimate” administrative and support activities associated with a particular job. These methods tend to hide costs of unused capacity thus giving company managers distorted views on how much excess capacity exists and the associated costs.

That is, until they initiate Activity Based Costing methodology.

According to PIA, analysis of the top 25% most profitable printing companies finds that these companies are where they are today because they carefully monitor and track support activities’ costs and strive constantly to improve productivity of these activities. Support activities typically include anything done outside of the normal job production itself, not captured by traditional job costing systems.

Practical solution developer Tailored Solutions, Inc, addresses this more comprehensive costing methodology with new “best in class” costing tools within their Litho Traxx™ print management software.

Litho Traxx’s ABM (Activity Based Management) tool, based on Activity Based Costing methods, is focused on the “support expense” caused by support activities such as estimating a job, entering a job, capturing costs associated with sales activities and customer service, generation of purchase orders, and relevant accounting functions. Additionally, we monitor utilization of capacity to gain knowledge of “lost capacity costs” and how these costs affect the over all company health.

One advantage of the ABM tool is the ability to monitor most activities and collect the information automatically, therefore, relieving the employee of constant recording of their time. Other activities can be easily monitored through the use of the “Activity Dictionary” tool, which can define various activities and related costs. Also provided are new comprehensive reports, consistent with ABC requirements to better analyze your company support activities.

Through effective monitoring of support activities and under utilized capacities, printers should be able to increase profits, better control overhead costs and apply the proper costing to calculations for a particular product, customer, or process within a cost center. “Our goal is to help you identify money makers and money losers, find the root cause of problems and correct them, discover opportunities for cost improvement, and develop methods to improve strategic decision making therefore improving the bottom line,” notes company president, Ken Meinhardt.

**Litho Traxx™** is the only fully integrated job management software system specifically designed for prepress houses and midsize sheetfed commercial printing companies. It covers the entire shop from prepress through bindery and fulfillment, and all functions from estimating through job costing and quality control. Completing the picture is the integrated accounting package specifically created for the printing industry by Tailored Solutions' in-house CPA/programmers to ensure that customers get the stability they expect. Litho Traxx translates into improved service for customers, increased efficiency and better communication across all departments.

**Tailored Solutions, Inc.**, is a software solutions company, located in Milwaukee, Wis., specializing in the development of job management software systems for print. These are written in the relational database language 4<sup>th</sup> Dimension, for prepress, sheetfed offset and narrow web flexographic printing industries.

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