

# Workflow Optimization Cuts Costs at Deutsch Advertising

BY LINDA MANES GOODWIN

**Deutsch, a full-service marketing communications agency, dramatically reduced the cost and cycle time of delivering business solutions to its clients by optimizing its workflow and building an in-house premedia center. With premier clients such as Novartis, Johnson & Johnson, Old Navy and T.G.I. Friday's utilizing Deutsch's services to create advertising, direct marketing, interactive, media buying, media planning, design, PR, promotions and events, its manufacturing process had to be state-of-the-art to be competitive.**

**D**eutsch's project began with the need for up-to-date production processes. While other agency departments were re-engineered to handle the exponential growth Deutsch experienced in the late 1990s, manufacturing had remained virtually unchanged.

In November 2002, Robb DeFilippis was hired as senior vice president of Print Services to tackle the task of upgrading the Production Studio, Print Production and Traffic. The project turned into a full-scale effort to restructure those areas, as well as bring prepress in-house. The transformation began in mid-2003 and was ready for operation a year later.

## Manufacturing Overhaul

Although adopting leading-edge technology seemed like an obvious solution to dealing with the increased

volume and complexity of media buys, as well as the condensed turnaround time, DeFilippis knew that expensive, enterprise-level production management systems were only as good as the operational infrastructure that supported them. Applying technology to chaos would only lead to more efficiently produced chaos. Deutsch's first challenge was to optimize workflows, update procedures and improve communication, cooperation and understanding among the various manufacturing disciplines.

## Print Traffic

DeFilippis began with restructuring Traffic. Primarily a distribution center concerned with moving proofs and mechanicals from point to point, the main goal of the traffic manager was to obtain a signature and move on. DeFilippis broadened the scope and responsibility of the position by applying a project management model. In the new model, managers became engaged with a campaign from the very start and saw it through its entire life cycle, from creative brief through final output to print or other media. Having a better understanding of a client's goals and being part of the agency solution gave traffic managers a greater stake in ensuring the successful execution of the work.

A project-management system was built using File-Maker Pro as the engine. Proprietary software linked the database to the agency's accounting and financial system, Donovan Data Systems, which managed the trafficking, billing and reporting of production work performed in-house. The customized tool allowed the project managers to handle spec sheets, work orders, invoices, inventory and time sheets. Much of the data entered on work orders populated metadata within the digital asset management system and traveled with the asset throughout its life cycle. Subsequently, this metadata was used throughout the production process to automate operations, such as building mechanicals and

Robb DeFilippis, senior vice president of Print Services at Deutsch Studio.



versioning, as well as providing specific instructions.

Metadata concerning mechanical specifications, such as size, shape and color, was used to create mechanicals on the fly. Information relating to schedules and procedures, such as release dates and release to contacts, populated a slug on the automatically produced mechanicals to inform the project as it progressed. Data related to versioning, such as unique sizes or messaging, fed another proprietary tool that automatically created unique versions.

During the implementation of the new workflow, an incident took place that underscored the value of the transformation from Traffic to Project Management.

A box of handwritten work orders that had never been entered into the agency's accounting system was discovered, along with the realization that the client had not been billed for the work, resulting in several thousand dollars of lost revenue. In the new model, all jobs are entered into the fully integrated system from the moment the order is booked, and a project manager oversees the job through its entire life cycle, making such an oversight impossible.

## Production Studio

The Production Studio was the next department to undergo a major renovation. With outdated equipment and employees unprepared to handle more progressive graphics production, staff members were given the opportunity to learn new skills and participate in the changes.

With major changes taking place, talent needed to be supplemented and upgraded, and additional employees were brought in with new areas of expertise. DeFilippis said he was fortunate to find "some amazingly techno-savvy prepress-proficient professionals, who also had a keen typographic sense and quality aesthetic." One of his first hires was an Apple Scripting crack-jack who also knew his way around Adobe InDesign and was an all-around prepress guru. He was instrumental in providing direction for the development of the Studio into a progressive prepress operation.

## DAM Catalyst for In-house Premedia Center

The greatest transformation, however, was the conversion of Deutsch's semi-autonomous revenue center, Yellow Fin, from a client invoice-generation service to a full-scale pre-media center. It began with the need for a digital asset management system to bring greater production efficiency, as well as brand consistency, to Deutsch. With a stringent ruling philosophy ("every piece of communication we produce must speak with one voice, must come from one place, ... truly great thinking crosses boundaries, from broadcast, to print, to promotions, from outdoor, to online, to in-store, and everything in between"), control of brand assets in day-to-day production was crucial. An image could be used for public relations events, broadcast spots, online ads, magazine ads, newspaper ads and direct



This ad for Tylenol was one of first ads to be produced in house from start to finish.

mail campaigns.

Image rights management was another hot button. Because Deutsch dealt with lots of stock imagery and contracted photography where usage rights were negotiated for each image or bank of images, it was extremely important that the usage rights were known when these assets were shared or repurposed for an integrated media campaign.

When DeFilippis came onboard, asset management consisted of many Windows' NT servers in various departments. Although there were several catalogs, they were not relational, making it very difficult to find images. Locating a photograph could take up to an hour — an unproductive use of the agency's resources. Sharing assets internally was cumbersome. To share images with a client, the image had to be located on one of several servers, downloaded, converted from its native format into a PDF or a JPEG, and compressed so that it could be sent via e-mail. By that time it had lost much of its quality, as well as its value.

What began as a search for an asset management solution evolved into the development of a full-service pre-media facility, in addition to DAM, high-resolution drum scanning, photo retouching, digital page editing and assembly, final contract proofing, and digital distribution of materials to magazines, printers and newspapers worldwide. A centralized operating unit, Yellow Fin, supports Deutsch locations in New York and Los Angeles.

## Solution Partners

Rather than search for the perfect hardware/software components for the pre-media facility, DeFilippis

looked for expertise he could trust. Although he'd had vendor experience before crossing over to the agency side, he knew he couldn't build a world-class operation without the help and support of other techno-savvy professionals. He assembled a team, both internally and externally, of creative, production and IT professionals who helped develop the machine that would become the re-energized Yellow Fin.

DeFilippis engaged I.O. Integration, a San Francisco-based systems integrator specializing in high-end server-based automaton, digital asset management and Web-based production tools. "I wanted to work with experts who were as excited about the challenges as Deutsch was and who were willing to push the envelope even farther. We wouldn't have been as successful without them," said DeFilippis.

Because IOI was an authorized integrator for Xinet and Dalim, as well as a value-added reseller for Apple Computer and a reseller for SGI, DeFilippis understood that the ultimate configuration would be built around the products they represented. Fortunately, DeFilippis and the members of his task force were familiar with those products and were very comfortable using them. In particular, they were knowledgeable about the other DAM systems on the market and confident that Xinet's WebNative Venture would meet their requirements.

They also were pleased that Xinet and Dalim offered proven technology that was well-integrated and would help optimize their entire workflow, from the studio through distribution. This did not mean that Deutsch was required to accept a prepackaged configuration, however. Working with IOI, they were able to tweak the hardware, software and network to perform the newer, smarter way DeFilippis had envisioned. "IOI saw how we wanted to work and made it fit.

That was huge," said DeFilippis.

Eric Rewitzer, cofounder and president of IOI, recalled his first meeting with DeFilippis. According to Rewitzer, DeFilippis immediately grasped the significance of a fully integrated solution and allowed IOI to work with him and his staff to make it a reality. His vision encompassed the entire manufacturing process, from the initial booking of work orders through the distribution of final materials to multiple distribution points. "IOI's solutions are made up of multiple workflow modules, and by combining them, we were able to come up with a solution that met Deutsch's needs. We are all very pleased with the results," Rewitzer said.

### The Optimized Workflow

At the core of Deutsch's infrastructure is Xinet's Full-Press server. It is integrated with Xinet's WebNative Venture digital asset management system, which allows users to view and access the server through a Web browser, Dalim's Twist workflow automation tool linked through Full Press, and Xinet's FlashNet for backup and archive storage management.

The beauty of the design is that every person in Print Services has a hand in the manufacturing process. Project managers are as intimately involved in the creation of ad materials as the production managers in the Studio who create the mechanicals and the retouchers in Premedia who correct the color. DeFilippis observed that "ownership" of the work is spread across departments, making everyone feel as if they are working toward the same goal.

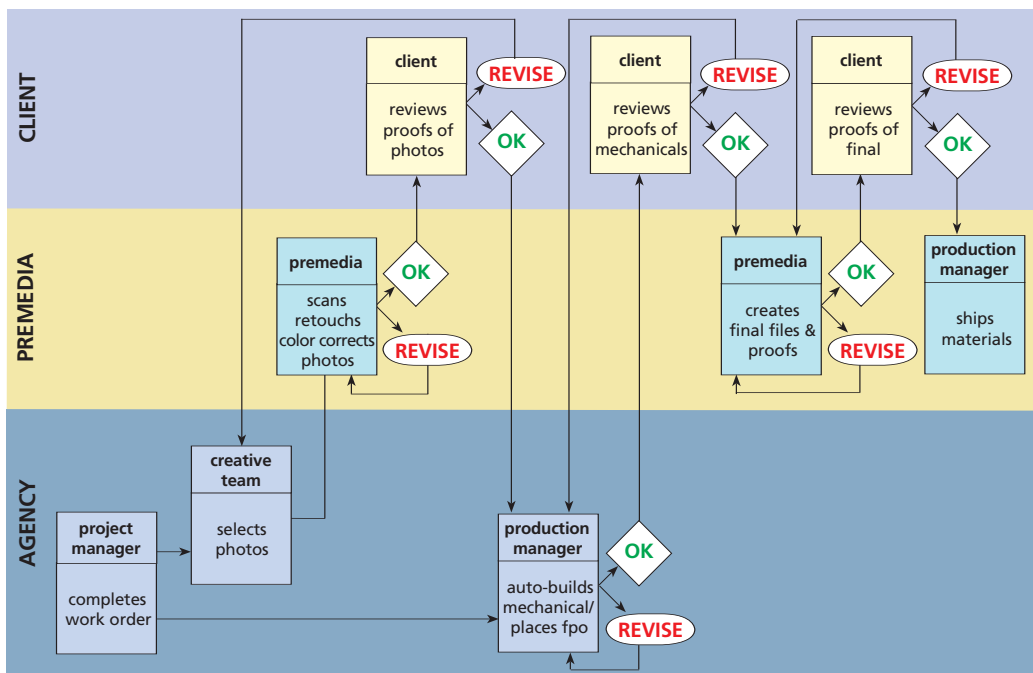
### Digital Asset Management

WebNative Venture allows users to access Deutsch's extensive repository of brand assets at all times. Through a password-protected Web site, users can

search, view, download, upload and custom-image their files. Unlike other digital asset management systems that are outside the system looking in, WebNative Venture is fully integrated with the other system components. A sequel database that operates in the middle of the workflow, it automatically logs all asset activities. It mirrors the FullPress server, yet is safely stored behind the firewall. Assets are made available to external users, such as clients or other offices, without security risk.

Because it acts as a window into the FullPress server and, through FlashNet, the archive system, there is no need for redundant catalogs of image and file data. Users drop assets into

Print services workflow.



an automated workflow that extracts names, builds file hierarchy and places the images onto the server for access. The files are immediately available in the image database and the catalogs instantly reflect the current job status.

Using Xinet WebNative Portal, Deutsch customized its client's interface with the digital asset repository, giving it a look and feel that reflected its corporate identity and, unlike FTP sites, allowed the client to see only its assets. Previously, those assets had to be downloaded, packaged and shuttled to their offices — a time-consuming and costly process. Now logos or new ads are at their fingertips at all times.

Deutsch uses the asset management system from the very first stages of engagement, whether pitching services to potential clients or pitching new ideas to existing clients. During various stages of the asset life cycle, such as concept, photo selection, retouching, layout and final proof, clients log onto their WebNative Venture portal from the comfort of their office to review and approve content. Involving the client more often and at more stages saves time and money by reducing the countless rounds of revision required for approval. However, online collaborative review augments the agency's interface with the client; it does not replace very effective and unquestionably valuable face time.

## Metadata

The person most knowledgeable about the data enters the metadata into WebNative Venture via the FullPress server throughout an asset's life cycle. As mentioned earlier, project managers enter much of the metadata associated with mechanical specifications, versions and schedule in the FileMaker Pro project management system when filling out work orders. Art producers enter metadata related to usage rights and copyright as they complete contracts for those images. Producers enter metadata regarding production specifications, such as a resolution for a publication, as they are preparing final mechanicals.

## Loose Color Images

Although digital photography is gaining ground, Deutsch still works with enough transparencies and reflective art to warrant a Linotype-Hell Drum scanner. New artwork is scanned and optimized on the system, often in RGB. Due to the integrated media campaigns of many Deutsch clients, images are kept as RGB masters until they are ready for output, either on one of several proofing systems, for one of many print executions or for other media, such as broadcast or Internet. ICC profiles are applied once the output medium is known. However, when an assignment is clearly for print only, Deutsch works in CMYK.

For print executions, contract-quality Kodak Approval proofs are generated for review. The print producer evaluates them for color and content, and then passes them on to the creative staff, which makes its cor-



Epson plotter with GMG software proofing a Tylenol ad.

rections and then passes the proofs onto the retoucher to execute the changes. This is obviously a linear, time-consuming process in need of improvement.

In a first-phase effort to save time and money, creatives review all subsequent rounds of color in a “retouching suite” located in the premedia facility. The color-controlled suite, with walls painted munsell gray 8, contains calibrated Apple 23-inch Cinema HD Displays and D5000 GTI viewing booths.

On average, three to five rounds of color are required for each job, but intensely critical color work, such as cosmetics or fashion, can take 10 to 20 rounds. Before the “retouching suite,” the color correction cycle was measured in weeks. Now it is measured in hours.

To eliminate even more time from the process and to more fully integrate the Los Angeles office, Yellow Fin is testing virtual proofing. Already comfortable with Dalim Twist, both internal users and satellite offices will use Dalim Dialog to review contract-quality, high-resolution proofs collaboratively from their desktop. This stand-alone, Web-based, proofing system received SWOP certification in April.

Features of the system include a densitometer and annotation tools. ICC color profiles, crucial to Deutsch's integrated media plans, are used to assure color accuracy for the appropriate output device, whether the device is Web, broadcast or various print executions.

## Mechanicals

The new production artists work on 2.xGHz dual-processor Mac G5s running OS X Tiger. Adobe InDesign CS2, which replaced QuarkXPress 4.x, is the authoring tool used to create mechanicals, which are viewed on 23-inch Macintosh Cinema HD Displays. When the files are approved, the Project Managers release them through the Xinet FullPress server to a Dalim Twist automated workflow.

FullPress allows mechanicals to be developed in the studio at the same time images are being retouched in premedia. Because the server automatically updates

images, production artists are guaranteed that the FPO they drag and drop from Web Native Venture into the InDesign layout is the most up-to-date version.

Using third-party software that speaks to the Xinet system, project managers build mechanicals automatically from data collected in work orders. "It all happens magically, behind the scenes. We couldn't have done this without having a closed-loop system," said DeFilippis.

Color laser printers located in the Studio generate content-quality proofs, which are distributed for approval. Once the mechanicals with low-resolution FPO images are approved for design and content and the high-resolution images are independently approved for color, the various components are assembled into high-resolution mechanicals and prepared for output.

WebNative Venture's custom image-order feature makes gathering assets easy and is a huge time saver. Instead of searching for each asset individually in disparate databases and preparing them one at a time, assets are located and batch processed with just one command.

### Proprietary Versioning Tool

Inspired by the technology and process improvements, Yellow Fin is taking automation one step further. An environment where retailer media buys might consist of 30 different newspaper markets appearing in hundreds of newspapers, each with their own size, specifications, special offers, cultural imagery, contact info and legal copy would benefit greatly from automated ad versioning. With the help of I.O. Integration, Yellow Fin developed a database and image bank-driven variable data newspaper and collateral system. When employed, it will immediately execute hundreds of unique variable composed ads at the push of a button. Besides greatly improving productivity, the tool will allow Deutsch to accept last-minute media buys.

Designers Jenna Esposito and Rich Coralde (l to r).



### Final Page Production

Before Deutsch upgraded its manufacturing process, it sent mechanicals to an outside vendor for assembly. Today, production managers upload the files to WebNative Venture, collect the various components for output in a shopping basket and send them to Dalim Twist, where they are put through an automated workflow.

Twist normalizes the files to PDF/X-1a, preflights, verifies and deposits them in a basket to be proofed. Once they are approved, Twist makes the files available for distribution through AdSend or other methods, such as a publisher's FTP site.

Contract-quality color proofs of the assembled mechanicals are proofed on a Kodak Approval XP4. Once Deutsch installs the Dalim Dialogue virtual proofing system, users at either the New York or Los Angeles office, as well as clients, will be able to log onto Dialog to view and annotate proofs.

When the job is complete, final pages are archived along with loose artwork, mechanicals in their native format (InDesign or QuarkXPress) and PDFs of the final composed pages.

### Backup and Security

Deutsch uses Xinet's FlashNet for backup and archive management. Tightly integrated with WebNative, FlashNet allows Deutsch to automatically back up, archive and track its files, making it easier to minimize online data levels. Users can access assets whether they are located online, near-line or offline, or whether they are stored locally on a disk or on a tape-based archive, which makes retrieving files easy.

### The People Aspect

DeFilippis contends that building and operating Yellow Fin was relatively problem-free. The secret to his success, he said, was the techno-savvy, dedicated group of individuals he worked with. Although the technology certainly had a tremendous impact on productivity, ultimately it was the people who made the real difference. DeFilippis is convinced that although other agencies might purchase the same hardware and software, they will not be competitive if they don't have the right people using it effectively.

"The people I work with are rock stars. They were as passionate about creating a startup within the walls of the agency as I was," he said.

The bumps in the road DeFilippis encountered were related more to corporate culture than technology. One such sticking point was going from being a customer to becoming a service provider. The agency print producers were accustomed to sending their materials to third-party vendors who worked 24x7. They would ship the materials out at night and expect to find the new materials waiting for them the next morning.

Because the prepress work went on behind the scenes, many producers didn't understand or appreci-

ate what was involved in making it happen. But when in-house manufacturing moved responsibility upstream, the producers had to learn the workflow and came to appreciate prepress processes. It also meant that they were the ones to get the 3 a.m. phone calls because a file for an ad appearing in the morning edition of a newspaper could not be opened.

They also had to face the reality that when something went wrong there was no one to blame but themselves. They not only had to take responsibility for the problem, they also had to figure out how to solve it.

### Implementation and Deployment

The entire project, from research, design, purchase, installation, training and operation of the optimized workflow, fully automated production process, and in-house premedia facility, took a year. However, IOI installed and deployed the completely integrated hardware and software solution in just a week.

They began by centralizing the agencies' assets from the many disparate servers onto the one FullPress server. Next they introduced Dalim Twist and constructed an automated workflow according to Yellow Fin's specifications. Finally, they set up WebNative Venture and made assets available to everyone within the agency through a Web browser. FlashNet insured that those assets were safely stored and archived.

Despite the grand scope of the undertaking and the short time it took for installation and deployment, the project was approached as an evolutionary process rather than a revolutionary one. According to Rewitzer, the real work began after the technology was in place. Everyone involved with the new system, from creative through prepress, had to learn the new infrastructure and how they would interact with it. IOI followed up on a regular basis, continually messaging and tweaking the workflow.

### Leaner, Meaner, Faster, Smarter Becomes A Reality

Processes that previously had taken weeks are now accomplished in hours. "Depending on the complexity of the job, turnaround time has been cut 30% to 100%, which has increased our profitability," said DeFilippis. For instance, a request by an account manager for a type change previously required that the file be sent to a third-party vendor. Preparing the package, sending the file by messenger to the prepress house, routing it through their mail room, correcting it, pulling proofs and packaging and sending it back to the agency might take a full day. By utilizing soft proofing in its in-house premedia facility, Deutsch now handles such corrections in minutes, and three to four rounds of corrections can take place in a single day.



Close collaboration between the agency and the in-house premedia center allowed this creatively challenging ad for Mitchum to be produced in a more cost effective and timely manner than if it had been outsourced.

Recently, a client requested an 11th-hour revision on a magazine ad just as the materials were being prepared for release. The job consisted of numerous versions and sizes being delivered to multiple distribution points. Prior to the manufacturing makeover, accommodating the client would mean missing deadlines and going over budget. Using the new technological infrastructure and streamlined workflow, the agency not only made the changes, but also brought the project in under budget.

As a result of the increased productivity and throughput, Yellow Fin can take on more business. Previously, a new assignment meant hiring new people. But with automation and increased bandwidth, the premedia facility is able to handle additional work without additional staff. In the future, Yellow Fin plans to increase revenues for Deutsch by performing work for clients and agencies not associated with the agency.

For its part, Deutsch considers the efficiency of its leaner, meaner, faster, smarter, manufacturing process a competitive advantage and plans to use it as a selling tool in pitching work to new clients.

Despite all the sexy new equipment and bragging rights for a more cost-effective and efficient process, the big moment came the first time employees opened a magazine and saw an ad that they had produced in-house, from concept to final materials. "All of a sudden all the changes they had been involved in for over a year, became real. The sense of pride and ownership is palpable," said DeFilippis.

**TSR**