

Publisher's Outsourcing Expense Saving Calculator

Expense Reductions Realized Through Outsourcing Production:

Expense Item	Estimated Annual Reduction
Prepress Payroll	\$ -
Press Payroll	\$ -
Post Press Payroll	\$ -
Maintenance Payroll	\$ -
Other Payroll	\$ -
Fringe Benefits @ 25% of Payroll (calculated automatically)	\$ -
Subtotal Payroll Savings	\$ -
Reduced Electrical Usage	\$ -
Peak Time Electric Cost	\$ -
Eliminate Equipment Maintenance	\$ -
Eliminate all Production Supplies	\$ -
Eliminate Capital Expenditures for Equipment Purchases	\$ -
Eliminate Interest on Loans for Equipment Purchases	\$ -
Reduced Property Tax Expense	\$ -
Reduced Real Estate Expense	\$ -
Reduced Natural Gas & Water Consumption Expense	\$ -
Reduced Building Cleaning Supplies	\$ -
Eliminate Uniform and Rag Expense	\$ -
Eliminate Workers Compensation Expense from Production Employee Accidents	\$ -
Reduced Insurance Cost on Plant and Equipment	\$ -
Reduced Accounting Expense for Payroll and Accounts Payable	\$ -
Reduced HR Expense for Hiring\Recruiting\Training \Drug Testing Employees	\$ -
Eliminate EPA, OSHA and State\Local Environmental Compliance Expense	\$ -
Other Cost elimination	\$ -
Subtotal Other Cost Savings	\$ -
Newsprint savings/(cost)	\$ -
Lower newsprint obsolescence and handling damage expense	\$ -
Eliminate paper storage, handling and inventory expense	\$ -
Subtotal Newsprint Savings	\$ -
Total Estimated Annual Savings By Outsourcing	\$ -
One time savings or costs	\$ -
Proceeds from the sale of a building and or land	\$ -
Severance	\$ -
Total Estimated One Time Savings By Outsourcing	\$ -
Increased Revenue Potential Through New Value Added Services	\$ -
Increased Revenue Through Added Color and Insert Capacity	\$ -
Additional Revenue Potential	\$ -

ITEMS TO THINK ABOUT

Contract

Coordinate with legal for draft
Contract draft for review
Contract Revisions
Letter of intent
Finalized contract signed
Commercial contract review
Human Resources
Verify list of current employees
Determine if Warren Act applies
Employee meetings conducted
Potential positions required
Interviews and offers
Review Union contracts
Effects Bargaining

Newsprint

Newsprint ordering
Newsprint accounting
Abinet Training
Abinet Access
Interface to Abinet
Newsprint specifications
Usage Calculations
Supplier verification
Choose Supplier
Buying relationship
Rail siting/offsite storage analysis

Finance

Determine financial impact of RIF
Determine financial impact of incremental workforce
Verify cost projections
Determine process for verifying new costs pre-launch
Billing procedures and format
Billing terms
Cost sharing model reviewed and approved, calibrated
Process for non-standard expenses
Newsprint waste agreement negotiation
Budget process/review

COMMUNICATION

Partnership
Shared file format
Real time failure communication plan by dept

Communication Internal
Communication External
TV

Newspaper Product Related

Product Redesign
Non-dailies
Coordinate ENG
Page specs/redesign/fonts
Coordinate with EOP design templates
Redesign Classifieds to meet specs
Advertising modular ads
Send modular ad sizes
Insert notification and receiving verification communication
Insert over-under strategy
Insert disposal SOP
Post-it notes
Product Production intercompany communication
Communications with Insert Advertisers
Draw Projections (pre-run, comics)
Digital draw file interface

DEADLINES (Daily, ND, Pre/advance runs)

Page deadlines within site
Page deadlines
Page deadlines
Advertising

Production Operations

Press schedules
Define versioning by product
Packaging schedules
Define zoning requirements by package
Truck departure schedules
Packaging SOP's (office copies, left over inserts, etc...)
Digital page interface
pre-press page flow
Determine sections
Digital package file
Transition Schedule
Insert storage requirements
Newsprint consumption
Mail Subscriptions SOP
Single copy packaging
Assumption of internal distribution
Non-system generated press orders handling

Digital/physical Specific tear sheets
Monthly/Qtr review of key metrics

Product Run Configuration

Press task group to meet to discuss
assumptions/scenarios/product/delivery
implications
Decision for scenario

Distribution

Truck departure schedules
Truck Manifest
Pallet identification
Bundle Identification
Bundle size SOP
Bundle size e-mail notification
Dock Verification Responsibility
Late truck notification SOP
Hauling contracts signed
Reorganization of distribution force
File Transfer out of press order System
Assumption of pre-shipping pallets/ single copy
distribution carriers

Production Due Diligence

Printing and Packaging contingency plans
Review on-time performance
Review Web Break history
Review Last plate to press start history
Review plate production capacity
Preview Press capacity
Newsprint waste history
Preprint confidentiality policies
Plate Test
Print Test
Page Proofing

Plant Closure

Newsprint and ink inventory
Plate Inventory
Consumables Inventories
Equipment Inventory
Transfer Equipment and Supplies
Decommission Press
Asset transfer paperwork completed

Reporting

Exception reports
Delay Notifications
Optimum Quality Copies
Daily Pull Copies
Insert Package Samples
Production Portal