



## *SkuTouch Solutions Case Study*

### **Canadian book distributor improves efficiency and profitability using SkuTouch Solutions' suite of reverse logistics software**

#### **Case Review**

Fraser Direct ([www.fraserdirect.ca](http://www.fraserdirect.ca)), a Canadian-based distribution and supply chain partner specializing in fulfillment services for the Canadian book and gift market, implemented SkuTouch Solution's suite of products to meet their growing challenges in managing product returns.

According to Lois Fraser, CEO of Fraser Direct, "We called on SkuTouch Solutions because of their experience and expertise in handling returns in a variety of industries and specifically, the publishing industry."

#### **High Touch Industry – High Return Rates**

Fraser Direct's market sector experiences annual return rates of nearly 20%. Liberal industry purchasing and return policies contribute to this high rate of return. The publishing industry provides retail customers the ability to handle and review a publication before purchase. These reviewed copies are rarely purchased and become the basis for high industry return averages.

With multi-client (Producers) and high volume processing requirements, Fraser Direct selected SkuTouch™ Enterprise Edition Software Suite as their solution.

#### **Software Solutions: SkuIdentification™**

Most returns received by Fraser Direct are considered "blind receipts," where a package arrives at one of two return centers without previous notification. This requires the service provider to rapidly identify the retail account and product owner. The operation is complicated by use of retail chain consolidation centers where the origin of the return does not tie directly to a retail account. With SkuTouch's SkuIdentification™ module, tools for assisting operators to overcome these complications are built into the application.

#### **Software Solutions: SkuDisposition™**

Merchandise received into the processing centers range in retail price from a few dollars to hundreds of dollars and varies greatly in material makeup. With thousands of active SKUs, the



product-based inspection requirements are too complicated and vast for any one inspector to manage effectively.

SkuTouch SkuDisposition™ enables the inspector to focus on the physical product inspection. After the entry of a product into the inspection application, the operator is presented with ranked inspection observations for the product. This ‘decision tree analysis’ is based on predefined, user-tunable conditions.

### **Reinventory, Recovery, Disposal**

Using SkuDisposition™ the operator is directed on the best course of action for reinventory, further inspection, or destruction. The best course of action is determined based on Fraser Direct’s predetermined criteria, preset in the software product.

With critical marketing and product information collected, (who, what, where, why and condition of the return), the data is used to credit client accounts according to the customer’s terms and conditions.

### **Bottom Line Improvement**

Through the automation of returned merchandise and the implementation of SkuTouch software, Fraser Direct has shown an increase in efficiency of 3 – 5 times that of previously-used systems and procedures. The company is now armed with vital information, visibility and cost analysis of the returned goods, all impacting management decision tools and overall profitability.

### **About SkuTouch Solutions**

Founded in 2002, SkuTouch Solutions specializes in the science of reverse logistics, offering contemporary products and services that automate the process of managing returns. Through an array of software products and turn-key services, SkuTouch Solutions helps retailers process and recover returns more efficiently, improve customer satisfaction, enhance the collection of marketing data and make asset recovery more profitable.