

MAIL:

The Journal of Communication Distribution

V.19 N.4

May/June 2006

\$10.00

Members of FFI have returned to the industry to do what they really love: fulfillment.



Mail Veterans “Get The Band Back Together”

Industry Pros Rediscover One Another After Long Absence

DOVER, NJ – In a scene that could be taken directly from the Blues Brothers movie, the former management team of Direct Mail Services (DMS) has made it like Jake & Elwood and “gotten the band back together.”

Gary Marcello, Tony Rossi, and Jennifer Mathiesen have reunited, and are now operating FULCO Fulfillment Inc. (FFI). Having honored their non-compete clause and staying out of the mail and shipping industry until the contract expired in 2001, the three are now again chasing their first “business love”: fulfillment.

A Return To A Changed Industry

The three formed FFI in November 2001, and then unleashed a spending spree on state-of-the-art tracking technology for their new warehousing and fulfillment venture without a customer to support the investment.

“The number one change since we left the industry has been the addition of computer-based technology for order tracking and warehouse management systems,” said Mr. Rossi. “Back in the early 1990’s, we developed our own in-house warehouse management system, but today’s technology gives you minute-by-minute live updates, and it is demanded by your customers.”

In the area of literature fulfillment this tech-

nology allows FFI clients to access inventory data in real time and then use print-on-demand technology to create only the quantity needed, thus saving on printing charges by more accurately determining the print budget.

“The first thing we invested in was our warehouse management system, and truth be told, without this computer system, we would not be in business,” said Mr. Rossi. “We installed the software system and tested it to get the bugs out before we landed our first client.”

The first company to sign on with FFI was Honeywell, a former DMS customer, who turned to FFI for warehousing and fulfillment of sales and marketing literature. Soon after, Glaxo Smith Kline signed on, and the ball was rolling.

The company has more than quadrupled its space in the last three years, starting with 10,000 square feet and now on their way to occupying 100,000 square feet, with a warehousing potential of up to 161,000 square feet.

Keying this growth are the reputations of the three principals brought with them from DMS, where from 1965 until 1998 they offered a variety of mailing and fulfillment services to organizations ranging in size from Fortune 100 firms to local mom and pop shops just getting off the ground.

The Journal profiled the work of DMS, and its affiliate First-Class Presort, in its August/September 1992 issue. The story focused on DMS’ 40,000 piece-per-month literature fulfillment operation and FCP’s place as New Jersey’s first automated presort house. In a bit of irony, the final sentence of that 1992 article was this: “DMS recently instituted a

computer system that gives all customers online ordering and inventory access.”

Today, this computer system is not just another leave on the service tree, but rather the seed necessary to sprout the new business venture: FFI.

“When our non-compete clause ended we all got together and talked about how much we missed the mail industry,” recalled Ms. Mathiesen. “We were happiest in our jobs when working in mail, and since warehousing & fulfillment were the most profitable from our days at DMS, we decided to focus our efforts in this area.”

Ingredients Of Success

Helping FFI in its quest to re-enter the mail communications marketplace was the fact that the company already owned the most expensive outlay when entering the: i.e., real estate.

“We already owned the building, so all we needed to do in the beginning is install racks to hold the products and literature,” recalled Gary Marcello, whose company occupies three buildings in a business park with the ability to connect two more by simply knocking down two more walls.

In its current configuration, the operation houses a pick and pack room and a warehouse. The pick area holds ninety days of inventory for immediate picking and is replenished daily from the warehouse, which also handles bulk fulfillment.

A tour of this pick & pack operation makes it evident that Mr. Marcello, Mr. Rossi and Ms. Mathiesen are not alone in their return to the mail industry. At least 70% of the 40 people employed at FFI previously worked at DMS.

“Having an experienced staff has been a huge advantage for us and has been critical for our success,” Mr. Marcello said. This veteran staff includes three client service professionals, and their experience and work, which is critical for FFI’s early success. Returning staffers include Warren Hawthorne, Georgette Dean, Gordon Holdukes, Desiree Morgan, Jennie Wiggins, Frank Wiggins, April Chamberlain, and Roger Groh.

The setup and experience of the staff enable FFI to maintain a turnaround time that states, “Orders will ship within 24 hours.”

“Ninety-five percent of our literature fulfillment orders that come in before 1 pm ship the same day. We put them on a FedEx Ground truck and get the items delivered to any location within the United States within three days.”

As for their future, Ms. Mathiesen predicted FFI would be successful because of what they learned in the past. “We come from the old school thinking that says, ‘Take care of your customers.’ So, when a customer has a unique need, we take care of it.”