

DOING MORE WITH LESS

**New License Plate Solution empowers
Correctional Industries and OMV
Administrators to manage increased
transactions with decreased resources**

With ever-increasing cost of operations, carrying cost of inventory, and the gap between increased transactions and decreased resources, Offices of Motor Vehicles (OMVs) and Correctional Administrators are finding ways to maximize their relationship by optimizing integrated delivery services to reach customers when and where they want to be met. By using proven technology, they are able to exceed customer expectations without increasing state spending.

INTRODUCTION

With the advent of technology over the last 20 years, customer expectations for service have evolved. Currently 87% of households have Internet access¹, with the ability to purchase items at a click of a button. More than 75% of the U.S. population is now purchasing goods and services online². The shift in technology availability is changing consumers' expectations on where and when they want to be met; often the desire is to avoid the dreaded line and time consumption of going to the OMV³.

Demands are requiring suppliers to modernize the hardware and software infrastructure used to service customers.

This is forcing Correctional and OMV Administrators to adapt with new delivery points and replace dated underlying infrastructure to effectively support consumers.

With upgrades in the retail-shopping environment, residents are now expecting government to provide similar

service options. These demands are requiring suppliers to modernize the hardware and software infrastructure used to service customers. Newer solutions are customer-centric, meeting individuals where and when they want to be met⁴.

Faced with this changing environment many OMV Administrators are challenged with making a decision on how they will shape delivery now and in the future. Over the past 10 years many state OMVs have attempted modernization projects with various degrees of success. Currently, many more are either in the process of modernization or contemplating an upgrade. With the OMV being the major source of government interaction with citizens, a good experience creates the positive perception from residents that elected officials desire.

INDUSTRY CHALLENGES

How does this relate to license plate and registration manufacturing and distribution? Many states are utilizing systems that employ equipment and infrastructure that is in excess of 20 years old. The support framework often doesn't allow for automatic order processing, just-in-time inventory management, on-demand production or real-time reporting that is desired in today's environment.

While recovery from the last economic downturn has taken place, most states are still faced with generating financial resources to fund long-term pension and health care liabilities along with updating the transportation infrastructure⁵. Several states are striving to become more efficient while providing additional services to residents in an attempt to generate additional financial resources.

With funding, infrastructure and technology constraints, what are states doing to meet the residents' demands? They are looking at alternative ways to service customers, minimize visits to office locations, reduce transaction costs and shift focus on improving the customer experience⁶.

Another challenge revolves around inventory management. Due to the dated underlying infrastructure for license plate and registration document production, many states carry at least a 4-5 month supply of inventory—with some holding in excess of one year's supply—to provide the security of what is perceived as adequate stock.

OMV Administrators are rethinking this approach and are starting to ask for production systems capable of manufacturing at time of order, at a minimum for specialty plates but in some cases for all license plate production. If manufacturers are unable to provide this type of solution, the industry is seeing administrators shifting responsibility of inventory ownership to

the manufacturer to avoid the capital requirements of stocked inventory.

PARTIAL SOLUTIONS

Hardware providers: If your only objective is to purchase a printer, applicator, embosser or blanking equipment, then you've found the right place. However, if your desire is to align your delivery strategy to meet OMV and residents where and when they want to engage without impacting state spending, then the type of hardware is just a piece of the total solution desired.

Material companies: These companies have a core competency around manufacturing laminates, stickers and forms. The larger ones even have government sales staff that focus on tapping into the potential high annual sales volume. They offer equipment or software to control the consumption of the materials they produce more effectively. While durable stickers matter, when collecting all the OMV's revenue is at risk, along with increasing customer satisfaction, an integrated platform that optimizes the end-to-end service delivery and is based on OMV best practices is required.

THE ITI SOLUTION

If the goal is improving service and meeting the demands of the public without the luxury of unlimited resources and budget, only ITI provides an off-the-shelf solution that meets all these needs.

ITI's License Plate Solution (LPS) allows the manufacturer and state to adjust the delivery program throughout the life of the contract, at no additional cost, since it is truly adaptable to meet the changing needs.

ITI is working jointly with Correctional Industries and OMV Administrators to resolve the issue of doing more with less. This adaptable off-the-shelf solution is intentionally designed

to provide manufacturers the infrastructure that OMV's are requesting today and adaptability to changing needs going forward all while utilizing correctional industry labor.

Whether it's Nevada, Georgia or South Dakota, ITI has been able to provide the solution, adapted to the specific needs of the Correctional Industry allowing them to meet the demands from the OMV Administrator.

ITI fully integrates with the OMV allowing for electronic order entry and complete chain of custody of every plate through the production and fulfillment process. If necessary, the solution can manage finished plate inventory and the ordering and renewal process at branch locations. Thus, every plate is tracked for the entire life cycle.

Key LPS features:

- Simple order management of single or long run batch orders with multiple order entry methods
- Material management of raw, work-in-process and finished goods inventory
- Enhanced fulfillment process ensuring all direct mailings are organized in zip code format based on density and presorted, household grouped, and intelligent mail barcoded to minimize postage
- Solution is agnostic to the back office platform and easily adaptable to system modernization

Pricing is on a per transaction basis with the potential to be a true turn-key solution including all materials, production equipment, service and support, thus avoiding the initial capital costs often associated with modernizing production systems.

Pricing includes:

- Production equipment
- Materials
- Project management
- Integration services
- Software configuration and design
- Implementation services
- Maintenance services
- Inventory management
- Call center and help desk operation
- Real-time monitoring services
- Real-time reporting systems

CONCLUSION

The central issuance of license plates and registrations are consistent with the goal of doing

more with less. ITI's proven solution enables correctional industries to efficiently manufacture license plates and fulfill them from the prison or outsource the fulfillment to a third party.

ITI endeavors for long term relationships with all of its customers and continually provides program modifications to increase efficiency, cost savings, and customer satisfaction throughout the tenures of contracts. ITI looks at every project as a partnership and believes in continuing to develop ongoing relationships to address the ever evolving and changing requirements of a program that are critical to a successful long term solution.

For further details contact Intellectual Technology, Inc. at (260) 459-8800.

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