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FIELD REPORT

A Unified Force

How Rand Diversified gets into clients' supply chains

By Erika Flynn

EDISON, N.J. — With roots in P-O-P display manufacturing that date back to 1972, the company historically known as **Rand Display** has entered a new era with a revamped name — **Rand Diversified Companies LLC** — that executives say better communicates its capabilities as a turnkey supplier. One thing that hasn't changed is its foundations in the pharmaceutical/OTC industry: In January, Rand Diversified opened an in-DC operation for client Johnson & Johnson in Tobyhanna, Pa., managing co-packing and fulfillment for the health-care giant.

The company first recognized a sizable client need for pack-out, fulfillment and co-packing services in 2003, says Brian Mumau, vice president of business development. It opened Rand Direct, its first co-packing and fulfillment facility in Edison that same year, but was careful to keep the display division's identity separate from the new business unit. Two years later, Rand opened another co-packing facility in St. Louis to better serve clients geographically.

It was at that time that the company began looking at itself within an ever-changing marketplace. "The bottom line was that calling ourselves a display company or a co-packer didn't really explain who we were in great enough significance," says Mumau. "Much of what we do, from the standpoint of getting products to market today, involves so much more than just a display or packing-out P-O-P. We wanted to identify ourselves better to our existing clients as well as potential clients.

"Since all three facilities were still functioning separately from one another, we also wanted to make better use of our assets," he continues. "So we put them under one umbrella, giving us much more leverage in the industry and the power to be able to attack the marketplace in a much more streamlined manner."

As a contract manufacturer, Rand Diversified can now take a display or packaging program from design through prototype,

engineering, production, assembly, packing and final shipment. The company boasts more than 800,000 square feet of manufacturing and warehousing space with the addition of the Tobyhanna facility, and employs more than 900 people.

"We consider ourselves a solution-oriented company rather than trying to pigeon-hole ourselves," says Mumau. Rand Diversified creates promotional, semipermanent, and permanent displays for clients as well as shelf and category management systems, interactive displays and retail environments.

The in-DC operation for Johnson & Johnson represents a trend in the industry, says Don Garda, COO, who said that the company is in talks with other major clients for similar operations.

Adds Stuart Sklovsky, CEO, "The trend is occurring not just because of the cost of freight, but also because of speed-to-market issues. If we can cut out the shipping back and forth to the client's distribution center, we can increase their return on investment by getting it to the marketplace that much more quickly."

Mumau says the company has also adapted to clients' requests for what it calls "pure" buys: "We're not only turnkey from design all the way into shipping programs into retail, but our clients are asking us to manage the whole program by inventorying and taking ownership of the components until a finished good is produced and shipped out of our facility. At that point in time, they take ownership of it."

Managing that piece can translate into being involved with package design and, in some cases, even product design. "We've remodeled our company to get deeply into our clients' supply chain," adds Jack Wuensch, chairman. "That includes sometimes starting right from scratch with designing their product — even manufacturing their product — and taking it right through to at-retail marketing and into the shopping basket."

Mumau says with its three "big bucket"



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areas of capabilities it provides to clients — *product branding and ideation*, (including what a product will look like, how it will be packaged or what messaging and branding it will have), *shopper marketing* (encompassing P-O-P displays, PDQs and other category management pieces) and finally, *supply chain management* — it has put a stronger focus on creating a seamless operation. "We can get involved at each particular touch point along the supply chain. That translates into lower costs, faster speed to market and fewer hiccups."

On all new projects, a new business team is created representing personnel from all of the branches. "The resources and the manpower we have allows us to be expert from everything from individual modeling of highly intricate components all the way down to being a distribution center," says Mumau. "There's a definite shift back to the mentality that if we can provide the solutions, clients will trust us with much more of their supply chain management than in the past." **PD**

For more information, please visit www.rand-div.com or call (732) 287-2525