



Glatfelter Product Lifecycle Management Shift Increases Revenue by 30%

Company Overview

Glatfelter is a global supplier of specialty paper and engineered products in the papermaking industry. The company's papers are used in a wide range of products from books to postage stamps and teabags to flooring overlay papers. Started by Philip H. Glatfelter in 1864 as a U.S.-based newsprint manufacturer, the company is now present in North America, Asia and Europe.

The Business Challenge

Historically, only ten percent of Glatfelter's revenues were derived from new products. With business declining in their traditional markets, pressure was building to generate new products and expand their offering into new markets. In order to foster continued revenue growth, Glatfelter needed to rethink aspects of its research and development strategies and practices. It was clear that its long-term growth and profitability would depend on finding ways to create expanded numbers of new, commercially-viable and enduring products. With new product development as a critical element of the company's strategy, Glatfelter sought the help of Sopheon Corporation and their Accolade® product development system to support innovation and accelerate the creation of diversified new products.

The Solution

Glatfelter's decision to adopt the Accolade system reflects the company's overarching focus on optimizing business performance. "We have introduced leading-edge business processes throughout Glatfelter as part of our intensified emphasis on developing new and innovative ways to support our customers," said Scott Mingus, Glatfelter's director of new product development.

"We have disciplined our approach to product development through the implementation of a customized Stage-Gate® process. With Accolade, we have been able to transfer that process from paper to computer, dramatically accelerating it, streamlining it and improving process adherence."

Sopheon's Accolade assists in Glatfelter's new product initiatives by providing the process automation and decision support required throughout the development cycle. Accolade keeps scientists and managers abreast of development progress and coordinates reports for quarterly executive review meetings. Accolade facilitates project communication within product development teams through an easy-to-use, central portal for all deliverables and activities necessary to move their projects through the process. Relevant documents and links to other information sources are shared for each project. Accolade improves the capture and evaluation of ideas allowing Glatfelter to identify and assign priority to those offering the greatest commercial potential. Regular contact with customers helps to ensure that development efforts lead to innovations the market seeks. This has resulted in better project planning, as well as improvements in the organization's ability to collaborate on the right product priorities.

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***– Scott Mingus
Director of New Product Development,
Glatfelter***

As development work is completed, Accolade automatically draws down the metrics collected during each stage of a project, feeding the product portfolio reports Glatfelter executives use to inform prioritization decisions. Development progress and project metrics on course with Glatfelter's strategy mean the project, and the funding, continue. According to Mingus, "There is a degree of art to it, but there is certainly also a lot of science to how we select projects. We simply wouldn't have done Stage-Gate had we not been able to use Accolade. It couldn't have worked if we had tried to do it manually. We have too many projects to try to manage... Our original, overall goal was to use the software system to automate process. Accolade provides this."

The Results

Whereas a few years ago only a small percentage of its sales revenue came from new products, Glatfelter has seen a 30% increase during the past year due to its implementation of Accolade and a range of initiatives aimed at escalating the business return on new product development. One reason is increased focus. Under its new system, Glatfelter has pared its research efforts from about 200 new product initiatives to the top ten, allowing the company to dedicate its resources to

those product ideas with the highest revenue potential. The company reports increasing revenues from new products for the flooring papers and greeting card industries, as well as from supplying private-label paper to makers of inkjet printers.

Accolade is also helping Glatfelter:

- Retain and share critical project information and documentation globally;
- Facilitate collaboration within cross-functional project teams; and
- Increase the number of ideas evaluated annually.

Process efficiency and reduced cycle time were key to achieving Glatfelter's new product objectives. According to Mingus, with the help of Accolade they are realizing these benefits. "We are spending much less time tracking down project leaders to understand project status and receive updates, which is very important. We are experiencing time savings of 5 to 10 hours per executive, per quarter," he commented. And, what about cycle time? In fact, a 25 percent reduction in time-to-market is expected in the coming year, strengthening Glatfelter's first-to-market advantages.



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