Computer Books by Mail (CPM)

Current situation

- Established 12 years ago, CPM's business has been to act as book-jobber:
  - receiving orders from librarians for books about computers
  - ordering the books from the appropriate publisher, at a discount
  - filling the order on receipt of the books from the publisher.
- Invoices are produced by a service bureau computer from forms filled out by CBM staff.
- Business currently running at about 100 invoices per day
  - each with average of 4 book titles and average value per invoice of $150.

CBM Corp. recently acquired by a holding corporation

- New management plans to expand the operation considerably:
  - improving service levels by holding stocks of the 100 most frequently ordered book titles
  - allow all professionals (not only librarians) to order by calling a toll-free number, 1-800-372-6657 (800-DP-BOOKS, of course) as well as by mail, as at present.
- This will means some new functions will be needed:
  - credit checking
  - an inventory control system of some sort.
  - rapid access to a catalog of books for phone sales staff to verify authors and titles and to be able to advise callers what books are available on any given topic.

Analysis

What are the problems?

What are the alternatives?

What are the selection criteria?

What recommendation would you make?