

# Tidal wave of data threatens to swamp businesses

Digital assets at risk – companies need to store, retrieve and protect images, files

By TIMOTHY RENSHAW

It's late July. Do you know where your digital assets are? Organizations ranging from publishing houses to the National Football League now make it their business to know the answer to that question. But a lot of companies still do not. That could be an expensive oversight. The information explosion in the past decade has spawned a robust new digital asset category with huge growth potential.

According to the University of California's Measurement of Worldwide Annual Information Production, the percentage of digital information to total information rose from 5% in 1990 to 93% in 1999.

Publishing houses and other companies that generate large image and rich media files were among the first to realize the need to catalogue and catalogue the use and reuse of their digital assets in the world marketplace.

Two years ago, New York-based Simon & Schuster committed to getting its digital information house in order. The world's fourth largest trade-book publisher had been digitally capturing the text, images and other components of its book publishing trade for several years prior to that time, but Anne Mander, Simon & Schuster's chief information officer, says the process for organizing and storing that information was "very much a thrown-together system."

In the wired world, with Internet access to mill things digital and consumer demand for instant information, "thrown-together" just doesn't make it.

"We realized that the value of these assets was enormous," Ms. Mander says. "We needed an organized system where we could store them and retrieve them easily."

However, there are more issues to consider than storage and retrieval.

Mike McGinniss, a consultant with management and technology services firm Accenture, says companies need more flexibility in how they deliver content. Protecting those assets and the business continuity they represent also has become increasingly important to companies in the wake of 9/11, Mr. McGinniss says. Toronto-based North Plains Systems has developed a worldwide clientele for its enterprise digital asset management (E-DAM) products that includes Warner Bros., Viacom and HarperCollins Publishers. The company has gone from a staff of less than a dozen in 1998 to approximately 50 today. Its 2002 revenue was about \$13.5-million, almost double what it was in 2001.

Hassan Kotob, chief executive of North Plains, says digital asset management — the organized tracking, storing and retrieval of images, text and all the rich media that make up publications, advertising campaigns and promotional material — is worth millions to companies.

"The most unmanaged and probably the most common use of a digital file is PowerPoint," Mr. Kotob says. "When you think of a large company like Bombardier, the amount of PowerPoint digital files they use for one product, for one sales campaign, one launch of anything, is tremendous.

Installing systems to control the global branding, marketing and reuse of assets that have cost millions to create makes good business sense, Mr. Kotob says.

Managing digital assets can also create new revenue streams. Photographs, for example, can be retrieved and remarketed to users around the world.

Mr. Kotob says AOL has implemented North Plains plug-in technology that classifies images whenever they are uploaded to the system. AOL then e-mails users interested in a specific subject that new information is available.

A study by Gistics Inc., a California-based technology research firm, identified three key E-DAM strategies that cut costs and reduce the time it takes to get products to market:

Centralize reusable creative assets so they can be shared among media creators and producers.

Create self-service image portals to enable corporate users to quickly research and retrieve images, brand identity elements and photographs.

Automate content publishing that pushes pre-formatted images, text and data into multiple Web content management systems.

One example it cites is the National Football League, which generates tens of millions of dollars from selling consumer products and licensing NFL trademarks and other media assets. NFL Photos creates almost 10,000 new mug and action shots each season and makes them available to thousands of media outlets and hundreds of NFL licensees. The 2002 Gistics study says E-DAM applications cut the time it takes NFL Photos to get its product to market by 3.5 months.

Simon & Schuster turned to Artesia Technologies for digital asset management software. With its photographs, text, book jackets and promotional tip sheets digitally organized and available in a central repository, the company realized immediate savings in such areas as courier and mail fees and photo storage. Assembling book catalogues was also simplified enormously.

Ms. Mander estimates the savings alone from bringing photo storage in-house to be tens of thousands of dollars. Simon & Schuster hit some potholes on the digital asset management road, however.

Ms. Mander says the initial pitch to incorporate digital asset management was a challenge.

For one thing, it was not replacing an existing system.

“[The company’s business side] had always done it [another] way, so why would they need to invest money in something that they had managed without?”

The sell, she says, had to be business rather than IT-driven. Technical glitches and increased demands on company departments charged with inputting Simon & Schuster’s digital assets complicated the process.

But Ms. Mander says the system has already paid for itself. And, she says, “the sales and marketing area completely underestimated how much they would use it.” A comprehensive E-DAM system can cost up to \$5-million. Accenture estimates the break-even point on this type of investment can be as little as one year.

According to Gistics, spending on E-DAM in the United States alone has gone from US\$27.3-billion in 2000 to US\$43.6-billion in 2003. It is projected to hit US\$60.9-billion by 2005.

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