On the Road to Recovery?

and the Rise of the New Era of Print

by William C. Lamparter, PrintCom Consulting Group

This posting on PICA's website is a follow-up to Curmudgeon Bill Lamparter's comments on the rise of the New Era of Print which appeared in the February-March 2010 issue of The PICA Scanner

Economics and technology --- competitive and print --- are propelling print into a new era.

With few standalone purchased products --- such as books --- print is primarily a service product that aids, enhances, supports and is an integral part of every business and consumer activity. The overall health of business best characterized by the real Gross Domestic Product (GDP) portends the growth or decline and trends of print. It is for this reason that the level and trends of GDP are examined to establish a forecasting base for future print.

GDP Surprises

After four quarters of decline, Third Quarter 2009 government GDP data turned positive with a + 2.2% annual rate amid widespread hopeful optimism that the recession is over and the economy on the road to recovery. Economic optimism got a further boost when the Department of Commerce released its early advance data for the Fourth Quarter of 2009 showing an unexpected boost in the GDP to 5.7%. The initial Fourth Quarter report is based on incomplete data and will be revised at the end of February before being finalized at the end of March.

The acceleration in real GDP in the Fourth Quarter primarily reflected replenishment of low levels of inventories and a decline in imports. The Fourth Quarter data was about double the rate expected by most economists. After final adjustments the 2009 year-over-year annual rate is likely to be in the range of 2% --- perhaps slightly better or worse.

Through the veil of hopeful optimism there is uneasiness among some analysts and economists that there are too many contradictions and wild cards in the economic mix to sustain and build on the Third and Fourth Quarter results a growing without-interruption economic recovery. A potpourri of political and economic uncertainties suggests that the recovery is unlikely to follow the historical sharp **V**-shape pattern suggested by post-World War II economic cycle performance.

Watch for a recovery slowdown and/or the possibility of a **W**-shape recovery pattern where GDP falls again after an upward spurt before resuming a sustainable recovery.

A high real unemployment and underemployment rate, short work weeks, plant closings, health care uncertainties, tight credit, weakness in commercial real estate, continuing residential foreclosures, increasing taxes at several levels, demographic changes, slow productivity growth, the threat of inflation and consternation over the impact of a growing deficit suggest a tepid economy at best for 2010. Economic improvements are likely to be spotty, focusing on specific market niches. With these and other maladies, PrintCom analysis indicates the overall economy will be hard-pressed to maintain the performance levels of the Third and Fourth Quarters of 2009 during at least the First Half of 2010.

No matter when the analysts, journalists and a plethora of forecasters think a true recovery will start, the uncertainty about the economy reflects a concern about a series of underlying factors which interact with each other. For example: how much of the economic output stems from the government's fiscal stimulus which is unlikely to be sustained beyond the middle of 2010; even with slightly improving unemployment, what will happen with consumer spending and residential foreclosures; will commercial property foreclosures increase; what happens when currently low levels of inventory are replenished in the First Quarter of 2010; what will be the impact of pending health care reform --- particularly on small businesses like most printers; what will be the impact of federal budget cuts; how will increases in state and local taxes affect local economies; and a whole host of other consumer, business, and government situations currently in a state of flux?

In these uncertain vacillating economic circumstances, there are several possible scenarios for recovery that will impact on print. PrintCom postulates that a sustainable general economic recovery is likely to start with a weak turnaround in the Third Quarter of 2010, picking up momentum in the Fourth Quarter and on into 2011. PrintCom analysts give this scenario a 65% chance of being what actually happens. In PrintCom's opinion there is a 10% possibility for an earlier turnaround but a 25% possibility that after the Fourth Quarter ’09 upward spurt eases into 2010, a double dip or **W** recession occurs pushing the on ramp to recovery into 2011.

The outlook for print volume in 2010 is uninspiring because even if there is a modest overall economic recovery, print is likely to follow its historic path of lagging behind improvements in the general economy. Printers that lost volume because significant customers went out of business will find it difficult of not impossible to replace them in 2010.

Techno/Market Trends

Simultaneously with the economic chaos, two techno/market trends ---- the continuing development of e-alternatives to print and the continuing development of digital printing that increasingly meet market/print buyer requirements --- are prime drivers of the print industry change into a new era.

In the *New Era of Print*, overall volume will be smaller, printers will be more nimble, new print products will appear, print production will be less costly and cycle times will be reduced, shortening the elapsed time from conception to delivery to the reader. The technologies enabling the *New Era of Print* were clearly visible at this past fall’s Print show in Chicago and will come to the fore at Graph Expo 2010.

Watch Your Customer

While astute profit-leader printers monitor the economy and employ the most productive cost-effective technologies, the underlying key to their success is planning for several possible 2010 eventualities and understanding the shifting requirements of their customer base.

PrintCom suggests that PICA printers establish a “customer watch” program that monitors the financial health of individual customers, trends in the customers’ prime markets, print purchasing activity as compared to prior years and the loss of print and related business from that customer to competitors. Input can sometimes be obtained from other suppliers not in the printing business. The “Business North Carolina” and “South Carolina Business” magazines provide some insight into overall Carolina business trends. The PICA “Slow Pay” credit report is also a source of information about customers and competitive suppliers.

A customer watch program run by a company owner or sales force manager is best information-implemented by the rank and file sales force. Salesmen know (or should know) about the situation of their customers. This often ad hoc information must be formalized and channeled into a structured reporting scheme which also includes credit check data, customer industry trends, and local economic trends. An information rich customer watch program prevents credit problems and bankruptcy or going out of business surprises as well as trends that may affect the volume or type of print being purchased.

Loss of work to competitors from a “lost order report” showing who got the work at what price should also be funneled into a customer watch program. This type of information can identify where defensive actions must be taken to prevent the loss of customers and may indicate a need for an individual printer to become more aggressive in the marketplace.

Print volume has been declining for several years as corporate marketers have recognized that to reach their target audiences, a multiple media information flow incorporating some form of e-media is required. This media fragmentation is a primary culprit behind a decline in print volume. Changes in United States Postal Service (USPS) handling requirements, uncertain postal delivery timing and long cycles from message conception to printed product receipt by the ultimate reader have also contributed to the decline in print volume. These print volume depressants are likely to continue throughout 2010.

Although the USPS has announced that there will not be a 2010 price increase for First Class Mail, standard mail, and periodicals, the wounds from the May 11, 2009, postal rate increase have resulted in a continuing sensitivity to distribution costs and the substitution of e-products for print. The post office is both print’s strategic partner enabling the delivery of a targeted message to a single individual address or a mass market message to all or any combination of addresses. At the same time, the USPS’ changing mail processing requirements and bureaucratic ineptness is a detriment to print often tilting the circulation of information toward e-alternatives. To overcome the growing e-product bias, print in 2010 will be under pressure to speed up production, reduce costs, and to innovate by developing new print products. Individual printers and the industry’s suppliers need to improve their abilities to sell the virtues of print.

Effective reductions in print production costs and production cycles depend upon workflow improvements and the implementation of recent and new print production technologies and equipment. Although digital printing has spawned some new products, print overall has lacked in innovative product development while print substitutive web-products have developed a flash and pizzazz that attracts both readers and advertisers. New print product development requires innovation, some risk-taking and in many cases relatively new technology and equipment. With a substantial majority of operating pressroom equipment more than 5 years old and much of it 10 years or older, the technology for product innovation does not exist in many plants.

New and improved technology, software, and equipment enabling improved workflows, cost and time reductions, and the creation of new print products were very much in evidence at Print 09. The number of operating digital presses on the floor of the show far outnumbered the traditional offset presses being shown. Although offset web and sheetfed presses still dominate the industry, the majority of new press sales in 2009 were full color digital equipment.

Overall Print 09 was a harbinger of an emerging *New Era in Print*. The trend is clear and will accelerate when and as the economy improves. Paying attention to industry changes and evolving trends as well as technologies now helps to prepare printers for post-recession market demands and opportunities.

Back to Print 09 and the Future

Print 09 is history and Graph Expo 2010 and a new round of technology and products is on the horizon. Printers can prepare for coming changes by examining the highlights of Print 09 and the products identified in the Must See 'ems program as important for profitable survival. The comments and slides which follow were extracted from Bill Lamparter's September 30, 2009, post Print 09 Technology Symposium.

What Kind of a Print Show Was It?

- It was a Software Show
- Operating production color digital presses outnumbered conventional offset equipment
- It was a show that was as much about the business of print as the production of print
- It was a show that highlighted suppliers partnerships and cooperation
- It was a show with purposeful attendees

What Kind of a Print Show Was It?

- It was a show that highlighted suppliers partnerships and cooperation
  - HP and Donnelley – technology ink jet partnership
  - HP and Pitney Bowes for ink jet press
    (also partners with Riso – HC 500 color ink jet)
  - Pitney Bowes color envelope printer from HP
  - HP and Timsons – ink jet book press
  - Riso (ink jet) and Kirk-Rudy – full color inline MICR – MIR-Mate
    - inline KR envelope feeder
  - Rosetta Technologies and InfoPrint – MICR printing
  - EFI and xpedx – joint technology sharing for EFI
    - print management software (PrintSmith)
  - Server and digital press manufacturers
  - Digital press and binding/finishing manufacturers
  - X-Rite and Compose Systems – "dot-for-dot ink jet proofs"
  - Pantone and many – color systems

What Does It Mean to You?

- **Traditional suppliers broaden product lines**
- **Print equipment buyers must understand who is responsible for what**
  Sold by one, serviced by another

What Kind of a Print Show Was It?

- **Print 09 was about**

  The New Era of Print

- **It was a show about the technology of**

  The New Era of Print

PrintCom's analysis of the technologies that will be featured in the products presented at the show starts several weeks before the show doors open. The technology analysis focuses on production technologies and methodologies that the Must See 'ems Selection Committee identifies as essential for the profitable survival and growth of individual printing companies. Not surprisingly, this analysis clearly shows that printing production has become computer-centric. Computer utilization has become a key factor in the following printing functions and activities:

- Interfacing with print buyers
- Web communication
- Handling of content
  - Fixing, correcting and updating
  - Repurposing for other media
  - Handling/preparing data for variable digital printing

- Automating Production
- Statistical Process Control
- Expanding Services
  - Digital Asset Management
  - Addressing/Mailing
  - Fulfillment
  - Distribution
- Running the Business
- Materials Management
- Inventory Control

Recognizing the expanding role of the computer, the Selection Committee identified the following top 10 technologies as survival-critical and the hallmark of most profit-leader companies.

<u>Print's Top Ten Technologies</u>

1 Information Technology*
1 Web-to-Print*
1 MIS*

4 Digital Printing
5 Workflow

6 Color Management*
6 Cross-Media Production*

8 Automated Equipment
9 Customer Relationship Management (CRM)
10 Preflighting

* Tie Vote

In an-equal importance result, three technologies --- IT, MIS, and Web2Print software systems were identified as the underpinnings of computer-centric manufacturing as well as the hub of the business side of print by the Must See ‘ems Technology and Product Selection Committee. This year’s annual analysis took into account multiple media competition, increasing print production costs, the need to be more customer responsive as well as diversification and digital related opportunities.

The technology analysis revealed useful insights into the workings of print operations. It was found that while emerging software provided the ability to harvest more data, turning that data into useful action items was lagging. While most printers were found to have some form of Management Information System, many systems were very basic and in a large number of instances, even top-of-the-line systems were rarely utilized to their full capabilities. A scan of the list of the next top seven print technologies reveals that at least some degree of computer competence is required for the most effective utilization of most of the important developments.

The analysis surfaced an industry problem of growing criticality. Few print operations have the necessary knowledge and range of software skills beyond the operational basics to fully and effectively implement the range of technologies available that can provide for efficient operations, diversification, and the opportunity to prosper in a changing industry. While there are some outstanding exceptions, most printers lack the software analytical skills necessary in a computer-centric environment.

Garnering 19 combined Must See 'ems and Worth-a-Look product recognition awards, variable data digital printing, which is a computer driven printing process, was selected as the 4th most important and compelling technology. Digital printing was closely followed by workflow in the 5th spot as it applies to all processes and printing plant functions.

In a tie vote, selection for the 6th slot on the technology list is color management and cross-media production. The proper management of color to create accurate realistic and eye-catching material can provide an advantage for print over e-media whose color output is subjected to a wide range of variation. Being able to provide content in a variety of media formats is becoming increasingly desirable moving toward necessity and providing the printer that can do this with a growth opportunity.

The use of automated equipment to speed production and reduce costs is in the 8th spot on the technology list. Rounding out the list is customer relationship management and preflighting.

The top ten technologies were discussed in the Graphic Art Monthly's "Sneak a Peek at the Technology" pre-show webinar which has been archived. For a more comprehensive review of the Top Ten, go to www.graphicartsonline.com/print09mustsee_ems.

Must See 'ems Products

In the *New Era of Print*, digital printing is attracting the most attention, but don't count lithography out. Litho is still the dominant printing process, although losing process market share to digital printing a trend that will continue until the utilization of both processes is about equal.

The process equality split is expected sometime in the 2014 to 2017 timeframe. While some journalists cited Drupa 2008 as the Digital Drupa or Ink Jet Drupa, PrintCom analysts described the Düsseldorf-based international trade fair as the resurgence of lithography because of the large number of offset process improvements and new presses introduced at Drupa.

New advanced ink jet presses shown at Drupa --- many of which were not commercially available --- signal speed and quality improvements that will move that technology into the mainstream of digital printing expanding sizable applications and taking process share from offset.

HP and Kodak high speed and quality output ink jet presses not commercially available at Drupa and not shown at Print 09 are now in limited commercial release. Since Drupa Océ has expanded their line of digital ink jet and along with Screen and InfoPrint did show ink jet presses at Print 09.

PrintCom analysis of process market share updated to the end of 2009 follows. To understand the process share data, it is important to read the footnotes, keeping in mind that the data shown is relative share of market by process and not the total size of the markets. While digital printing --- on press digitalography eked out some growth in 2009, its somewhat larger share of the process market also reflects a decline in lithography volume.

PrintCom CONSULTING GROUP
Charlotte, North Carolina

U.S. Printing Process Market Share ----- **2007 – 2017**

(as a percent of producing printers' printing sales dollars less substrate and non-print service values)

	Actual*			Forecast			Long Term Outlook
	Final	Final	Preliminary				
Printing Processes	2007	2008	2009	2010	2011	2012	2014 to 2017
All types of Lithography	**42**	**40**	**39**	**38**	**36**	**34**	**31**
Conventional/Analog Lithography	41	39	38	37	35	33	20
Direct Imaging (DI) Lithography i.e., fixed image or direct to plate on press	1	1	1	1	>1	>1	1
Gravure	**15**	**>14**	**>14**	**<14**	**<13**	**<12**	**11**
Flexography	**>21**	**22**	**22**	**23**	**24**	**<24**	**21**
Screen & Other Plate Processes	**>2**	**>2**	**>2**	**2**	**<2**	**>2**	**<2**
Hybrid Presses	**<3**	**>3**	**>3**	**>3**	**4**	**<5**	**>4**
On Press Digitalography variable image (VI) printing	**>17**	**<18**	**<19**	**20**	**>21**	**23**	**31**

Statistical Notes: * The data for 2008 was finalized as of 7/31/09. All percentage estimates are rounded to the nearest whole number and may not total 100% as a result of rounding. The symbols > (more than) and < (less than) are used to indicate a value of less or more than 1% which is not measurable to a finite degree. All process market share actual volume and forecasts include mono-color, spot and process color printing. Estimates are calculated as a percent of producing printer sales dollars, less substrate value thereby eliminating process relative volume bias caused by differing and fluctuating values of substrates. The calculations were in 2008 dollars. In addition to printers' sales dollars less paper and non-print services, the market share analysis is also based on extensive trend data, paper, ink, and plate consumption data, market information, surveys, supplier provided information and an analysis of the underlying technologies as well as product type applications

Print markets included: all informational, commercial and inplant printing (except office copying and non-graphic arts desktop computer output); custom-produced office products (i.e., stationery, envelopes, social); all package printing except brown box corrugated and direct printing on metal cans and plastic containers.

Markets excluded: Business data processing (i.e., non-graphic arts) computer output (including transactional and in-office printing); decorative printing including metal decorating, wallpaper, gift wrap; general office products; brown box corrugated and direct printing on metal cans and plastic containers; rigid materials; printing on goods such as wood, laminates, auto parts, etc.; all fabric printing; and wide format digital printing. The analysis is for printing, excluding content preparation and starts with the use of an electronic file or reproduction copy for print and excludes postpress operations.

Between now and Drupa 2012, PrintCom expects to see new digital press market entries and a battle for process market share between improved lithography, toner digital and ink jet digital. Drupa 2012 is expected to be a true digital show with significant improvements in current digital technology and major new digital press product introductions. It will be after Drupa 2012 that the digital products are widely implemented leading to an almost equal market share between traditional offset and digital.

What this means to the producing PICA printer is a need to update processes, carefully selecting the methodology that best meets the requirements of the individual printer's markets. This will not be an easy task requiring analysis, risk-taking, and capital investment. It is PrintCom's position that conventional but improved lithography, toner digital and ink jet digital will share in production methodology with the 'right' process dependent on the application. Current research shows that already a large number of sheetfed printers also have digital printing equipment.

The following slides from the late September 2009 PICA Technology Symposium show the traditional litho press and digital press Print 09 Must See 'ems selections.

The 2009 Traditional Litho Press
Must See ‘ems Selection

Offset Lithography – Sheetfed Must See ‘ems

- Heidelberg – Speedmaster XL 75 – 10 P+L
  with Impress color and register control
  Impress Control recognized in 2008 – an Encore selection

- xpedx/Ryobi – 756G XL – 6 unit
  31” x 23.6” paper size – 6 up letter size
  16,000 sheet per hour
  LED-UV curing

- xpedx/Ryobi – 1050 6XL – 6 unit
  available in 4 or 5 units
  42.7” x 30.7” paper size – 40” class
  16,000 sheet per hour
  aqueous or UV coating

The 2009 Traditional Litho Press
Must See ‘ems Selection

Offset Lithography Press Accessory

- Mitsubishi Lithographic Presses –
  Diamond Color Navigator
  Simplifies fine tuning of color
  with a touch screen color wheel
  Also other basic press control functions

Direct Imaging Offset – Sheetfed

- Presstek – Direct Imaging DI Digital Offset Press
  52 DI-UV and 34DI – UV

The 2009 Traditional Litho Press Must See 'ems Selection

Offset Lithography Press Accessory

- Mitsubishi Lithographic Presses –
  Diamond Color Navigator
  Simplifies fine tuning of color
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  Also other basic press control functions

Direct Imaging Offset – Sheetfed

- Presstek – Direct Imaging DI Digital Offset Press
  52 DI-UV and 34DI – UV

Offset Press Controls – Press Accessory

- Heidelberg – Prinect Press Center
  Including Intellistart navigation system
  WallScreen – Overview LCD monitor

Digital Press Encore Must See 'ems

Encore Must See 'ems Selections from 2008

- Hewlett-Packard - Indigo 7000 Liquid Toner Color Press
- MGI - DP60Pro VDP Toner Color Press
- Xerox - iGen4 VDP Toner Color Press

Encore Worth-a-Look Selection from 2008

- Xerox - 700 VDP Toner Color Press

Digital Presses

2009 Must See 'ems Selection

Production Black and White

- Xerox - 1300 Continuous Feed Printing System
  Pairs two Xerox 650 engines to perfect
  1,308 duplex pages at 1200 x 600 dpi
  Fine particle toner – flash fusing

- Xerox - Nuvera 288 Book System
  Print Product Introduction
  Inline, end-to-end perfect bound books

- Océ - VarioPrint 6320 Ultra
  Print Product Introduction
  High Speed B&W, can produce up to 3,000 6" x 9" book blocks in three 8 hour shifts

Digital Presses

2009 Must See 'ems Selection

Production Color

- Hewlett-Packard - Indigo W7200 – First shipped 9/09
  Continuous feed twin-engine design produces 240 full color letter size pages per minute. Pantone emulation through 4, 6, and 7 liquid toner colors mixed on press

- MGI Digital Graphic Technology – Meteor DP20
  A four color powder toner press that prints, laminates, creases and cuts in a single pass.

- Océ - Jet Stream 1000
  Produces 1,074 letter size pages at 600 x 600 dpi per minutes.
  Paper widths of 20.4 and 20.5

Digital Presses

2009 Must See ‘ems Selection

Production Color

- Ricoh - Pro C900/Creo Controller C-80
  Print Product Introduction
  Delivers 90 ppm at 1200 x 1200 dpi to a variety of inline finishing equipment

- Riso - ComColor 9050
  Print Product Introduction
  Delivers 165 letter size pages per minute
  Maximum image area 12 3/8” x 21 9/16”.
  Prints 4” x 6” to 10” x 13” envelopes at about 85 per minute

- Pitney Bowes - Envelope Messaging System
  Using HP technology, the Pitney Bowes system is an inline process on a high speed inserter to produce full color envelopes

Digital Presses

2009 Worth-a-Look Selection

Production Color

- Canon - Color imageRunner Advance C9075 Pro – New in 09
  Print Product Introduction
  Delivers 90 ppm at 1200 x 1200 dpi to a variety of inline finishing equipment

- InfoPrint Solutions – InfoPrint Pro C900 AFP
  Designed for users transitioning from B&W to color

- Olympus – Op1 – CS Color Web Ink Jet Printer
  Print Introduction
  A 108 fpm web input to sheetfed perfecting ink jet printer.
  Delivers sheets, rolls or perforated rolls at 300 dpi – 8 level gray scale at a speed of 308 ppm.

Digital Press Packaging

2009 Worth-a-Look Selection

- Agfa – Dotrix Modular

  Full color UV ink jet digital press designed for folding cartons, flexible packaging, POP, and labels. 120 fpm web width of 25.6”. Roll-to-roll or roll-to-sheet.

- Xerox – iGen4 Automated Packaging Solution – Print 09 Introduction

  Designed for short run packaging. Delivers packaging blanks ready for folding and gluing. Includes an Epic Cte – 635 coating unit for aqueous and UV coating.
  A Stora Enso stacker-conveyer and a diecutter developed by Kama for Stora Enso.
  Sheet size 22.5” x 14.33”

A sampling of other Print 09 Must See ‘ems products follows. A full listing of Must See ‘ems product selections with a detailed description of each product can be found on the web at www.mustseeems.com.

Software

Of increasing importance –
Difficult to classify
Visible and Product Embedded
Invisible

- 4 Must See 'ems 11 Worth-a-Looks
  and many more
- Difficult to evaluate on show floor
  or on an internet demo
- Software buyers should probe and understand the breadth, capabilities, and idiosyncrasies of any software as well as support requirements.

See a demo in a plant like yours

Software

Of increasing importance – difficult to classify
Visible and product-embedded invisible

Software

GMG Americas ColorServer Plus	Print 09 Introduction Color Management
Lake Image Systems Integra Vision PQ	Print 09 Introduction Image Management
LithoTechnics, Inc. Metrix® Server, version 1.0	First Shipment 12/09 Production Planning
MindFireInc. MarketFire	Print 09 Introduction Cross Media

Management Information Systems

Worth-a-Look!

Avanti Computer Systems Direct Mail Module	First Shipped 8/09 Direct Mail Management
Dims! organizing print, Inc. Enterprise	Print 09 Introduction Multi-plant Integration
Dims! organizing print, Inc. Net! 1.0	Print 09 Introduction ERP Automation
EFI PrintSmith v8.1	Small Shop MIS

Postpress

Must See 'ems!

MGI Digital Graphic Technology Jetvarnish	Print 09 Introduction Digital UV Spot Coater

Worth-a-Look!

Bobst Group North America Commercial 106-E Diecutter	Automated Diecutting
Graphic Whizard, Inc. Vividcoater-Micro	First Shipped 5/09 UV Coating

Individual Products

Must See 'ems!

EFI XFlow v4.0	Print 09 Introduction Workflow
Just Normlicht Inc. Just LED Color Viewing Light	Print 09 Introduction Lighting
X-Rite, Inc. EasyTrax Scanning System	Print 09 Introduction Scanning Spectrophotometer

Future Print

Products still being developed –
at Print 09 but not commercially available –
no firm dates

Konica Minolta –	Toner digital press Polymerized toner under development 80 – letter size ppm Twinned for duplexing – ½ speed
Fujifilm	Sheetfed Ink Jet Press
Xerox	iGen4 220 Perfecting Press

Not at the show – talked about

Xerox – GelJet – Solid Ink Color Production Press

<u>**Surviving in the *New Era of Print***</u>

Although print volume continues to decline and the number of producing print plants shrinks to fit the market size, improved and new technology enabling print to compete in an e-centric world continues to come to market. It was the hallmark of Print 09 and the technology avalanche is likely to continue at Graph Expo in September 2010.

The key question is what are you as a printer going to do about the changes engulfing the industry leading to the *New Era of Print?*

The answer is straightforward for most printers --- participate or die! Recognize that post-recession print will be significantly different for most than pre-recession print. The change has started --- those that do not participate in the change are likely to become a victim of the industry shrink.

How do you participate? There are several answers --- take your primary customers' pulse so that you know what their chances of survival are and if they are likely to survive and when will they have what new requirements that you as a printer must provide in order to retain and grow your business.

Watch your competitors and protect your accounts. Aggressively seek new business now, preferably with cutting edge products and services.

Analyze your personnel and equipment capabilities identifying and remedying shortcomings --- easier said than done, but survival essential.

Educate yourself and at least your key executives if not all members of your company in order to stay on top of changing business requirements as well as production technologies. This can be accomplished through listening to PICA webinars, attending supplier webinars and trade programs, visiting supplier demo centers, and reading reports and analysis of trade shows and conferences. You may not wish to attend Ipex in Birmingham, England, this spring, but Graph Expo (October 3-6, 2010) in the fall will offer a large number of educational sessions including the all-day-before-the-show-opens Executive Outlook Conference as well as a full curriculum of seminars and vendor-produced on the exhibition floor instructional sessions. The show, itself, of course, offers an opportunity to compare and hug the newest equipment and technologies.

Survival may not be easy but it can be rewarding and profitable.

Welcome to the *New Era of Print*!

PICA's Curmudgeon analyst, Bill Lamparter, is president of the PrintCom Consulting Group, which offers management, marketing, business planning, technical/economic evaluations, consulting, and research for printers and suppliers to the printing industry. PrintCom analysts conduct equipment and business evaluations and participate in or lead acquisition and divestiture due diligence. The Group's wide range of services is made possible by a staff of 16 senior level independent consultants who work for PrintCom on an assignment contract basis. PrintCom services are available to PICA members at special discounted rates. Additional information as well as commentary about this web posting are available by contacting PrintCom at 704-843-5350 or at PrintCom@aol.com.