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About Us

InfoTrends/CAP Ventures is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industries. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses. Learn more about our company, visit www.capv.com.

Corporate Printing Services: The European In-Plant Printing Opportunity

- Size of Market
- Equipment Acquisition Plans
- Buyers and Decision Makers
- Outsourcing/FM Prospects
- Paper Usage

Introduction

What is actually being printed inside the European corporate in-plant shop today? How fast is the migration to digital printing occurring? Is the much-vaunted consolidation of the Central Reprographic Department (CRD) and the Data Centre Print Department happening on any significant scale? What are CRDs, copy centres, and in-plant printing facilities and how many of these exist in Europe? What role does the mailroom play in copy/print services? These are a few of the questions this study addresses as it probes one of the least understood market segments in the printing industry.

Historically, the in-plant print shop was a collection of cameras, plate makers, offset presses, analogue copiers, and duplicators with an assortment of finishing devices, and was usually located in the basement of an obscure corporate building. With the increased prevalence of digital workflow and the fact that most of today's business documents are created digitally, however, a quiet transformation of in-plant printing services is currently underway.

Project Objectives

This study examines the full range of corporate printing services, from Central Reproduction Departments to the mailroom that also performs production copying and printing. It determines what is really transpiring in the world of corporate printing services, defining the various segments of the corporate printing services market and providing insight into what is produced on-site versus off-site and why. It also probes the speed and nature of the migration to electronic distribution of internal and external corporate information at the expense of overall print volumes, as well as the impact of the proliferation of distributed multifunctional peripherals on print volumes in centralised corporate print services facilities.

This study determines the current penetration and volume of digital printing in Europe and the expected future share of monochrome and colour volumes. The results from this study will help our subscribers better define opportunities in the market and formulate a vision of the European in-plant shop of the future.

In-Plant Printing Defined

InfoTrends/CAP Ventures uses a consistent methodology in tracking establishments. To provide consistency with other standardised market data sources, our definitions of the industries and establishments are based almost directly on international classification standards.

An establishment is a single physical location at which business is conducted. It is not necessarily identical to a company or enterprise, which may consist of one or more establishments. This definition contrasts with "firm" or "company," which defines all establishments at all locations under common control.

Our definition of an in-plant includes departments within an establishment that are primarily engaged in reproducing text, drawings, plans, books, brochures, presentations, directories, or other copies by blueprinting, photocopying, mimeographing, offset printing, digital printing, or any other methods. The primary business of the establishment is anything but printing or print-related services.

InfoTrends/CAP Ventures estimates that there are more than 10,000 in-plant or CRD establishments in Western Europe. When ranking the number of professional print establishments, in-plant printing establishments are only second to commercial printers. Unlike commercial printers, however, in-plant printing establishments do not have a separate statistical classification and are frequently overlooked by printing associations and other trade sources. Therefore, little information exists on an important application area for traditional and digital printing equipment. Our definition of a production establishment is one that has a dedicated operator who primarily prints the work of others. We do not limit it based on the type of installed equipment.

Why the In-Plant Market Is so Critical

The in-plant market is probably the most underestimated user of digital printing equipment. The in-plant market helped drive the adoption of black and white digital printing and has been the target of facilities management and outsourcing firms. InfoTrends/CAP Ventures estimates that the in-plant segment accounted for 40% of POD high-speed monochrome cut sheet installations in Western Europe in 2003, and just under 40% of all 24+ ppm production colour placements. At the same time, in-plant establishments are among the main users of mid-range monochrome and colour printing/ copying equipment.

In 2003, almost €1.04 billion of the total in-plant print services revenue was under a facilities management agreement. Despite representing a smaller revenue opportunity than the U.S. market, revenue per impression and total margin for print services is up to 7% higher for many comparable applications. As a result, facilities management printing services remain a compelling source of profitability for major providers.

Who Should Subscribe

- Print Equipment vendors and suppliers of:
 - Digital printing solutions
 - Traditional printing
 - Supplies (including paper and graphic arts supplies)
 - Finishing and mailing equipment
- Facilities management and other outsourcing providers in the document services space
- Software solutions providers to the graphic arts industry, including:
 - Front-end software providers
 - Content technologies providers
 - Job submission and production tools providers
 - Print and print management tools providers
 - Print e-business infrastructure providers
 - Archiving and distribution services
 - Variable data tools
 - Postal automation tools
- Corporate executives concerned with trends in corporate printing services
- Corporate printing services professionals
- Commercial and quick printers interested in understanding how in-plant printing trends may impact their current and future business potential
- Corporate managers, document owners, and print buyers seeking information on the future of business communications

How This Study Can Benefit Your Organisation

This study is designed to profile the corporate printing service market in Europe and evaluate current and emerging trends. The results of this study provide information to help you:

- Prioritise product and market opportunities
- Understand the size and growth potential of the corporate printing services market in Europe
- Understand how the market is segmented
- Understand the trends impacting the corporate printing services market
- Identify new business opportunities
- Support product and service strategic planning
- Improve sales and marketing activities in key market segments
- Understand the purchasing process and the impact of technology on that process
- Identify who is responsible for determining how corporate printing services will be provided
- Understand customer perceptions and requirements
- Determine service and support requirements
- Identify potential growth opportunities and value-added document services
- Determine pricing strategies

Questions this Study Will Help Answer

InfoTrends/CAP Ventures' study entitled *Corporate Printing Services: The European In-Plant Printing Opportunity* is designed to answer the following questions:

- What are the types of corporate printing services being delivered in-house in today's market, and how will those services change over the next several years?
- How big is the market for in-plant printing facilities in Europe?
- What is the regional distribution for in-plant printing establishments in Europe?
- What are the various internal production facilities as defined by our definition of a facility having a dedicated operator who primarily prints the work of others?
- How do these services and the rate of change that they are experiencing vary by industry?
- What is the true impact of outsourcing on corporate printing services departments?
- Under what circumstances do corporate printing service departments utilise external resources?
- What role do they play?
- How common is the practice of "insourcing," or selling the services of in-house corporate printing operations to external customers? Where insourcing has been successful, what percentage of revenues and volume does this work represent?
- What are the reporting structures of the various in-house printing services? How are their budgets derived?
- Do they charge back for their services? If so, what criteria do they use for establishing chargebacks?
- To what extent do corporate printing services have the right of first refusal on the production of corporate printing?
- What procedures and approval processes are followed by users wishing to avail themselves of external production resources?
- For work that is outsourced, is there any enterprise management process for that outsourcing? To what extent does the corporate print services department manage the outsourcing process?
- How is the corporate printing services market segmented, what share of the market does each segment hold, and what is the impact of the transition to digital on services overall?
- What is the mix between offset and digital, and colour versus black & white, and how is that mix trending?
- By segment, how is a typical in-plant configured, and what is the market share by vendor for installed printing equipment?
- What role do in-plant shops play in supporting workgroup activities in the organisation?
- Which organisations view output in a holistic manner from the desktop through outsourcing?
- What is the anticipated impact of 1:1 print output and where it will be printed in the future?
- What are future printing equipment purchase plans and who are the preferred vendors?
- What value-added services do in-plant production centres offer today and what will they offer in the future?
- What are the differences in types and sizes of in-plant shops by vertical market category?
- Will in-plant facilities adopt more digital colour solutions and to what extent do they do this today?
- What applications drive print volume?
- What is the interest in a Universal Copier/Printer product that produces colour and monochrome pages at competitive prices?
- What MIS/ERP solutions do businesses use or plan to use?
- What substrates do these companies use? How are they inventoried and purchased, and what changes will occur around substrates?
- How do trends and applications differ in the main European countries?

Critical Results of the Study

To achieve the objectives described above, InfoTrends/CAP Ventures will survey corporate print services professionals to discuss the following topics:

- Company size (revenue, employees)
- In-Plant Print Department (budget, revenue, employees, etc.)
- Equipment configuration and workflow
- Type and number of sites by segment (i.e. CRD, in-plant print shops, satellite copy centres)
- Key internal customer departments and percent of volume/revenue represented by each
- Position of corporate printing services department relative to insourcing, and volumes insourced
- Relationship of corporate print services department to printer/copier fleets
- Policies, practices, and procedures relative to outsourcing print-related activities and percentage of work outsourced
- Relationship of the corporate print services department to third-parties with corporate print management responsibilities (i.e. ad agencies, design firms)
- Role of the corporate print services department in corporate business communications strategies, including print
- Usage characteristics by vertical industry:
 - Manufacturing
 - Financial Services/Insurance/Banking
 - Government
 - Education
 - Telecom/Utilities
 - Healthcare
 - Retail/Wholesale
 - Business Services
- Status of corporate initiatives for strategic sourcing of print
- Impact of electronic distribution of information on corporate print services departments
- Extent to which corporate print services departments are participating in cross-media activities
- Convergence, if any, among corporate print services segments (i.e. data centre to CRD conversion)
- Role in-plants play in overall output strategy of a corporation
- Interest in outsourcing/facilities management
- Current penetration of outsourcing/facilities management
- Current and expected future use of digital printing technology (monochrome and colour)

Research Methodology

The research includes discussions with corporate print services managers, including managers of print and mail operations, to understand the structure and configuration of corporate printing services, the extent to which outsourcing is used or planned, and the process by which users can choose to utilise outside resources. These discussions will cover current state and future plans, and will include planned spending for equipment software and services.

Ultimately, the research defines today's corporate print services environment, identifies trends impacting these operations, and develops a picture of the corporate printing services department of the future. The study serves to guide corporate print services professionals as well as suppliers to this segment in structuring an effective portfolio of offerings to meet new and emerging business requirements.

Desk Research

InfoTrends/CAP Ventures will conduct a thorough examination of existing market information on the corporate print services market. InfoTrends/CAP Ventures utilised a variety of sources including:

- Industry trade associations and trade publications
- Government agencies
- Published industry reports
- Employment statistics
- Periodicals and trade articles
- Industry databases
- Web sites
- Vendor white papers
- User groups
- Research reports

InfoTrends/CAP Ventures will also review research it has previously published as part of its continuous consulting services. Relevant research reports include:

- Western European Document Outsourcing Annual Forecast
- Western European Print On Demand Market Annual Forecast

Survey of 400 Corporate Print Services Professionals

A survey of professionals within the corporate print services sector will be critical in assessing strategic direction for these operations, including scope, size, organisational trends and strategies, document distribution strategies, sales process and pricing trends, and perceptions on unmet market needs and emerging opportunities. These interviews will be primarily focused on medium-sized and large corporations that offer a range of corporate print services, aiming for a representative sample of key industries and establishment types. Countries surveyed will include France, Germany, Italy and the United Kingdom, with 100 interviews completed per country.

Analysis and Project Deliverables

The study provides an extensive analysis of the desk research, personal interviews, and surveys to develop a comprehensive understanding of the opportunities and issues presented by the corporate print services market in Europe. The research clearly defines and details this little-understood segment of the printing industry, including market size and potential.

Clients will receive a combination of a report, presentation material, and data for senior management, product managers and planners, and sales and marketing executives. The material will include:

- An executive summary that addresses key issues, findings, and overall conclusions and recommendations
- A detailed written report (approximately 200 pages) with text, charts, and graphs addressing the objectives of the study
- A PowerPoint presentation for internal communication of the research results
- A data book of the survey research for additional analysis of key questions and market segments
- Market segmentation and opportunities for internal and external print services providers in the corporate print services market space
- A discussion of the key elements of a business plan for corporate print services providers as they guide their operations into the future

Project Schedule

InfoTrends/CAP Ventures intends to begin this project in June 2004. The project will be completed with material distributed in December 2004. Throughout the course of the project, InfoTrends/CAP Ventures will issue regular updates on the project status.

Milestone Completion Week

Questionnaire design: 1 – 4

Desk research: 5 – 10

Surveys with corporate print services departments and end-users: 5 - 15

Data analysis and report development: 16 - 23

Report delivery: 26

Note: No interviews will be conducted in August due to European Summer holidays.

Terms and Conditions

Liability for Advice

Although reasonable efforts will be made by CAP Ventures to ensure the completeness and accuracy of the information contained in written and oral reports in connection with the proposed study, no liability can be accepted by CAP Ventures for the results of any actions taken by the client in connection with such information, opinions, or advice.

Copyrights

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Confidentiality

InfoTrends/CAP Ventures will use its best efforts to ensure that any confidential information obtained about the client and its business during the course of the proposed study is not, unless agreed otherwise in advance, disclosed to any third party without the prior written permission of the client. CAP Ventures retains the right to re-use any non-proprietary information as part of our on-going analysis of the print buyer market.

Timely Delivery

CAP Ventures will take all reasonable steps to ensure that the time scales called for by the proposed study are met in accordance with the agreed schedule, but no liability can be accepted for the consequences of delays, howsoever caused.

Terms

One half of the fee upon initiation and one half upon report delivery.

Acceptance

Corporate Printing Services: The European In-Plant Printing Opportunity

- I would like further information. Please have a representative call.
- Please enter my order as follows:

Technology provider – Primary business is printing equipment manufacturer, software and systems vendor, paper manufacturer, and equipment and supplies distributor or provider of facilities management/outsourcing services.

Commercial Printers – Primary business is commercial printing they do not sell or distribute any hardware or software solutions to the trade.

- Report €12,500
- Personal presentation €2,500 plus travel expenses

VAT Number: _____

Purchase order number: _____

Signature _____

Name _____

Title _____

Company _____

Address _____

City, State, Zip _____

Telephone _____

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Fax the completed form to +44 1582 411001.