

The Imaging Network Group would not be all it is today without the enduring support of our valued partners. Thank you.



A special thanks goes out to INg member FSSI in Santa Ana, California for printing and distributing this newsletter.



The Leading Edge is published bi-annually for members of the Imaging Network Group, its partners and the imaging industry.

imagingnetworkgroup.org

Executive Offices
Shelly Anderson
 Executive Director
 Imaging Network Group
 PO Box 102
 Indianapolis, IN 46206
 404-310-2250
sanderson@datamatx.com

Noel Ward
 Newsletter Editor
 2 Brimstone Hill
 Amherst, NH 03031
 Tel: 603-672-3635
noel@brimstonehill.com

Board of Trustees

President
 Dave Henkel
 Johnson & Quin
 Chicago, Illinois

Joe Axe
 NBS
 Eagan, MN

Tim Delaney
 Laser Print Plus
 Columbia, SC

John Deitz
 FSSI
 Santa Ana, CA

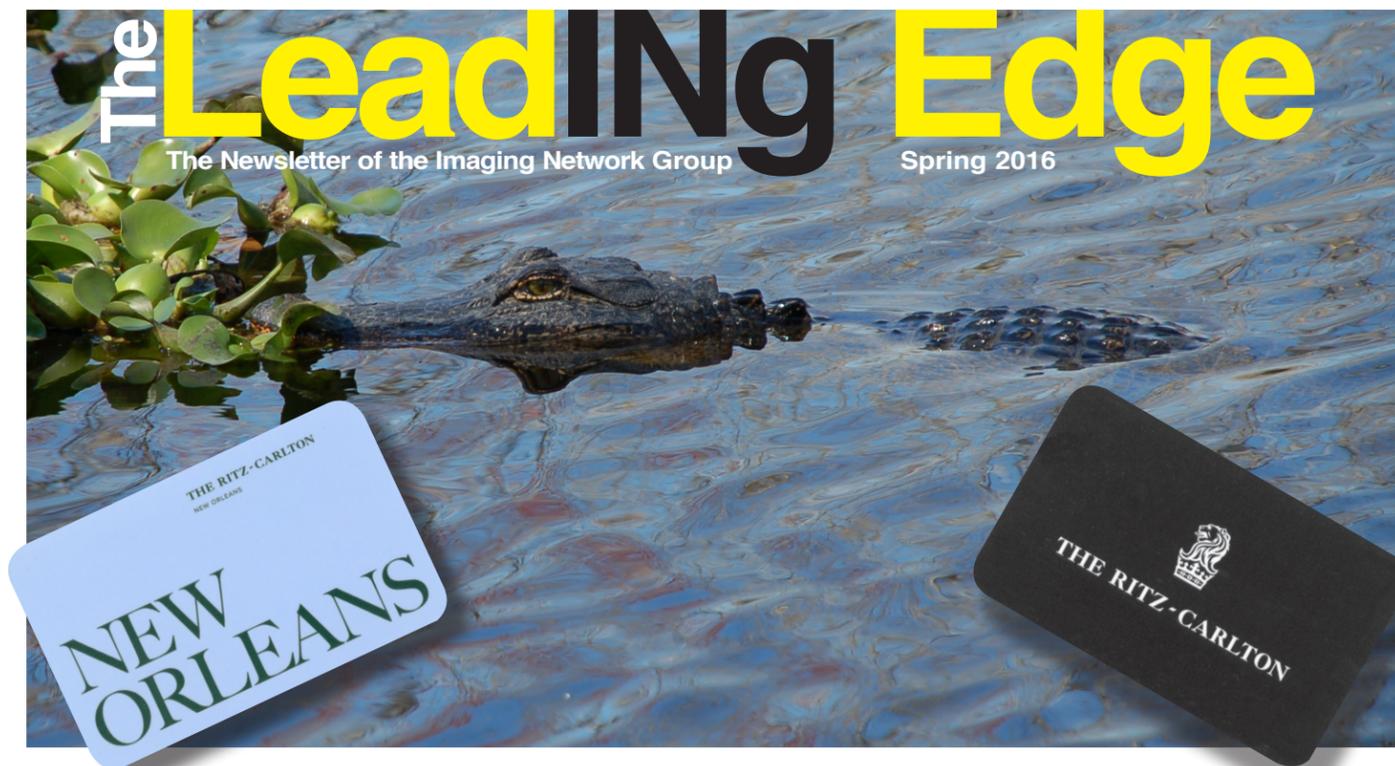
Marianne Gaige
 Cathedral Corp.
 Rome, NY

Patrick Maurer
 Apex Revenue Technologies
 St. Paul, MN

Harry Stephens
 DATAMATX
 Atlanta, GA

JP Thomas
 Allison Payment Systems
 Indianapolis, IN

Fred VanAlstyne
 Content Critical Solutions
 Moonachie, NJ



New Orleans. The Big Easy. N’Awlins. The Crescent City. But however you say it or think of it, NOLA is unique in all America. Below sea level, it’s renown as an old-style party town with a inimitable mix of fantastic venues for eating, drinking, carrying on, and hearing blues and jazz that simply can’t be heard anywhere else. Its French and Creole history is flavored with spicy shrimp and gumbo, with beignets and chicory coffee never far away.



So after forums in Tucson and Orlando the growing INg family landed in this southern city for three and a half days of networking and idea sharing, balanced out by a swamp cruise chasing alligators and turtles. There were new members, prospective ones checking out the value that comes with INg, and a welcome back to Ricoh as a vendor partner after a year of absence. It was a fine event, and if you happened to miss it, here’s how it went down.

Strengthening your business through global connections

Software trends

With breakfast still on everyone's plates, Friend of the Group **Dan Adler** of DA Digital led off the conference with a look at software trends. He provided a short tour of the issues surrounding...



- *Automation*, which has different meanings for each vendor. Ask questions to find out what an offering means to you.
- *Dashboards*, the trendy windows into job production vary widely by vendor. Be sure to understand what you're getting.
- *Multi-channel*, another buzzword with differing meanings and ways of delivery. Find out what you're signing up for
- *Marketing data*, to a certain extent, is something bureaus can offer customers, but be sure to understand how to best leverage the data you have so you can add value for your customers.
- *DFEs (RIPs)* are "just" boxes and software, but it is vital to fully understand all the functions and limitations, such as real-time RIP speed, how imposition is handled, how clean PDFs are generated, and the level of operator knowledge and skill required.
- *MIS Software*—which was once a back office system—is becoming integrated into the RIP. Be sure to allocate time, money and people for proper integration, and make sure you understand what you're getting so you can add value for customers without surprises.
- *The Cloud* is offering a lot of value as MIS, color management, remote diagnostics and other functions have migrated to the Cloud, but security is paramount, as is knowing what parts of your operation can best benefit from the Cloud—and which should be kept under your own control.

Finally, small package shipping (a revenue booster for USPS) can be important for bureaus that need to ship things like multi-page statements. There are companies and software that support this need.

Where do you Want to Go?

Fred Van Alstyne of Critical Content Solutions led an open session covering member concerns about industry trends and strategic direction. Not surprisingly, inkjet, followed by finishing systems, were key topics.



With respect to inkjet presses, it was noted that these machines often foment change throughout an organization, involving customer expectations, workflow, color management, and more. Bureau owners have

to be prepared and plan thoroughly when adding these systems. It is often necessary to optimize an operation around a new inkjet press, not simply integrate it into a toner operation. When it comes to finishing, both inline and offline systems are strong players, but it's important to look at the whole process, test thoroughly, and be sure the finishing system is up to handling the throughput of an inkjet press. Not all are! And one heads up: some members reported inline perfining and punching is problematic for some applications. As noted, testing is critical to minimizing surprises.

Cyber Crime, Part 1

One of the newer worries for bureaus is cyber crime, so it's natural that you can buy cyber insurance policies that provide a modicum of protection. But this purchase can be anything but straightforward. A panel led by **Dave Henkel**, had **Tim Delaney**, **JP Thomas**, and **John Springthorpe** at the table, brought up the need for having a detailed understanding of what cyber insurance policy covers and how an insurer may be able to help mitigate security breaches. However, the policies can be ambiguous, vague and packed with exclusions, so know what you're buying. And always, always, negotiate the cost of the policy.



Also, be sure your company meets any common industry security standards. And, if you are partnering with another company, be sure *both companies* have cyber crime coverage. Finally, work with your insurance agent to define the cyber crime policy that is right for your business. And by the way, umbrella policies do *not* normally include cyber coverage.

INg Looks in the Mirror

Always a popular speaker, **Matt Swain** of InfoTrends, with three years of INg member-survey data now in hand, took the floor to provide INg members with a look in the mirror.

While some members have driven shifts from monochrome-only to full-color printing, the shift to full-color transactional printing is not happening as quickly as many industry analysts expected. However, noted Matt, INg members generally expect to be doing more full color work in 2016 at the expense of both mono and highlight color jobs, largely due to the adoption of full color inkjet presses. And, with those presses up and running, inserters and other finishing equipment now top members' hardware shopping



Delivering Value in a Digital Age

Jim Cochrane, chief marketing officer at USPS noted that disruption is the new normal, along with remaining future-ready. The USPS is in the throes of constant change. First-class mail is declining and standard mail not much better, while packages are actually doing fairly well, thanks to the volume generated by Amazon Prime and other online retailers. "There are lots of choices for a company wanting to get their message out there," said Jim. "It's a big challenge for the USPS."



By the time you read this, the exigent rate hike will be history and 2017 may bring see structural changes, steps to eliminate redundancy, and further standards that may better align with mail preparation practices. There's a possibility of a 3rd ounce being "free" for first-class mail and more pieces per pound for standard mail. The issues USPS faces are moving targets, but Jim assured the INg family that USPS is on top of the challenges and seeking solutions.

Cyber Crime, Part 2

As an further reminder about the risks of cyber crime, **George Quinlan** of Equilibrium IT Solutions talked about the threats of cyber crime. There are a host of genuine threats, along with a variety of standards purported to mitigate the risks, but as George pointed out, "Being compliant with the standards doesn't mean you're secure." Bureaus need to do annual formal risk assessments attuned to cyber crime because the bad guys are always upping their games and looking for ways to wreak digital mayhem on financial institutions, healthcare organizations, retailers, and companies that use data—like service bureaus.



Some of what George described seemed more like fodder for movies or novels, but it was clear that bureaus must take decisive steps to ensure they remain secure in the face of risks that are becoming clear and present dangers.



RFP Anyone?

Dan Adler closed out presentations with a roundtable on the RFPs members all contend with. He reviewed some slides from the presentation made by guest speaker Romyne Stevenson last winter in Orlando. Then **Fred Van Alstyne** from Content Critical Solutions talked about his experience working with Romyne on a major RFP. Fred said Content Critical was a David bidding against Goliaths, but they followed the processes suggested by Romyne, created the right kind of materials and answers, and won the business. Best of all, what they learned on can be replicated in the future.



Other members discussed the need on large RFPs to keep the customer honest about what they actually need. And, if the specifications change—which they will during implementation—make sure the working agreement allows you to charge for the changes

Finally, consider your ability to fulfill if you win the bid. If new software and/or equipment will be required, work with vendors ahead of time and be comfortable with the new machinery and software. It may be possible to make vendors part of the RFP process and shorten lead times for delivery of the new resources.

New Members!

INg is growing, and in New Orleans we welcomed leaders from four new member companies, including **Mark Relyea** from Acryness in Mooresville, North Carolina; **Christine Soward** from DMS in Dayton, Ohio; **Amer Gerzic** from Extend Your Reach in Grand Rapids, Michigan; and



Mike Mulcahy from OBRIEN, based in Barrett, Illinois.



It is always a treat when new members join the INg family and we look forward to learning, sharing and networking with them at future conferences and workshops.

And that was a wrap...

Along with a Cajun barbeque, a Zydeco band, a turtle- and gator-spotting swamp cruise, and an inordinate amount of totally spectacular food and drink. And as usual, a good time was had by all. This is INg, and it's what we do!

Next, standby for the September Fall Workshop in Orlando, the day before GraphExpo. Then look ahead to next year's Forum at Loewe's Ventana Canyon Resort in Tucson, Arizona., March 13-17. Details on each to follow, so watch your email **See you all at the Fall Workshop in Orlando!**



Chemistry Mixes Technology & Automation

Automation, another of the software trends Dan Adler noted, is a key part of Chemistry, a new offering from Solimar. **Mary Anne Rowan** described it as a way of bringing order and harmony to many of the disparate, often siloed, processes commonly in play at service bureaus. She said Chemistry works as a CCM tool and dashboard for integrating current Solimar products, while letting business owners see all jobs in process. It also provides automation that enhances accessi-

bility and enables redaction of sensitive information on documents, both of which can be useful in high-speed inkjet workflows.

The Value of a White Paper Factory

Quick: what can you do to help retain customers' existing business? That was the leading question posed by **Mike Lambert** of Bell & Howell. One answer is adding value by eliminating as much preprint as possible with the implementation of a white paper factory. Of course, it only sounds easy. Doing this, said Mike, requires proactive automation, prioritizing of resources, and in many cases using vendor-supplied software rather than developing a home-grown solution. He noted that vendor software is often optimized to handle a range of document formats and designed to ease the onboarding process so formerly preprinted documents can be put into production more easily. Mike described some new B&H solutions that support development and implementation of white paper factories.



You Pay Your Sales Guys How Much?

Mark Reilly from Verisight provided a look into various sales compensation practices. There is no "best" way approach to this issue which merges strategic, financial, and tactical concerns that all depend on whether a company is in its start-up, growth or maturity phase. Mark said a company's policy should be assessed annually, but not changed unless necessary. There is no silver bullet solution, but whatever is done, be sure it is clearly defined and that sales people are fairly and sufficiently incentivized.



Accessible Opportunities

Ernie Crawford took the floor to talk about the potential some Crawford Technologies' customers have found in making documents more accessible for people with vision difficulties. The first way is by printing statements using a larger font size. Simple enough, but it requires statement redesign to ensure all pertinent information is clear and easy to locate. Next is braille printing, which require both unique software and a braille printer.

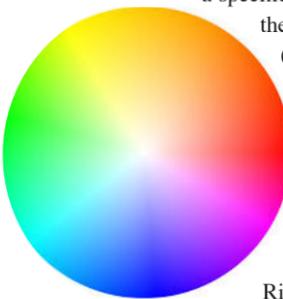


Because transactional documents fall under the rulings of the ADA (Americans with Disabilities Act), there is opportunity for bureaus to handle transactional documents designed

for people who have difficulties with their vision. Ernie gave the example of INg member Allison Payment Systems, which has begun providing Medicare Part A and B documents for the visually impaired. He said Allison has achieved Section 508 compliance, seen revenues and profits increase, and found that having the technology in-house provides a competitive advantage in the marketplace. Bear in mind, though, said Ernie, getting such a process up and running can take some 6 to 8 months.

Color and Variable Data

As inkjet presses become more common managing color is becoming increasingly important. **Richard Lloyd** from GMC Software shared noted that a trained eye alone is not enough, nor is relying only on software, or a specific process. You must use all three to ensure the colors being printed are the ones that you (and your customer) actually desire. Branding concerns often require colors to be the same on all media, both print and electronic, so being able to reliably produce the exact shade of red or blue or orange has become an expected capability for every print provider.



Richard said that whether you use GMC's cloud-based tools or another method, it is vital to

educate customers about the differences between print and electronic media and to encourage a customer's designers to create documents for the intended medium: design in CMYK for printing, and RGB for electronic displays.

Another Approach to Inkjet

Perhaps the most interesting aspect of inkjet printing is its flexibility. Print heads can be mounted on a wide range of machines enabling similar heads to satisfy many different needs. For example, Memjet, INg's newest vendor partner, licenses its inkjet print heads to a variety of press manufacturers that adapt the heads to fit specific presses and applications. **Bill Brunone** and **Gail Partain** from Memjet were on hand in New Orleans to explain the differences between Memjet's 1600 dpi, continuous inkjet heads and those of other inkjet press vendors, and how INg member Laser Print Plus, installed an inkjet press from Super Web Digital, one of several vendors offering production-class inkjet presses using Memjet heads.

As a result, Laser Print Plus has gained flexibility, is eliminating pre-printed shells, and is able to sell the value of color as a marketing tool, or keep work on a mono toner press when that is the best fit for the job.

lists, followed by data protection and security software.

Key concerns among INg members include remaining relevant as print-and-mail companies in an age of mobile delivery, along with battling the dual foes of price commoditization and spiraling USPS rate increases. In response, Matt said INg members are taking steps to offer customers electronic and mobile options, are investing in new hardware and software, and finding ways to be more and offer more to their customers.

So. You want an inkjet press.

The first vendor partner of the week was **Cary Ross** of Screen USA who provided a look at the many moving parts of inkjet implementation, all of which start well before a new inkjet press rolls in on the loading dock.

The testing takes place during the sales process, and should use files that are representative of existing jobs. That way you get a basic sense of how the machines may work. Next analyze all existing processes from data management to printing and proofing to finishing and inserting. This lets you assess your shop's ability to handle digital color, maybe becoming a color expert—which could be a value-add for your customers.

A key factor is paper. "Paper is huge!" exclaimed Cary. "30 to 40 percent



of a job cost is paper, so you have to get it right." This is why you test in advance on real jobs, and why many inkjet press owners rely on the tested and approved papers recommended by press vendors.

Otherwise, talk with customers to see if having inkjet will offer new business opportunities and determine upfront which of your existing jobs can be converted to inkjet. Be cognizant of pricing issues, and don't hesitate to ask your chosen press vendor for business development support to help your sales team up the learning curve when talking with your customers.



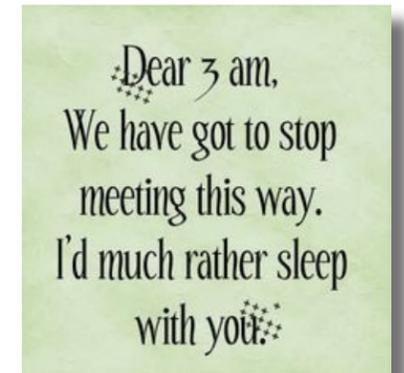
Increasing automation

Bob Schimek from Satori Software began with a simple question: What would you do if you could save up to 90 percent of your data processing time? He then went on to recount how Satori's Ignite software helps bureaus increase automation—something Dan Adler talked about. He noted such savings were possible because many data processing operations have not kept up to date on some of the changes that have taken place in recent years, so there are new efficiencies to be found and applied to bureau's operations.

What keeps you awake (or wakes you up at 3 AM)?

Tim Delaney led an open discussion driven off the "waking points" members cited in previous meetings. Some of the leading forms of wee hours "caffeine" included e-presentment, e-payment and mobile. These converge in terms of reaching the millennial generation, who possess a tendency to ignore email, connect to the world with smartphones and demand (even expect) the instant gratification of paying a bill instantly via their mobile device. The print and mail model we're all accustomed to is not the way they roll.

Adding time to the clock in the darkness is that every client has different goals, requests and expectations. Some, as **Harry Stephens** notes, want to eliminate postage. Others want options: **Dave Lambert** said the Canadian government wants to have all delivery options available so customers can choose. What brings it back to bureaus is that it is up to them to make whatever a customer wants a reality. For example, the electronic options become complex with enrollment, notification, authentication, security and more, all adding to demands on bureaus. Print, on the other hand, still offers a richer experience and can be a more powerful communications medium—for those that want it.



Whichever medium is used, though, Tim said vendors need to participate more in identifying and developing solutions that address all end-user needs. Some are, and it is important for bureaus to encourage equipment and software vendors to support these requirements.

Other issues keeping members awake span new print technologies, the need for new IT and sales staff, data security, and a host of USPS concerns. There are no magic bullet solutions for any of the issues discussed and we can count on a return to these topics in future workshops and forums.





Missing Mailpieces

Next up, **David Stein** from Sensible Solutions provided an updated look at improvements in production mailing. The first step, he said, is to know what's going on in your production process, because *not* knowing puts you one step away from disaster.

Missing mailpieces are an ever-present threat and he talked about ways to mitigate this problem, including real-time production monitoring, piece-level tracking, establishing operating standards, and tracking overall operational efficiency. He cited Sensible Solutions DRS software that integrates with insertion equipment as one way of addressing these challenges.



Are you relevant?

Echoing comments from Dan Adler and other speakers, **Shelley Sweeney** from Xerox, fighting off a

nasty virus exacerbated by too much travel, talked about ways members could transform their business data while maintaining relevancy and being channel agnostic. Data is the most important part of bureaus' businesses and your customers want to have two-way conversations about this key topic with their service providers so they can optimize customer communications over all channels.



Moving on to opportunities, Shelley said some Xerox customers have found while that millennials prefer to be reached using social media, they also react positively to a print-and-mail follow up. "Millennials like getting mail," noted Shelley, "maybe because they don't get much of it." And some studies are showing that millennials trust mail more than electronic media.



Source: Divvyonline.com

Shelley also highlighted *non-profits* as excellent opportunities for bureaus because these organizations have a driving need to reach their constituencies and need to do so via multiple channels. And bureaus know exactly how to do that. Shelley noted that there is a large marketplace of non-profit organizations, and their needs can help ensure a bureau remains relevant while presenting an opportunity to develop a niche and to specialize in selected segments of the not-for-profit world.

Got Value?

According to **Pat Maurer** and **Matt Swain**, it was easier to create value for a customer back in the day when the focus was primarily on equipment. Now though, it's all about what a bureau can *do* for its customers. A bureau owner has to decide what makes sense to offer on one's own, when partnering is the right approach, or when not to offer a service, noted Pat.



"You also need to engage the operations people on your customer's side," added Matt, "so you can develop complete solutions."

Furthermore, it's important to educate customers—showing your expertise—so they can make better decisions. Meanwhile, know who your competitors are so you can upsell with the capabilities you offer and bring additional value to the conversation. For instance, picking up from earlier presentations, being able to add value with omni-channel communications as well as print-and-mail can be a clear differentiator. As you do this, don't forget to ask vendors for help: they are not opposed to helping a customer (like you!) develop a solution that they can then modify and adapt to offer to a broader audience.

Solving problems

Ryan Semanchik from Transformations assembled a panel comprised of four customers who described issues that drove them to adopt Uluro software.



Mike Mulcahy (OBRIEN), sought better auditing of files, improved redundancy, metrics and more automation.

Josh Miller (Impact) was faced with a scarcity of resources, market pressures, the need to respond faster to new opportunities. **Alex Calpito** (Formost mediaONE) wanted to streamline operations and gain efficiency. And **Brian White** (Print Mail Solutions), a new Uluro customer, was trying to offer complete solutions that were scalable, both internally and externally. Each briefly related how they used Transformations Uluro software to address their challenges

Embrace Change!

That was the message from Canon's **Sheri Jammallo**. Coming from a partner on the forefront of a changing print landscape, her message echoed that in other partner and member presentations. Sheri noted that Canon customers are seeing more promotional messaging showing up on statements, and these are often aligned with web pages and involve varying levels



of targeting and personalization. She confirmed the shift to omni-channel communications mentioned by others, but noted that print is still in demand. However, a key difference is that consumers now require 7 to 10 touchpoints before responding to promotions, and that all media channels must be used for optimal results.

What to Know When Looking for the Exit

Bob O'Hara, a consultant specializing in exit planning for business owners, provided a host of insights into the process of leaving a business an owner has spent years building and nurturing. Bob emphasized that this is a process, not a transaction, and that it needs several months, if not a year or more, of planning and preparation. Key points included:

- Create an advisory team comprised of an attorney, CPA, banker, financial planner, and a business consultant.
- Determine the market value of your business based on input from your CPA, banker, lawyer, and an outside party who knows your industry and the characteristics of your business.
- Know where you stand financially with respect to what your business is worth and what you expect (and need) to get out it upon departure.
- Know what you plan to do with your life when you don't have to be in the business every day, and how much money you need to do what you want.

If you didn't receive Bob's slide deck, be sure to get it from **Shelly Anderson**. It has a lot of valuable info.

The Inkjet Ecosystem

Riso's **Kraig Clark** talked about the Inkjet Ecosystem as a way of describing how cut-sheet inkjet presses on the market occupy what InFoTrends terms the "Zone of Disruption," the space between cut-sheet toner-based presses and roll-fed inkjet machines. The smaller machines from Riso occupy the inkjet entry point in this space and help forge a path to using larger machines as market and customer needs evolve.



Depending on a company's needs, Riso's devices can be primary or secondary printers, but have the flexibility to fit into virtually any service bureau environment. Several INg members already have these machines in place, with some shops having made the next step to larger machines while keeping the Riso printers as secondary (or back up) devices.



Welcome Back, Ricoh!

Long-time INg participant **George Promis** from Ricoh says the company has actually exceeded its own expectations over the past year. Strategic investments in smaller companies—primarily software firms—plus market adoption of its Infoprint 5000 inkjet presses, has helped the Boulder, Colorado company to provide customers with new levels of support across the full range of services related to high speed color production inkjet printing.



Eric Staples described how INg member, Allison Payment Systems, has used Ricoh's expertise and technical resources to make the most of a transition from toner to inkjet while adding productivity, efficiency, improved workflows and color management, and helped position the company for future expansion.



Connected & Borderless

John Kline and **Kevin Marks** from Pitney Bowes brought up a common topic of this year's forum—omni-channel communications. Pitney has migrated from primarily being a provider of mail processing and inserting equipment to adding inkjet print systems and now software and expertise for reaching end customers via their preferred media, whether it's email, online, or mobile. Yet in doing so, they said Pitney has not lost track of its physical mail legacy and offers the Pulse and Rival lines, an increased range of smaller inserting equipment attuned to decreasing volumes of paper mail and enabling bureaus to fine tune their equipment mix to real-world requirements.

