

Digital colour for profitability

Graphic Arts Magazine

September, 2007

http://www.graphicartsmag.com/issues/200709/digital_colour_for_profitability.html

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While digital colour was a novelty five or ten years ago, most Canadian printers today have some digital colour capability; more than half offer colour copying and printing, while a substantial number – some research indicates approaching 20%—have digital “presses” with speeds of 45 ppm or higher. Research that we conducted for PRIMIR (www.primir.org) indicates that as much as 20% of revenue for the average printer comes from digital colour printing. Its importance will continue to grow to the point where, for most printers, it will be the most important revenue generating production area within the next 5 years. Not surprisingly, digital colour devices are the recipients of a large portion of anticipated capital spending.

There is a wide variety of digital colour offerings today, ranging from small desktop inkjet printers to super-wide format, from colour copiers to digital production printers, and everything in between. Clearly, a lot of digital colour equipment is appropriate for certain types of work, usually that offset cannot do or cannot do economically. Increasingly, though digital devices are being used instead of offset, where offset would have been used. In this context, when we think of digital colour, though, we are really referring to production-level devices that are increasingly competing with offset. For most printers, that means digital colour presses from vendors such as Canon (imageRUNNER Pro); HP (Indigo); Kodak (Nexpress); Xeikon; and Xerox (DocuColor and iGen).

When these production devices were first introduced, their output was often – and quite fairly – criticized as not being of “offset” quality. Over the years, though, these products have been – and continue to be – upgraded: in speed, substrate handling, and image quality.

The question remains. Is digital colour ready for prime time? Henry Freedman, editor of “Technology Watch for the Graphic Arts and Information Industries,” an independent industry journal, has presented output from the both the Xerox iGen3 and the Kodak Nexpress side by side with images produced with conventional offset printing. “After independent sets of viewers looked at the images in a variety of settings, most thought digital print’s imagery was equal to offset and some actually [preferred the] digital,” according to Freedman. “[They] look like offset printing—but you be the judge,” Freedman writes, urging readers to compare the two images. (More information can be obtained at technologywatch@att.net)

In this article, we will look at what a diverse sample of Canadian printers are doing with digital colour and how their customers are responding.

At one end of the spectrum is Kwik Kopy of PEI, which was featured on the cover in our June issue. This rapidly growing 25-employee commercial printer has a variety of digital devices, including HP and Agfa wide format inkjets, and colour copiers and printers from Xerox and Canon. With such a variety of devices, as well as 4-colour and 5-colour offset, they must contend with both the differences between digital and offset colour and the colour consistency of their digital devices.

Shawn Mackenzie, who, with his brother Troy are second generation owners of this two-time franchisee of the year, notes that while the colour from his digital devices is very good, it differs from machine to machine and day to day. The machine chosen for a job depends on which will give the most appropriate quality, given the nature of the work, the speed of the device, and the substrates being used. “The quality of the image is important, and digital colour quality is good. The calibration and quality of the machine is not so important. The colour will be good. It’s just not always the same from day to day, and certainly not from machine to machine. Customers don’t care, as long as it looks good.”

Kwik Kopy’s Mackenzie also points out that digital colour has more “quirks” than offset. “With offset, you can usually figure out what the problem is, why something isn’t working. With digital, it’s not always clear.”

Colour remains one of the key criteria in buying new digital equipment. Shawn Mackenzie of Kwik Kopy of PEI “would clearly pay more for better colour. There are lots of 70 and 80 page per minute machines that don’t have the quality [we’re looking for].”

That said, however, Mackenzie says that many of today’s customers and print buyers are more forgiving and more willing to accept non-offset colour. “The difference between offset and digital is not as important as it once was. People are more lenient. There’s more CMYK rather than Pantone.”

Bassett Direct, a \$10 million Markham, Ontario provider of direct marketing services, has Xerox DocuColor 8000, Xerox iGen3, and Xeikon 5000 colour presses, as well as Xerox monochrome printers with MICR capabilities. While they do not own any offset presses, they have aligned with sheetfed printers in order to offer a total service around printing and direct mail.. With a variety of different devices, they can run a job by whichever method and device that is most cost effective for the specific client application.

Bassett Direct recently purchased a Xeikon 5000 to complement the Xerox iGen3 and DocuColor 8000. Owner Rich Bassett comments, “We have always been a Xerox shop, going back to 1987. When we needed another colour machine to back-up the 8000, the iGen made sense, but we needed to support more and different sizes. The iGen has some limitations around sheet size. It is perfect for 2-up 8½ by 11 or 8½ by 14. The Xeikon can do exactly the same thing but can be 2-up or 4-up. As it is web fed, with a variable cut-off, we can meet unique needs, such as booklets and oversize pieces.”

Bassett notes that while the colour of digital devices is somewhat different from offset, the quality is “unbelievable. You cannot tell the difference between digital print and litho.” He has not encountered any client issues with the difference. “Quality is a non-factor.”

Based in Markham, Ontario, Rayment & Collins offers integrated marketing, design, and printing to offer end-to-end branding and communications. Established nearly twenty years ago as a prepress company, the 35 employee firm has evolved into a full branding and communications solutions provider, including design, premedia, data-driven communications, and print. As was the case with many prepress firms, they expanded into printing, first with offset and eventually into digital with the purchase last year of a 7-colour Indigo 5000 from Hewlett-Packard.

With its heritage in colour correction and retouching for print, colour was extremely important in the decision to go with the Indigo. Savino Schincaglia, Director of Technology and New Business Development for Rayment & Collins particularly likes the fact that the Indigo uses a liquid “EelectroInk”. It provides a comparable look to offset ink and wet traps. Schincaglia says the Indigo gives predictable and repeatable results, so that files do not have to be reworked, whether the job is printed digitally, offset, or flexo. Schincaglia enthuses, “The HP gives predictable results that we can match to offset. We can, absolutely, exactly match it to offset colour.” To do that, though, Rayment & Collins calibrates their printers twice a day so that there are “no issues with digital colour.”

Distributech, a \$15 million Ontario company founded by Dave Reeve in 1992, as a marketing fulfillment company, now has two locations, one in Brantford, the other in Toronto. As data management is central to their business, it is not surprising that their internal print production is digital. Distributech began doing low volume digital colour a number of years ago with slower devices, which, Reeve says, allowed them to validate the concept. They then moved more into production colour in early 2004 with an HP Indigo 3050 and recently purchased three Xerox Nuvera monochrome printers.

As a marketing outsourcing company whose customers include some of the largest in the world, Distributech purchases a large – and growing – volume of commercial printing. While most of their offset work is for high volume products and materials that are kitted with their digital materials, Reeve notes that there are some things that “just can’t be printed digitally” because of special inks and metallics, format, or finishing. With high colour content, it is critical for the digitally printed jobs to have not only the highest quality but also to match the litho output.

Reeve says that at one time there were obstacles to digital colour. “There were colour challenges around [digital] devices... It’s “now a non-issue. The quality is off the table. Everyone finds the quality acceptable... The quality is a pretty compelling story... The conclusion is never that the colour is not good enough. It’s never been an issue.”

Aurora, Ontario-based Avant Imaging and Information Management’s (AIIM), which was profiled in the May issue, core business is commercial offset printing. With a 10-

colour MAN Roland perfecting press, and a number of Mitsubishi presses, including a seven-colour, AIIM certainly appreciate the value of high quality offset colour. They have recently expanded their colour digital printing capabilities with purchases of a Xerox 2060, Xerox iGen3 and an HP Indigo 5000.

Serge Grichmanoff, Vice President, New Technologies, notes that each machine has different capabilities, and colour matching can sometimes be tricky. One of their customers, a major telco, often has mailings that mix offset and digital print., “We have to make sure that what’s produced on press...is going to match what goes on HP. And if it might have to go on iGen, we need to match the colours on all three [devices],” says Grichmanoff. While it sometimes is tricky, AIIM’s staff “understands the nuances of each. We have gotten good... Our people are very good at matching different pieces of equipment to minimize variances.”

Customers often have the choice of equipment, reviewing samples and expressing a preference depending on the type of job. The quality of digital colour is no longer an issue, with many preferring it. Grichmanoff notes, “Some customers express a preference for one or another piece of equipment... [For example,] some like the HP for its depth and richness of colour... It does remarkable quality, just gorgeous.”

While digital printers are often viewed as appropriate for short runs only, it should be remembered that they are frequently called upon to do very long runs for variable direct mail work. Grichmanoff points out that “one of the nice things about iGen is that it is a production machine. It can do 1 million post cards. It can deliver.”

Farm Credit Canada (FCC), a financially self-sustaining Crown corporation headquartered in Regina, is one of Canada’s largest providers of business and financial services to farms and agribusiness. Operating out of 100 offices located primarily in rural Canada, it has nearly 1,300 employees and serves over 43,000 primary producers, suppliers and processors along the agricultural value chain as well as over 9,000 alliance customers.

FCC provides some 50,000 people with various publications, including marketing materials such as brochures, flyers, cards, member surveys, annual reports, software manuals and CD covers and labels. According to print shop supervisor Dan Karikas, they print almost everything in their in-house print shop, which employs four full-time people and one half-time person. FCC also has a separate design and prepress department.

The print shop is able to satisfy the bulk of Farm Credit Canada’s print requirements in-house, using two small AB Dick presses and a recently purchased Kodak Nexpress 2100. Karikas is proud of the print shop’s capabilities, “We can handle anything less than 12x18 if the volume is not ridiculously large. The rare time we can’t handle a job in-house, we rely on local commercial printers here in Regina and Saskatoon.”

The Nexpress replaced an older Xerox DocuColor 40 that FCC had acquired in the mid-90s. At the time, 2-colour AB Dick portrait presses were used to print forms and

letterhead. As the corporation moved to electronic forms and the demand for 4-colour started increasing, the print shop began to do true four-colour work on the AB Dick presses. As the operation grew FCC acquired the DC40 for smaller short run work. Eventually, though, they went beyond the capabilities of the DocuColor 40. “While the colour quality was very good,” Karikas says, “we overworked them like crazy... since we were overworking the machines, we dragged them down.” It was clear that the print shop needed a more productive digital device.

Karikas and his team looked at a number of digital production devices and, although the Nexpress was more expensive and probably more machine than required, their business plan was able to support the purchase. “We wanted better quality on our short runs jobs. The Nexpress fit in beautifully. It has exceeded our expectations. We use it far beyond what we thought we would ... our business plan was based on 50,000 impressions per month. We’re doing more than 180,000!”

One of the key reasons for the purchase of the Nexpress was the fifth colour station. “The [AB Dick] 9810 runs Pantone colours; we have green and blue. We had to change the blue because we couldn’t batch from time to time on press ... but we are able to run the blue on the Nexpress fifth station.”

With colour work being printed on the Nexpress, the other two in-house presses and occasionally outside commercial printers, colour matching and consistency can be a challenge. “There are definite differences in colour output,” Karikas confirmed. Because the in-house design and prepress department generally knows on which device the job is going to be run, they prepare the file accordingly.

With all materials being produced in French and English, printing the English books is sometimes contracted out, with the French versions being printed in-house on the Nexpress. “When we compare the French and English side by side, some people like richness of the colours and prefer the photos [from the offset press], though it’s very, very close. The beauty of Nexpress, though, is that from the first copy to the last copy, the colours don’t fade. They are exactly the same... The quality is very good on all the devices. I like the Nexpress colours better ... There is a definite difference though.”

Karikas continues to expand the work printed on the Nexpress. One example is Farm Credit Canada’s annual report. With the number of printed copies declining, FCC is now debating whether to shift production in-house using the Nexpress, printing what is needed on demand. “People have opportunity to order one. We might do various versions. We [already] print an initial run for approvals on the Nexpress and people love the way it looks.”

It is clear that colour on digital devices is no longer a significant issue for many printers and their customers. While there are still differences, and there certainly are applications that are best suited for offset, digital colour provides an increasingly attractive alternative. Next month, we’ll look at how these and other printers are using digital colour for variable data.

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