

Digital Color Printing: The New Business of Printing

Rafik Loutfy
Xerox Innovation Group
Mississauga, Ontario, Canada

Abstract

This talk is about “The New Business of Printing™” and how it’s transforming the industry and re-writing the rules of printing, and potentially creating tremendous market opportunity. The New Business of Printing™ is all about capturing fast-rising revenue streams and incremental volume driven by what customers face every day— fast turnarounds, precise quantities, personalization and customization. Aligned with a new set of business imperatives: the move from make-then-sell to sell-then-make; from mass production to mass customization; and from local to global business. These imperatives create lucrative opportunities for printing that is done just in time, one-to-one, over the Internet.

The trends and the challenges to capture the opportunities for producing printed materials in precise quantities with extremely fast turnaround— using variable text and graphics to create personalized, customized communications that address an audience of thousands, one at a time— with Internet services that provide global access to print services wherever and whenever they need them will be discussed.

Market research has shown that customers want faster turnaround, shorter run lengths and digital solutions. Frank Romano of RIT says 33% of print jobs will require 24-hour turnaround within the next 3 years. Research shows 78% of all four-color print jobs have run lengths of less than 5,000, and analysts project digital color production prints will jump from 7 billion to 27 billion pages by 2004.

Digital color printing continues to take the market by storm. It all began with 1st Generation digital color printing technology – a breakthrough five years ago, but has since been eclipsed in terms of speed and cost by 2nd Generation technology. This is where the action is today. 2nd Generation technology offers print speeds up to 75 ppm, low page costs of only 10 cents per page and high average print volumes. Just as the battle of the second generation is

heating up, Xerox has already moved ahead with the DocuColor iGen3. This breakthrough third generation digital color printing technology attribute, that is a result of \$1 billion in R&D investment, will be described in details. But the technology is only part of the story. Just as significant are the solutions, services and process innovations related to it, including new partnerships, content management, variable data and marketing initiatives.

It is an exciting future. We see a high-end production market dominated by digital printing— both challenging as well as complementing offset technologies. We see dramatic new market opportunities driven by print-on-demand, customized content, one-to-one marketing, JIT and personalization. This future includes color in places it never existed before, where it was never affordable before. We see exciting new technologies like “EA” Toner, a new category of chemically produced dry inks that yield better quality and lower cost. So that’s the future in The New Business of Printing™, but it’s happening now.

Biography

Dr. Rafik Loutfy is a corporate vice president and head of the Xerox Research Centre of Canada (XRCC). He joined Xerox in 1974. Since then he made significant innovative contributions to Xerox’s imaging materials and supplies businesses. He obtained his B.Sc. and M.Sc. from Ain Shams University in Cairo, Egypt. He received his Ph.D. in Photochemistry from the University of Western Ontario and a Masters of Business Administration (MBA) from the University of Toronto. Prior to his current assignment, he was the Chief Technical Officer of Xerox Business Operations in Webster, NY. and head of Corporate Business Strategy in Connecticut. He also served as Vice President of the Wilson Center for Research & Technology in Webster, NY. He holds more than 40 patents and has published more than 160 articles.