



Printing and Copy Shop

It may look like a small print and copy shop in a tiny Canadian town in British Columbia, population 10,000. But when it comes to executing a strategy for growth, this company is huge, realizing a 300% increase in sales over the last few years. Located midway between two large cities, the print shop serves many small businesses in its local area, but also handles larger print jobs, such as manuals, books, large format construction drawings, and digital color for firms across the region.

Truly a “mom and pop” operation, the print shop is owned by a married couple who work full time in the business along with a handful of part-time employees. Conscious of expenses in running a small business, they look for ways to reduce their labor requirements by acquiring equipment that requires less operator intervention. They have also looked for ways to minimize their equipment leasing costs and increase their gross margins. To do so, their strategy has been to reduce fixed operating costs and to purchase equipment that should still be operable and profitable years after the lease term ends.



When they were first establishing their business in 1995, one of the first machines they bought was a RISO digital duplicator. Over the years, they acquired two additional RISO digital duplicators, with a ComColor as one of their current workhorses. In total, they have produced over ten million copies on its duplicators.

The print shop is a totally digital operation, using no offset presses. The company’s digital output devices include a number of RISO devices. Concerning his equipment acquisition strategy, the owner says, “We plan to continue maximizing our profit position without having to constantly increase sales volumes that require more staff, equipment, and floor space. Our experience has shown us that RISO equipment can help us maximize our ROI.”

Not long ago, the owners learned about

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Print-For-Profit Application

and then decided to acquire a new RISO ComColor inkjet printer. He says, "We were quite interested in the concept of a high-speed inkjet as a supplement to our digital laser equipment. We do not operate any offset equipment because we do not wish to be dependent on highly trained, expensive staff." He also states that they try to minimize its outsourced work to other trade printers, producing as much in-house work as possible. He continues, "We actively seek work tailored to our equipment and concentrate on profitable operations."

Since acquiring his ComColor, the owners began tracking the costs and revenues for the jobs run on this device. "Our experience with the ComColor printer has been very positive," one explains. "So far, we have produced a total of 821,336 impressions. We calculated that our operating costs - including ink and maintenance - have totaled about \$10,969 or \$0.0133 per 8 1/2" x 11" print. Allowing an average paper cost of \$0.01 per sheet, our total cost of operation was \$19,182.56 or \$0.0234 per 8 1/2" x 11" sheet."

One of the larger jobs the owners tracked was a local telephone directory that the print shop has published for five years.

"The ComColor allows us to offer a lower-cost color solution with environmental advantages."

Print Shop Owners and Operators

The print run consisted of 168,639 tabloid prints (337,278 letter size) that consumed \$4,620 in ComColor ink. In previous years, this job had been run on a color laser, with click charges alone totaling \$7,102. "Utilizing the ComColor reduced our print cost by \$2,482," he says. "Although the color brightness and saturation were not as vivid as the previous printing done on the laser, we were able to keep advertising rates down to near the previous levels despite price increases in stock, shipping, and overhead. We also saved on hydro costs and were able to enhance the job by adding accent color to sections that were previously run as black and white. The reduction in environmental impact by using the ComColor instead of the color laser was another benefit we were able to promote."

Another large volume run consisted of 95,827 prints of specialized water-resistant stock for outdoor use. This stock was cut down from larger sheets and micro-perforated before printing. "Our ComColor ink



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cost for this run was \$1,417 and we billed the job at \$6,000,” one owner says. Total revenue for jobs run on the ComColor in the first nine months since installation was \$22,647. “Our expectation is that our profit margin will increase as we move into more work in smaller-volume specialized jobs through the remainder of our financial year.”

The owners are also pleased with the RISO ComColor’s ability to print window envelopes in color. “We could not output these on our laser equipment as the plastic window would melt,” states one of them. Other media run through the ComColor include 24 lb. writing paper for letterhead and pre-perforated 20 lb. white bond in runs of about 500 to 1000 sheets for raffle tickets. Using Corel Draw 12, these tickets are printed with the numbers in red and logos in color with information such as the price, prizes, and dates in contrasting colors. The owner explains, “This is a huge improvement in readability from previous black only printing. The RISO also allows us to add serialized numbers to each page as part of the print job. An added advantage of printing carbonless on the ComColor is the impact of color printing on multi-part forms. We are converting all of our layouts for carbonless work to take advantage of this feature.”

They have also converted several black and white print jobs to full color on the ComColor, which were previously run on laser printers. One of these is a semi-annual order book for a trade show, on which they began adding supplier logos in color. The color print enhanced the readability of

tables by utilizing contrasting colors to emphasize more important information such as pricing. The shop was able to offer these print improvements to its customer at a 20% higher rate, which was still within the customer’s budget. The owner says, “Prior to acquiring the ComColor, our only option for this job in color would have been on our color laser equipment, but the increase in costs would have put this above the customer’s budget.

To create more demand for this kind of profitable color, he says, “We are working with several other customers to have them incorporate highlight color in their manuals, as they do rewrites and changes in the content. Once this is done, we hope to print these on the RISO rather than our black and white lasers. Our customers are anticipating the advantages of higher retention of important information due to the addition of spot color.”

In addition to achieving higher margins on color, the print shop has realized numerous other benefits from using its ComColor, one of which is a reduction in hydro (or energy) consumption. One owner states, “With the RISO, our hydro consumption is reduced in comparison to running the same work on our lasers and indirectly in reducing our need for air conditioning.”

Another benefit for them has been the reliability of the RISO inkjet system. One owner says that the operation has realized less need for operator intervention (fewer jams) on the ComColor when compared to operating laser equipment. Also, there has been a reduction in waste of stock that

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would result from misfeeds and jams. For example, the total amount of scrap on a run of 85,000 sheets of tabloid was less than 800 sheets (under 1%). “Based on the amount of recycling we have generated in the past on this same job, we are estimating that this is a drop of over 50%,” the owner says.

Reliability has naturally translated into greater productivity relative to service requirements. The owners state, “We have not needed a single service call in the first 800,000-plus clicks we have run. In comparison to our laser equipment we would have had a minimum of six calls for the same volume. We have not needed any repairs to the machine in this time period. This is similar to our experiences with other RISO products in the past. This further helps reduce the environmental impact by reducing energy involved in traveling by service personnel and in the manufacture of components for the lasers that would need to be repaired or replaced.”

On the topic of environmental soundness, the owners also noted a further reduction in emission in the shop. “The ComColor runs without any noticeable emissions,” one explains. “Although we cannot measure the difference, we are certainly aware on long laser runs that we are generating a distinct odor in the shop.”

He tells RISO, “In the future, we will promote the unique features of the RISO ComColor with particular emphasis on industrial applications (instruction manuals in particular), envelopes, carbonless forms, and jobs involving numbering. The ComColor is a complement to our other production equipment. We fully expect to see our volumes increase in the future on this machine as we continue to develop applications that suit its particular features.”

The print shop owners understand where this product fits in their operation and in the marketplace. One explains, “We do not market the ComColor as a replacement for any of our other equipment, but rather as a step in between our black only production printers and color laser printers. The RISO machine allows us to offer a lower-cost color solution with environmental advantages. Our expectation is that a large portion of our volumes on this machine will be generated by existing customers changing their work to encompass high-light color for headings, charts, simple graphics, and other applications.”

Clearly, the owners have a great little business with a highly effective strategy for satisfying their growing customer base. RISO is proud that its reliable, powerful, and affordable ComColor may have played at least a small part in the success of this strategy.