

INTRODUCTION

RISO Market Development Packages/Toolkits are designed to help you understand the prospect, their business problems and opportunities. Although they are not designed to make you an "instant expert," a *RISO Market Development Package/Toolkit* will allow you to talk more knowledgeably about the prospect's business and use this knowledge in your sales presentation.

Selling to the Quick Print market is different from most other RISO sales. The prospect is not the end-user of the printed product. Instead, he is an intermediary who depends for his livelihood on the effectiveness of his printing operation and the marketability of its output. To the quick printer, the RISO Digital Press presents an opportunity to increase revenues as well as reduce costs. The key is to offer more services with the best turn around time.

The Quick Print Industry Overview

Since their first appearance in the late Fifties and early Sixties (in response to new photo-direct offset innovations in plate-making), quick printers have offered their customers faster turn-around and lower prices than traditional commercial printers. Businesses and individuals with smaller printing requirements could now afford to use outside services, and the quick print sector expanded rapidly to meet customer demands for "one-stop" printing centers.

Quick Print Magazine has offered the following definition of the quick print industry as:

...that segment of the commercial graphic arts which features equipment and facilities capable of either providing while-you-wait service for copying jobs of less than 1,000 copies which require little or no preparation, or 48- to 72-hour service of printing jobs between 1,000 and 20,000 copies which require typesetting or other preparation. It includes copying, duplicating, and printing on paper sizes usually up to 11" x 17" of single- and multi-color jobs...

Quick printers are distinguished from commercial printers*, which are not covered in this RISO Market Development Package.

* Commercial printers have presses larger than duplicator (11" x 17") size, a strong focus on print quality, and little use for high-speed copiers. They do highly accurate work involving multicolored applications and long runs; their business tends to involve intermediaries (purchasing officers, advertising agencies, separation houses, binderies, etc.) rather than end-users; and their locations need not be highly visible or convenient to the retail customer. For a more detailed guide to the graphic arts, you are encouraged to read International Paper Company's "Pocket Pal," available in from IPC, P.O. Box 100, Church Street Station, New York, NY 10008-0100.

Quick printers fall into three groups with very different characteristics. Understanding these differences will help you plan your sales campaign and talk knowledgeably to your prospects.

Small independents. These are generally “mom-and-pop” businesses. Annual average sales are in the \$150,000 to \$300,000 range. Owners of small independent shops characteristically take out \$70-\$90,000 in owners’ compensation. Their main challenge is to continue to invest in new equipment that meets their customers’ requirements (e.g., color copying) while simultaneously increasing profits. It is important for them to be able to offer services comparable to what is offered by the bigger, financially stronger competitor down the block. If the small shop is not able to offer the service in-house, the job is usually brokered to another printer. Increasingly, effective marketing and merchandising is the key to their continued success, and this is traditionally the area where they need the most help.

Local or Regional Chains. There are many privately owned print shop chains whose branches are generally located in a close geographic area. Annual sales are usually in the \$500,000 to \$1 million-plus range, and owners’ compensation is usually in the \$120,000-\$180,000 range (averages in this industry are very misleading – you are sure to be talking to an owner whose figures are dramatically different). Local chains generally are in a better position than the small independent in terms of financial resources and marketing skills. Because they are bigger, they can support less-frequently-used equipment and consequently rely less heavily on brokered sales than the small independent shop.

Franchise businesses. Independent businesses operating under the umbrella of a franchise are the fastest growing market segment. Here, the businessman can count on access to the marketing, financial and technical strengths of the franchise organization. Most franchisers are committed to investing in the latest technologies and marketing support required to be successful. In exchange for a franchise fee and royalty contract, the proprietor benefits from advice, training, support, purchasing leverage and an instant “brand image” (Sir Speedy, Alpha-graphics, PIP, Kinko’s, etc.) for his store. Franchising is not, however, a guaranteed ticket to increased personal income. Although franchises generally charge slightly higher end-user prices (and are better at sticking to them than independents), this additional revenue is eaten up by the 5%-6% royalty. What a franchiser does offer to the franchisee is the increased probability of a successful start-up. New franchises are 75% more likely to succeed than a new independent.

Size and Growth

Latest estimates put the quick printing industry at approximately 45,000 shops (including "pure" quick printers, copy shops, combination copy and print shops, and small commercial retail printers), generating around \$9 billion per year and employing approximately 160,000 people.

Of the 45,000 outlets, approximately 15,000 are franchises. Even though ten to fifteen percent of all outlets are multi-shop chains, nearly half of these "chains" are in practice two-shop enterprises (probably because many successful owners open a second shop). Franchise outlet owners are slightly more likely to develop into multi-shop operations than the true "independent." In general, large multi-shop chains are a rarity (although some 25 to 150 shop chains do exist).

Industry growth overall is moderate at around 10%. However, this average disguises a number of significant trends. First, there is a relatively high rate of turnover in the industry; entry barriers are fairly low and competition is tough. Second, franchises continue to grow faster than independents (a reflection of the increased survival rate). Third, multi-shop operations (whether "independent" or franchise) beat everyone else on growth.

These general trends are of little help in planning a specific sales campaign to the print shops in your area. What they suggest is that in all sectors - the independent, the franchise and the multi-shop chain - there are opportunities for the right sales message to be successful.

SECTION I

THE QUICK PRINT INDUSTRY

THE QUICK PRINTER'S CUSTOMER

No sales approach to the quick printer will succeed unless it helps him serve his customer and saves him operating costs. It's important that you understand your prospects' business problem and show how the RISO Digital Press provides a solution. In this section we focus on the end-user customer. In later sections we'll address the quick printers' internal business problems.

In a typical shop, jobs are dictated by the shop's customers and vary day to day. Most owners attempt to have equipment available that will satisfy the various requirements of their customers. If they don't have the equipment in-house they will often broker the work to another printer for a commission.

Quick printers typically think of their business revenue in three categories: commercial accounts (established business relationships, often contractual and usually based on credit), walk-ins (intermittent users, retail and strictly cash), and outside services (work required by customers but having to be sent out to a specialist).

Quick Print Users

Who are the quick printers' customers? For most quick printers, small businesses (those with fewer than 20 employees), organizations and individuals. For larger concerns (especially those with outside sales representatives) larger companies and selected organizations, such as law firms, non-profit groups and associations are significant.

Again, there is no such thing as the "average" customer mix, but there are some common features: i) two-thirds of quick printers do virtually no government work (a good RISO prospect); ii) one-half do no work with realtors; iii) between one-half and two-thirds do as much as 20% of their business with national and local associations (in and of themselves all good RISO prospects); and iv) many do intermittent specialist work for attorneys, engineering firms and ad agencies where they can offer services not available to these customers in-house.

Regardless of the customer's type of business, he is looking for a package of services that meet his expectations as to price, quality and service. Most customers select a quick printer based on price and service, with quality coming last. However, quality only comes last because most quick printers have access to the same printing equipment and, as a result, quality is not a differentiating attribute. The importance of price is obvious. But service is much more

complicated because it involves items such as turnaround time, courtesy, pick-up and delivery, and the ability to meet very specific needs. Convenience of location is critical too. This is why more than half the industry has storefront locations, more than 50% of all quick print shops are located in the suburbs of major cities and 20% are located in the downtown areas of small towns.

Customer's Expectations

Customer expectations/requirements change over time and the successful quick printer must keep pace or lose customers.

The customer knows whether the prices charged are acceptable to him in view of the level of service provided (the shop owner finds out quickly, too, by gaining or losing customers!). But since there are no absolute measures of performance, there is room for both low service/low price and high service/high price shops. Within these parameters, however, most customer requirements fall into the following areas:

- Run Length:** Commercial customers now do much of their short-run black and white "printing" (up to 500 copies) on the office copier, using the quick print shop for longer runs (industry analysts believe 5,000 to be a typical run length for a "commercial" job). A desire for color forces the job to be placed outside. Walk-in customers will continue to use the quick print shop for any run length, black and white or color.
- Black and White:** Both commercial and walk-in customers will continue to use the quick printer for standard black-ink-on 8½" x 11"-white-20lb-bond-paper printing. Although much of this work used to be done on offset presses, it is increasingly moving to high-speed duplicators (including the RISO Digital Press).
- Color Printing:** All customers, whether commercial or walk-in, use the quick printer for two (or more) color jobs. Color printing and copying are two of the most requested copying requirements. This will increase dramatically as customers come to expect two-color printing to brighten up their image and because the large commercial printer really cannot handle short-run, fast-turnaround work. Again, the RISO Digital Press fits well here.
- Color Copying:** This market has been created by color copiers. High retail prices per copy are likely to restrict the use of color copying to low run length jobs for both commercial and walk-in customers.

Copy Preparation: Both commercial and walk-in customers are looking to quick print shops to provide some form of assistance with layout, design, artwork, typesetting, etc. This trend is likely to continue as individual shops try to capture competitive advantage by enhancing the services they offer - and others work to retain their customers.

Forms: Commercial customers will increasingly look to quick printers to provide them with "on-demand" forms production. Essentially, this is medium-run black and white printing. Where the print shop offers desktop publishing, forms development and management may become an ancillary service.

Desktop Publishing: Commercial customers will start to expect that their quick printer will be able to take a PC diskette, load it into the print shop system and generate printed product from it. The walk-in customer may expect to do the same with the output of his home or office PC, or may expect the print shop to have systems available for his use.

THE QUICK PRINTER'S BUSINESS

The quick printing business is not difficult to enter; the real challenge is staying in it and prospering. Understanding the cost structure will help you understand where the RISO Digital Press fits in.

Initial Investment

Initial investment can be as little as \$60,000 (one-third of the independents reported investments as low as this) or as much as \$300,000. Most of the franchise owners reported initial investment in the \$80,000-\$280,000 range. Paradoxically, of the successful shop owners, an equal percentage (about 22%) reported their initial stake to be below \$60,000 as reported it to be \$90,000-\$150,000. With some reasonable access to financing (either private or from franchise organization) a quick print business is within comfortable reach.

Operating Cost

Operating costs remain the key to success. The successful shop owner must manage these carefully to be able to offer services at competitive prices and still earn satisfactory margins.

Operating costs fall in three main categories: i) equipment acquisition and operation, ii) labor, and iii) other fixed operating expenses such as rent, insurance and general upkeep that are not directly related to print volume.

Equipment

Equipment expenses are highly variable. The amount of equipment required is generally dictated by the range of printing services that the shop owners offer to their customers. At a minimum, the majority of quick printers have several black and white photocopiers (with different cpm ratings), a duplicator or offset press, and a range of finishing equipment such as staplers, collators, folders, etc. Local chains and franchises may require a specific range of equipment, which allows individual units to provide services consistent with corporate goals. Some franchises will use their purchasing leverage to negotiate attractive equipment prices for their franchisees.

Larger, better-funded, more successful shops will add equipment that allows them to offer new or improved services to their customers. Their basic rule of thumb is that any new machine must bring in enough revenue to pay for itself and earn a profit. This is how color copiers, personal computers, blueprint copiers (diaz) and

others are added. Of course the cost of this equipment, whether purchased and amortized, leased or rented, has to be covered out of operating expenses.

Labor

Labor cost is the other important variable. The average quick print shop has five employees, typically comprising the owner, the owner's spouse, a skilled press operator and two other workers. Though counter help is generally easy to come by, skilled offset press operators tend to be expensive and hard to find. As a result, print shop owners strive to keep their press operators happy while at the same time increasing their productivity so that this high-cost labor is spread over a greater volume of work. Clearly the situation will differ from shop to shop, but most owners acknowledge their dependence on the press operator and express concern about what might happen if they lost him/her (or in growing shops, if they are unable to find additional operators). In many cases, this concern has translated into paying the press operator a productivity bonus or a percentage of revenues from all work carried on the press.

Pricing Strategies

There is little difference between one quick printer and another in terms of the quality of the work produced, because they all have virtually the same printing equipment. They try instead to distinguish their shops by offering either "lowest prices" or "superior service." Their pricing policy depends on which strategy the owner chooses.

Lowest Price shops – as the name suggests – compete mainly on price. Often the smaller, independent shop, the low price outfit expects to draw customers from other print shops. The theory is that lower prices will attract enough extra business to make up for the loss of margin entailed. Although this can work, most successful shops do not adopt this strategy because it is generally a losing proposition. There will always be another printer willing to lower his operating margins in order to undermine prices.

If the low-cost shop focuses on a limited range of jobs that can be run very productively on a few machines, the low cost/low margin/high print volume formula will succeed. It is dangerous, however, when the print shop attempts to offer a wide range of services, which require equipment that cannot be fully productive. In this case, the shop owner may reduce prices in anticipation of new business, not get the high volumes he expects and, as a result, finish up with generally lower prices, higher costs and underutilized machines.

Superior Service shops provide just that. Owners differentiate their operations by providing better – and a broader range of – services. By becoming a one-stop print provider they deliver customer satisfaction. And customer satisfaction translates into consistent (and often premium) prices. Many print shops competing on service adopt the prices set out in a trade price guide. (One such guide is Bill Friday's Pricing Guide, published annually; containing detailed pricing suggestions in low, moderate and high categories.) Others subscribe to the pricing established by their franchise chain. And others "value price," basing their price levels on what they think the traffic will bear given the local competitive situation and the "value" of the output to the customer.

The superior service approach accommodates the acquisition of new equipment. The trade guides allow for price increases (or set prices in new categories of business, such as color copying) to cover additional production costs. And value pricing allows the print shop owner to cover the cost of new equipment.

Regardless of the strategy adopted, the print shop owner's focus is on improving productivity while reducing cost. You can't go wrong in any type of print shop if you emphasize improved productivity that leads to more business and lower cost.

What Makes For Success?

Each job that comes into the print shop creates two pressures:

- Price pressure – how to price the job in such a way that the shop gets the job and can make money on it
- Turnaround pressure – how to run the job to meet the customer's time demand and not mess up other jobs already in the shop. This is not so easy; there are jobs already in production, jobs awaiting production, and a mixture of available (and busy) machines and operators.

As a result, to be successful in the quick print industry the owner needs effective production control over a large enough base of in-house equipment to deliver good quality results, on time. This is where the addition of a RISO Digital Press would provide additional flexibility and a "relief valve" to help the owner deal with job demands. After all, the ability to get the job, get it done, and earn the revenue are the owner's key concerns.

As well as mastering the production control problem, the shop owner has to do two other things to grow and prosper:

- Differentiate the shop from its competitors by offering some unique services (e.g., binding, computers for desktop publishing), hours or range of services (e.g., one-stop shopping).
- Build the sales base by consistent promotion and sales efforts to obtain larger volume customers and keep them by means of quality work and reliability.

Who Decides On New Equipment?

Quick print shop owners are always looking out for new equipment that will meet customer requirements (e.g., the growing demand for full-color copies), improve shop productivity, or reduce operating cost. The shop owner himself makes most decisions. And even though franchisees are usually required to meet a specified minimum equipment profile (to maintain service standards throughout the chain), they are usually free to buy additional equipment they feel to be useful in their individual operation.

The shop owner is usually remarkably well educated on printing equipment. As an entrepreneur, he will also be very careful with his investment. Often, he will seek advice from his press operator whose expertise can be crucial. He may also involve the press operator in making a decision because he cannot afford to alienate his key professional employee.

The RISO DIGITAL PRESS purchase decision then becomes very simple:

1. How will the new machine fit with current equipment?
 - RISO DIGITAL PRESS output readily feeds into existing finishing equipment
 - Frees both copiers and offset from medium/long run length work
 - Our computer connect option readily allows integration with desktop publishing equipment
2. How much will be saved in operating cost over current equipment?
 - Difficult to generalize but normally the owner should expect to see the RISO Digital Press save significantly over copier cost starting at 20-30 copies and over offset cost at less than 1,000-2,000 impressions (because of costly offset preparation, wash-up times and the offset's built-in requirements to overrun for spoilage)
 - Owner will want to do the comparison based on his own expense levels

3. Will it improve print shop output?
 - Hourly output is dramatically expanded due to the high per-copy speed
 - Quick set-up and instant color change make the RISO DIGITAL PRESS a vehicle for jobs which cannot be scheduled on the offset
 - The speed and operating simplicity of the RISO DIGITAL PRESS make it usable by unskilled counter help to deliver medium run jobs “while-you-wait”
 - Reduces shop owner’s dependence upon press operators, thereby increasing overall productivity

4. Will it meet existing customer requirements, and will it allow me to offer something new?
 - The RISO DIGITAL PRESS’ output quality approaches offset and at least matches most widely used copier duplicators
 - The RISO DIGITAL PRESS allows the printer to offer customers colored ink, either as a one-pass alternative to a black and white copier or as a multi-pass feature for two (or more) color printing
 - Editing capabilities and copy/print enhancement features allow the operator to “tune” output quality but do not require the advanced training of the offset operator.
 - The RISO Digital Presses reliable, design and straight-through paper path are ideally suited to recycled papers (which can cause excessive wear and jamming problems in traditional photocopiers)
 - Printers will have an additional quality/price option that can be offered to their customers

5. How much additional revenue will I gain?
 - The operating economy and reliability of the RISO DIGITAL PRESS approach offset, but achievable end-user output prices are similar to photocopiers
 - The RISO DIGITAL PRESS allows new services by which printers can expand their customer base

THE COMPETITION

We'd like to be able to say "What competition?" But although the print quality of the RISO Digital Press far exceeds our digital duplicator competitors, their products will also be offered into this sector.

The feature-by-feature comparisons will allow you to present the outstanding features of our new series. We have also tried to anticipate competitor's arguments in the Handling Objections section that follows. Your sales key, however, in dealing with competitors is to focus again and again on print quality. RISO is the leader, and your prospect is very concerned about print quality.

In addition to digital duplicators, you face competition from offset presses and copier/duplicators. The competition from offsets comes in two forms: i) resistance to change by the skilled operator of an existing press who may view the RISO Digital Press to be a threat (he needs to be persuaded that the RISO Digital Press will supplement his work, not replace it), and ii) sales of new offset presses to add to or replace offset capacity. New sales are a significant threat only in print shops where there is already a skilled operator; otherwise the print shop owner is facing not only the acquisition cost of an offset press (around \$22,000) but also the recruitment and retention of a highly skilled employee.

The threat from copier/duplicators also comes in two forms. First, you are competing with the meter-click cost of the already-installed copier/duplicator. Here it is important to make sure the print shop owner's meter-click includes all associated costs (such as service, toner, etc.). Because you may be competing with the best possible per-copy cost for a high-volume copier (e.g., the "over 100,000 per month" rate), you may have to introduce the other RISO Digital Press features in your product comparison. For example, mentioning spot color (and the premium that could be charged for it) and the wide range of paper types and sizes handled insulate you from direct cost comparison. We believe that in the majority of cases the RISO DIGITAL PRESS' black-and-white copy cost competes well with even the best copier price - and choice of ink color is a bonus.

The second threat from copiers comes from new machines with enhanced features. Here you can stress the fact that the RISO Digital Press is not a copier - it is an *ink-printing* device - and performs accordingly. The arguments here are the same as those made in any competition between the RISO Digital Press and a copier.

SELLING STRATEGY

By this point, you should be reasonably familiar with the business issues facing the quick print shop owner. You should also have seen just where the RISO Digital Press will address these business concerns. And you should have started to formulate your own ideas of how to approach him.

Because every situation is different and the “average” print shop does not exist, you will have to adopt a general selling strategy that can be carefully tailored to the individual prospect you are approaching. The more you know about your prospect before meeting him, the better off you will be. Use the following paragraphs as a guide.

1. Identify your targets

Basically, any print shop is a candidate for a RISO Digital Press. But don't just walk into the one nearest you. Develop a list and work through it. The highest potential for your first sale lies in a prosperous (equates to busy looking) medium-size independent or franchise. Small independents may not have the financial resources to react quickly; and, although there is a chance of multiple sales, it may be difficult to track down the owner of a multi-shop chain.

The first sale in an area will be the most difficult. After that, it should be easier as competition among the print shops takes over.

2. Find the owner/manager

Remember, your prospect is the owner (or, if an investor owner, your prospect may be the manager who runs the business) and he views himself as an expert in the field. He probably knows more than you do. Enlist his support in hearing your message – don't tell him how wonderful the product is, show him samples of RISO Digital Press print quality (contained in the RISO Sampler Books) and show him where he could use such a machine (see next page for a typical log sheet of RISO Digital Press jobs).

3. Introduce the RISO Digital Press

Position the RISO Digital Press as a machine that can provide him with capacity for extra business:

- One (or more) color jobs that he cannot justify right now because of offset scheduling or the cost and time of offset wash-ups
- Quick turnaround medium-long runs which he cannot accommodate on a slow(er) copier/duplicator
- Photo work which doesn't reproduce well on copier/ duplicators
- Odd-sized work in limited runs hat are usually brokered to other printers (e.g., envelopes, cards)

4. Show what it can do

Use the samples to illustrate the wide range of paper and card stock it will handle, and why it can handle this so reliably (straight-through paper path)

5. Talk about coexistence

Stress the RISO Digital Press's compatibility with the other equipment he has in his store. You are not out to displace anything – you're suggesting a powerful new machine which will coexist with all his existing equipment and allow him to rebalance the workload to generate more volume, more revenue and greater profits. If appropriate, refer to our SC (System Controllers) computer interface capability, which will support popular PCs, Networks and desktop publishing software.

6. Involve the pressman

Don't ignore the offset press operator. If at all possible, involve him in the discussion and reassure him that the RISO Digital Press will take much of the "junk" off the offset and allow him to focus on what the offset does best. Of course, if the shop doesn't have an offset operator, or needs an additional one, you can make the argument that the RISO Digital Press will approach offset quality without the need for a skilled operator.

7. Emphasize the benefits

Focus your story on the benefits of greatest appeal to the print shop owner:

- output quality approaches offset
- release valve for offset press
- simple color ink printing in multiple passes
- simple to operate; does not require skilled operator, counter-help can use it
- economical and reliable
- requires little floor space
- handles wide range of paper stocks

- quick set-up allows RISO Digital Press to substitute for offset for close deadline work
- dramatically increases number of impressions print shop can handle monthly
- supports increased sales
- environmentally safe; no fumes; toxic chemicals or ozone
- handles recycled paper without excessive wear and jamming experienced with photocopiers
- moderate capital investment

8. Show how the RISO Digital Press makes money for the print shop

Explain the economics of the RISO Digital Press. Be prepared to discuss both purchase and lease plans. Use the operating cost profile (Appendix B) to compare the RISO Digital Press's economics against offset presses and high-speed photocopiers. Use the price chart (Appendix C) to illustrate the margins available with RISO Digital Press printing. Remember that the print shop owner you are talking to has a unique cost structure down to the price per meter click he is paying his photocopier vendor. Invite the prospect to see where RISO Digital Press output might fit into his customer's price schedule. Use the possible retail pricing approaches (Appendix D) as the starting point for this discussion.

9. Set up a demonstration

Use the RISO Digital Press to demonstrate those technical features of most value to a professional printer. Appendix A contains a recommended list of samples to run for this purpose.

10. Close

Finally, allow the print shop owner to reach the conclusion that the RISO Digital Press is for him – then close. Our experience to date suggests that this selling strategy leads the prospect to the inevitable conclusion that he cannot do without one!

HANDLING OBJECTIONS

It won't print slick stock	True; but even offset may require an "Anti Set Off/Powder Unit" attachment. And besides, isn't that a job for the offset?
There are only 18 color inks.	False; our goal is to provide a quick-change facility with quick-drying ink. To do this, we provide only the most commonly used colors. We think 70 choices will satisfy most shops
A range of color print cylinders in their storage cases takes up too much room.	Not necessarily true. A print shop will do well offering a basic set of colors (e.g., red, blue, green) in addition to black. Most commercially available three-drawer lateral filing cabinets will accommodate a print cylinder without case in each drawer (with room to spare for ink supplies). This is a simple solution to storage problems in cramped quarters.
The ink doesn't dry immediately.	Compared with photocopier toner, this is true. But it does dry much faster than regular offset ink. Printed copies need be left for several minutes before they can be handled without smudging.
What about set-off?	Because the RISO Digital Press uses ink, it offers denser tones than available from familiar dry-toner based copiers. Today we offer a unique set of stacker fingers in receiving trays. In most cases, the set-off that occasionally results is overcome by working with the original or lightening the master-making scanning density and/or increasing print speed. If set-off is extreme because of specific routine tasks requiring large areas of heavy ink densities, RISO sorters provide a stacking mode that provides additional drying time.
What about show-through?	Occasional cases of show-through are caused by ink soaking into the paper. The compensating steps outlined above for set-off will also work for show-through in those rare instances where it is unacceptable to the customer. An alternative approach is to move to a less absorbent (or heavier) grade of paper, or colored paper stock. See "RISO Guide to Paper" booklet.

Envelopes need careful handling.	True, because the RISO Digital Press faces the paper handling limitations of all friction feed printers when handling uneven stock. Limiting the number of envelopes fed through in each batch and carefully adjusting the supplementary rollers in the feed tray so that the friction roller is not working on too uneven a pile can avoid problems. Experience will determine the maximum number of envelopes handles safely; in case of thick envelopes with uneven flaps or joins, this could be as low as 20. The new AR8100 envelope feeder is the answer.
Press operators will have less work to do.	WRONG -- emphasize that the RISO Digital Press will allow the press operators to concentrate on more profitable jobs and not have to worry about the smaller, less profitable medium-run length jobs. Remember, the RISO Digital Press does not require the constant attendance demanded to adjust the ink and water balance of the offset.
The customer wants true offset quality.	Without the RISO Digital Press option, customers have no choice; they are forced to accept offset press lead times and costs if they want color printing. The quick print shop would be able to offer the RISO alternative -- and illustrate it by means of a sample book on the counter -- can capture a new group to customers looking for economical while-you-wait color printing, leaving the offset press to do the work it's best suited for.
The machine is too complicated.	Really? Although it may be slightly unfamiliar, it is less complicated than many photocopiers today. Besides, the clear English displays and simple Operator's Manual makes it easy to understand.
It won't do auto duplex.	True. The RISO Digital Press can print at 120 copies per minute, 1,000 copies in less than eight minutes. Allowing a full 60 seconds to turn over the pile of copies for a second pass, that makes 1,000 two-sided copies in less than 17 minutes, equivalent to nearly 60 two-sided copies per minute.

TESTIMONIALS

- Little Printer, CA - Our RISO does everything RISO said it would do and more. I now regret not purchasing a high-end model because it performs so well and requires so little maintenance. It definitely pays for itself and so trouble free.
- WESD Printing, AZ - We have run over 3.5 million copies on our RISO and continue to enjoy success on it every day.
- Saugus Graphix, CA - Strong, quiet and efficient. This machine runs all day! Flawless.
- SBCC, CA - I have had very good results from RISO.
- PH Printing, CA - Very dependable machine, good quality printing. Very simple straight path. Does everything...envelopes, business cards, NCR, brochures...one color and multicolor printing.
- Ergo Print, CA - I love the RISO for many print jobs. The quality is good for most jobs.
- Ole Printing, CA - The thermo and RISO really work great together.
- Sloco, Inc., CA - We have a GR3770, 2750, and a RC6300. I enjoy using the RISO machines. I like the new changes and improvements on the RISO as well. The new colors are beautiful!
- Mail Boxes Etc., Ont. - Very good machine for the job it does, and it is a good moneymaker.
- Mail Boxes Etc., NY - The ability to make multi-color copies makes for a very eye-catching flyer.
- Mail Boxes Etc., MA - The only piece of capital equipment that started making money from day one!
- Mail Boxes Etc., NC - RISO has saved a ton of money. Cranks out big jobs very efficiently, good, reliable piece of equipment, good moneymaker, ability to make color copies is a big plus.
- Mail Boxes Etc., FL - I would highly recommend the RISO to any Mail Boxes Etc. owner. I use mine everyday to run NCR 2-part forms, my logo printed white sacks, as well as high volume flyers.
- Mail Boxes Etc., OK - The ability to handle high volumes of duplicates is a big plus. The ability to do color duplicates is attention grabbers as well.

Mail Boxes Etc., PA - Our GR3770 helps bridge the gap between black & white and processed color. It also helps us to be more competitive with high volume print jobs.

Mail Boxes Etc., FL- The RISO is a very versatile way to make a lot of copies at a very reasonable price. People love the different ink colors.

NOTE: Network with other Branches and Dealerships to increase this list for your surrounding states.

WEB SITES

Key Web Sites (www.)

Nice sites for overviews, locations, mission statements/goals & services.

Www.

Description

www.alphagraphics.com	Alphagraphics Print Centers
www.americanspeedy.com	American Speedy Print Centers
www.allegranetwork.com	Allegra Network (American Speedy Print Centers, Instant Copy, Quick Print, Speedy Centers, Zippy Print)
www.franklins-printing.com	Franklin's Print Centers
www.insty-prints.com	Insty-Prints Centers
www.kinkos.com	Kinko's Copy Centers
www.kwikkopy.com	Kwik-Kopy Centers
www.minutemanpress.com	Minuteman Press Centers
www.pip.com	PIP Printing Centers
www.sirspeedy.com	Sir Speedy Centers

Additional Sites

www.kwicktickets.com
www.qqprinting.com
www.ameriquickprint.com
www.nexpress.com
www.legacyusa.net
www.quickprintproducts.com
www.printplanet.com
www.printimage.org
www.cygnuspub.com/market.cfm?marketID=25
www.gain.org/servlet/gateway/

SECTION II

AT A GLANCE...

1. THE RISO DIGITAL PRESS
2. TYPES OF QUICK PRINTERS
3. MAJOR QUICK PRINT FRANCHISES
4. QUICK PRINTERS' BUSINESS REVENUE
5. QUICK PRINT PRICING STRATEGIES
6. WHAT MAKES A QUICK PRINTER SUCCESSFUL?
7. OWNERS KEY QUESTIONS
8. WHERE DOES THE RISO DIGITAL PRESS FIT IN?
9. WHO'S THE COMPETITION?
10. STEPS TO SUCCESS
11. WHAT IS IT USED FOR?
12. EMPHASIZE THE BENEFITS
13. HANDLING OBJECTIONS

1. THE RISO DIGITAL PRESS

- Increased Revenues
- Decreased Costs

2. TYPES OF QUICK PRINTERS

- Small Independents
 - \$150-300K Annual sales
 - Owner makes \$70K+
 - Undercapitalized
 - Marketing is critical
- Local or Regional Chains
 - \$500-1,000K Annual Sales
 - Owner makes \$120K+
 - Better financed
- Franchise Businesses
 - Organization brings strength
 - Slightly higher prices than independents
 - 5%-6% royalty cost
 - Higher success rate than independents

3. MAJOR QUICK PRINT FRANCHISES

ALPHAGRAPHICS

Overview

The year 2000 marked the 30-year anniversary of the AlphaGraphics network. Over the past three decades, we've built a dynamic franchise in the convenience printing industry.

As a pioneer in digital publishing technology, AlphaGraphics' mission is to enable our customers to communicate easily and effectively in any publishing medium, anywhere in the world, integrating the strength and global presence of our nearly 350 physical printshops located in more than 24 countries. This strategic blending capitalizes on our strong, relationship-driven partnerships with our business clients, and allows e-commerce to play an increasingly vital role in our future.

Through our technology-driven infrastructure and worldwide vendor alliances, AlphaGraphics is able to offer an expanded portfolio of products and services well beyond that of our competitors. And, as the first printing franchisor to receive ISO 9000 certification for our operating and performance-measurement systems, each AlphaGraphics store is staffed with a highly trained team of experts recognized throughout our network as Certified Design Specialists, Certified Print Specialists and Certified Digital Specialists. That is why our business clients know they will receive the same high quality service in any AlphaGraphics location around the world.

AlphaGraphics invites you to become a business partner in our dynamic global network.

Who We Are

AlphaGraphics, Inc., headquartered in Salt Lake City, Utah, is the franchisor of AlphaGraphics Printshops Of The Future stores, the leading providers of print-related and digital publishing services for businesses worldwide.

Mission Statement

AlphaGraphics mission is to enable its customers to easily and effectively communicate in any publishing medium - anywhere in the world, anytime.

History

In 1970, America was introduced to optical fibers, video games, bar-coded products, microprocessor-based computers and AlphaGraphics Printshops Of The Future.

AlphaGraphics began franchising its Printshop Of the Future concept in 1979, offering the use of its trademark and operational support in exchange for franchise fees and ongoing royalties.

By the late 80's, AlphaGraphics was aggressively pursuing the global marketplace and opened its first international locations in Hong Kong, London and Moscow. Today, there are nearly 350 franchise locations with presence in 24 countries.

Strategic Technology Planning

An early bird to technological transformations, AlphaGraphics researches, tests and evaluates the newest technology long before it is available in the marketplace. Through a comprehensive strategic planning process, AlphaGraphics identifies emerging trends and technological opportunities and makes profit-maximizing recommendations to its franchise network.

Differentiation Through Quality

Setting a worldwide quality standard for the franchising industry, AlphaGraphics received ISO 9002 certification for its franchising process and for store-level operating and performance-measurement systems. As one part of this ISO process, store personnel undergo intensive ongoing training to maintain system standards and they are recognized through the network as:

- Certified Design Specialists
- Certified Print Specialists
- Certified Digital Specialists

Relationship-Based Marketing Plan

AlphaGraphics' sales and marketing strategy focuses on developing new business and building long-term customer relationships. Integrating a well-trained outside sales force with a targeted direct marketing strategy focuses efforts on the management of the entire life cycle of a sales opportunity from inquiry to a new customer. Utilizing a highly

sophisticated direct marketing database management system, market segments can be targeted with precise and individualized product offerings.

Revolutionary Franchise Agreement

AlphaGraphics has created one of the most innovative and revolutionary franchise agreements in the franchising industry. Today, the framework of this franchise agreement features reduced royalty levels, a unique royalty credit system for "purchasing" customized marketing and training programs, and the opportunity to buy out of the franchise agreement within specified timeframes for a reasonable sum.

Comprehensive Training Program

For franchisees new to the industry, AlphaGraphics provides a comprehensive four-week training program that focuses on managing the business, developing a strategic sales and marketing plan and day-to-day operations in a technology-based environment. Once the store is open for business, franchisees and store staff receive ongoing training in the form of videotapes, interactive CDs, intranet-based training, in-store training, regional seminars and conferences.

Innovative Succession Planning Program

AlphaGraphics leads the industry in succession planning, offering its franchise network a program designed to help identify and groom qualified buyers for franchisees interested in selling their business. The cornerstone of the program is a novel employee incentive system that allows employees to earn cash credits that can be applied toward the purchase of an AlphaGraphics Printshops Of The Future franchise.

Strategic Alliances

AlphaGraphics has formed strategic alliances with a broad spectrum of vendors and industry giants. Sharing research, emerging technology and resources, these industry leaders work together to strategically develop innovative applications for the digital printing industry.

ALLEGRA NETWORK

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1800 West Maple Road
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248.614.3700 Phone
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www.allegranetwork.com

Allegra Network is the hub of information and support for close to 400 locations in the United States, Canada, and the Far East, including Japan. Whether you know our centers as Allegra Print & Imaging, American Speedy Printing, Quik Print, Speedy Printing, or Zippy Print, we are here to provide expert print and visual communication services.

Our independently owned and operated locations specialize in full-service graphic design, printing and business communications for small, medium and large-sized businesses and are staffed with expert printing consultants who work with clients to analyze their printing needs and help choose the best design, quantity and printing method for each project.

Some of these services and capabilities include:

Advanced Printing Technologies

Full-color printing, graphic design services and electronic publishing, digital color copying, high-speed copying, on-line file transfer capabilities and complete finishing services.

Consulting Services

Trained professionals work directly with customers in the design and implementation of printing projects.

Educational Services

Custom-designed training programs educate customers in short-run, digital color and other design and printing techniques.

Global Connectivity

Because our centers are part of a network of professional printers, we can provide whatever service you require, whether its multi-color offset printing, on-demand digital printing, graphic design, high-speed copying, color copying and output, or other information services.

Mission Statement

Allegra Network's mission is to build a progressive network of the best print and graphic communications providers in North America.

Members of the Allegra Network include



Allegra Print and Imaging

Launched in 1996, this new concept in print and visual communication services offers the leading printing technology to provide total solutions.



American Speedy Printing Centers

The original name of one of the country's leading printing franchises. American Speedy incorporated in 1976 and sold its first franchise in 1977. Many centers continue to operate under this name and offer printing, copying, and related communications services.



Instant Copy

Members of the Allegra Network since February 2001 with five locations in northern Indiana.



Quik Print

A brand acquired from XYAN, Inc. in 1998, with locations in 12 states.



Speedy Printing Centers

The first brand marketed in Canada beginning in 1987; with locations in Ontario and British Columbia.



Zippy Print

A Canadian franchise printing company acquired by American Speedy Printing Centers, Inc. in 1995, with locations in Ontario and British Columbia.

FRANKLIN'S PRINTING CENTERS

Today's clients are looking for comprehensive, quality solutions for their printing and imaging needs. That's why Franklin's Printing is a leader in its field. From the conception of an idea through distribution of the finished product, Franklin's Printing will exceed your expectations by delivering a quality product, based on your specifications, and within your time frame.

Franklin's Printing services include creative graphic design based on concepts, state-of-the-art digital black & white and color imaging and printing services, as well as large format printing, full service finishing and bindery.

Franklin's Printing meets all your business imaging needs and provides a complete range of business services.

Using the most technically advanced printing equipment available today, Franklin's Printing offers total document management and solutions.

Franklin's Printing services include creative graphic design based on client concepts, state-of-the-art digital black and white and color offset printing, large format posters and engineering graphics, and full service finishing and bindery. Franklin's Printing utilizes leading edge technology to manage client databases and to provide easy file transfer and image enhancement.

***Consider Each Piece Of Printed Material You See During An Average Day.
Now Consider Each One Of Them As An Opportunity...***

Printed material. It includes everything from brochures to letters, direct mail pieces to fliers. It brings you information that you see in one form or another every day.

The printing industry is driven by a need for communication, a need found in consumers and businesses alike. American businesses talk to consumers and to each other most often through printed material. In today's technological age, we have more information at our fingertips than ever before. Communicating this information creates a wealth of opportunities within the printing industry, particularly for higher quality printing and for those printers prepared to meet the challenges of a growing, changing industry. We have positioned Franklin's Printing as such a printer.

Franklin's objective is to position our franchisees to deliver a quality product through advanced printing technology. Our corporate philosophy is based on the idea that, to survive, you must adapt to changes. This philosophy enables us and our franchisees to take advantage of every business situation we encounter.

Long Before You Even Open The Doors To Your New Franklin's Printing Center, You'll Have Years of Experience Behind You.

In many business ventures, there is no substitute for experience. With experience comes knowledge and insight, two of Franklin's greatest strengths. At Franklin's Printing Corporation our background comes from more than 30 years of experience in the printing industry. This is not only a unique difference within the franchise printing industry, but also a tremendous advantage. As a franchise owner, you will have experienced professionals supporting you.

We know what works, so there's no guessing and no trial and error. We deliver expert support to every key area of your business, including marketing, finance, operations, technical, and business growth and development. And it's all accessed through our toll-free telephone number, center visits, seminars and conferences.

As the printing industry evolves, our sophisticated management systems and special understanding of the printing business will become even more important. We have identified four areas of concentration which experience tell us should receive special emphasis.

Technology

Technology is not something to be feared, it is a tool that should be used to your advantage. That's why we work very hard to stay abreast of technological changes and to make sure you are aware of the opportunities available to you.

Franklin's Center owners are kept ahead of the competition in other ways as well. When upgrading or replacing equipment or systems used in their business, Demand Graphics Research (DGR) is a source for factual, unbiased information.

Since 1980, the DGR team has been dedicated to studying printing product development trends, conducting hands-on evaluations of equipment and supplies, and distributing quality research reports and technical bulletins.

Human Resources

Employees are critical to any business operation. So Franklin's Corporation has developed procedures to assist you in locating, hiring, training, and motivating your personnel.

Marketing

Our marketing programs are based on the concept that no two Franklin's Printing centers, or their owners, are exactly alike. We recognize the specific needs of each Franklin's Printing center in regard to the city or region in which it is located. This allows us to provide you with a variety of ideas and solutions for your individual marketing needs. It gives you the flexibility to more effectively market your business to satisfy the needs of your customers.

Business Management

The management of any business requires careful and thorough planning. Our continual financial and business analysis of your center enables you to make informed business decisions and plan for the future.

You Will Feel The Commitment Of People Working Hard On Your Behalf.

Even before you become a Franklin's Printing center owner, you will begin to see the benefits of years of printing and franchising experience and the detail built into Franklin's Printing Corporation's franchise systems.

It starts with your center location. Through our complete site analysis, we suggest the best locations in thriving business centers. Together, we will choose a site for your business where we both feel opportunities are greatest.

We also believe our start-up procedures are the best in the franchise industry. Our long-standing printing experience will prove invaluable in terms of your center layout. We will design your entire printing center. Efficiency is critical to a printing center's operation. Our layout will minimize wasted motion and provide maximum productivity. It is a proven system based on years of hands-on printing experience. And it's all designed to ensure that you and your staff operate as a team focused on delivering a high-quality product, and meeting your customers' needs.

Our training and support programs are extensive as well as thorough. Initial training and management tracking will provide you with the background and confidence needed to operate your Franklin's Printing business.

ICED, headquartered in the Northwest Forest, is the home of a replica of the Alamo from history and movie fame that serves as a training facility for our center owners. It is used for ongoing education, provided in the form of seminars held throughout the year for owners and employees. While at Northwest Forest, owners may stay in one of The Log Inns, where efficiency apartments create a home-away-from-home atmosphere.

We will also provide you with marketing programs and materials designed to help you attract and retain local customers.

The Comprehensive Business Review of your center will allow us to individualize our support to your center. We will then help integrate the unique aspects of your center into a thorough business plan to ensure stable and consistent growth.

Our educational seminars will keep you and your staff up-to-date with the latest technology and current business systems.

It's not uncommon to have questions, and we have answers to the most frequently asked questions about Franklin's Printing.

For Those Who Become A Part Of Franklin's Printing, Rewards Can Become A Way of Life

Making the decision to own a business is a step toward independence. Being a Franklin's Printing center owner can give you both the freedom and the challenges you're looking for. As a Franklin's Printing center owner, you will never be alone; you will have access to all the resources of the largest printing franchise organization in the world.

INSTY-PRINTS

Many businesses have never broken the inconvenient habit of going to one source for one-color printing, another for multi-color printing, and yet another for copies, forms, labels and newsletters. **Insty-Prints** strives to help businesses save precious time and ease the strain on their budgets by becoming their single-source business printer.

We Invented the Industry

Since we began as a fast-turnaround business printer – we actually gave birth to the industry – we've leveraged our "can do" efficiency to become the printer of preference for thousands of companies across the country. Today, we proudly offer you virtually anything that's ink or toner on paper. And we do it right. Our intention is to build relationships, and we devote the time and resources required to build lasting ones on a foundation of value-added services.



Insty-Prints uses top-of-the-line printing, copying, prepress and high-speed digital equipment. We invest in appropriate technology to maintain our position as the best business printing service. Yet, great equipment alone does not guarantee a great print job. What matters most are highly trained people with a drive to produce your order with the perfect balance of quality, price, and speed.

Whether you send us a project electronically on disc, via e-mail, or as a traditional paste-up, the Insty-Prints staff will review the project thoroughly to see that everything is in order before it gets to the production floor. Also, you can supply unformatted text on disc or hard copy and our designers, working with the latest computers and graphics software in both Mac and PC platforms, will add the sparkle that brings the project to life. That often involves the creative use of color. Insty-Prints designers help customers choose the perfect shade, tint or hue, using the Pantone Matching System. Insty-Prints also can assist with the selection of paper color, texture and weight to enhance the overall appearance.

The Best of Both Worlds

Because there are more than 200 locally owned Insty-Prints facilities nationwide, we can even send your jobs and specifications electronically to other locations to get you out of a jam when you're on the road. Regardless of the location, Insty-Prints offers the full range

of finishing and post-production services too, including folding, stapling, cutting, drilling, binding, perforating, padding, numbering, laminating, and shrink-wrapping. And, of course, direct mail services, delivery, and even warehousing and fulfillments are right up our alley too.

In addition to offering personal advice and the experience of our shops nationwide, Insty-Prints is also committed to helping you with useful "In the KNOW" booklets. Among the titles are "20 Desktop Publishing Don'ts," "8 Keys for Foolproof File Transfer," "5 Pointers for Proofreading Perfection," and "The Top 4 FAQs About Scanning." These quick-read brochures are invaluable because they take much of the mystique out of creating and producing your business material. They are just one important example of our focus on you. Let's get acquainted.

KINKO'S



About Kinko's

Kinko's is the world's leading provider of document solutions and business services. Its global network of more than 1,100 digitally connected locations offers 24-hour access to technology for color printing, finishing and presentation services, Internet access, videoconferencing and Web-based on-demand printing and document management solutions. Named for the third consecutive year as one of Fortune's "100 Best Companies to Work for in America," Kinko's is a privately held corporation with more than 25,000 team members and locations in nine countries. It is headquartered in Ventura, Calif. For more information, please visit <http://www.kinkos.com>.

Our Philosophy

Our primary objective is to take care of our customer.

We earn our customers' trust by serving them in a reliable, timely, and helpful manner, by providing high quality at a reasonable price, and by actively taking initiative to meet their needs.

We strive to develop long-term relationships that promote mutual growth and prosperity.

We value creativity, productivity, and loyalty, and we encourage independent thinking and teamwork.

Our co-workers are the foundation of our success, and we consider them to be part of the Kinko's family.

Based in Ventura, California, Kinko's is a privately held corporation with more than 25,000 co-workers worldwide. Kinko's currently operates more than 1,100 retail locations in the United States, Canada, the Netherlands, Japan, South Korea, Australia, the United Arab Emirates, China and Great Britain.



Our Humble Beginnings

In September 1970, Paul Orfalea, just out of college, borrowed enough money to open his first photocopy shop in Isla Vista, on the campus community of the University of California at Santa Barbara. Instead of calling it "Paul's Copies," he called it "Kinko's" after the nickname given to him by his college buddies because of his curly, reddish hair.

The first store (shown here) was located in the corner of a building that also housed a taco stand (which later proved advantageous when Paul cut a hole in the connecting wall, allowing him to order lunch without leaving the store).



This tiny Kinko's was only 100 square feet wide and featured a single copier, offset press, film processing and a small selection of stationery and school supplies. As the store grew, so did the number of machines. The space became so crowded that at times, the copier was rolled out onto the sidewalk and used there for self-serve copies!

Now, 30 years later, Kinko's has expanded to over 1,100 branches in Japan, South Korea, Australia, the United Arab Emirates, and China.

KINKO'S ANNOUNCES HEADQUARTERS MOVE, STAFFING ADJUSTMENTS AS PART OF NEW STRATEGIC PLAN

Changes Represent First Steps to Maximizing Future Growth Prospects

VENTURA, Calif.— October 16, 2001 — Kinko's, Inc., the world's leading provider of document solutions and business services, today announced the first phase of a new strategic plan that will position the company for future growth by identifying new areas of opportunity and ways to contain costs. As part of this plan, the company will relocate its corporate headquarters to a yet to be determined North Texas location and will adjust its field support structure and staffing to align with current and future needs.

"These changes are required to strengthen and refocus our business so that Kinko's can more effectively serve its expanding customer base," said Gary Kusin, Kinko's president and chief executive officer. "The headquarters relocation has both economic and practical benefits for a company with more than 1,100 locations worldwide: a centralized location with a favorable business environment, a lower total cost of doing business, a competitive tax structure, and decreased travel costs and time. The staffing changes are a result of the need to right-size the organization and apply our resources wisely."

From now to the end of 2002, Kinko's will gradually transition a significant portion of the Kinko's Field Support Organization from Ventura, Calif., to North Texas.

The company's main Ventura, Calif. facility will continue to house their technology, operational, and accounting departments for the foreseeable future. This includes approximately 300 team members.

The organizational changes being announced today will result in the immediate reduction of approximately 350 field support positions, primarily from human resources, technology and operations support. This represents a headcount reduction of less than two percent and does not affect the branch or field management structure in any way. All departing team members are receiving competitive severance packages and outplacement support services.

"This two-pronged transition will be a difficult change for our Ventura County team members and field staff functions, all of whom have worked hard over the years as part of our Kinko's family. We regret the impact such a business decision has on the lives of our people," said Kusin. "However, these changes are necessary to ensure the ongoing success of our company for all Kinko's team members around the world."

KWIK KOPY PRINTING



Kwik Kopy Printing services include creative graphic design based on your concepts, state-of-the-art digital black & white and color imaging, and printing services, as well as large format printing, full service finishing and bindery.

Looking for the best way to present your business to your customer?

Kwik Kopy Printing has been serving the business community world wide with superior professional printing and imaging services for over three decades.

Whether you need your work printed, copied or mailed ...

Whether you need your documents on paper, compact disk or the Web ...

Kwik Kopy Printing is your one stop for professional printing and document handling. Let us take care of your business needs. You'll definitely experience the difference!

MINUTEMAN PRESS INTERNATIONAL



Minuteman Press International was rated the #1 Printing Franchise in the printing industry by Entrepreneur Magazine recently.

You can get information on printing and print related products on our website. Plus, you can find out how to become a Minuteman Press franchise owner, or find the closest Minuteman Press store to you.

Minuteman Press International, Inc.

1640 New Highway

Farmingdale, NY 11735 • USA

Tel: 631-249-1370 • Fax: 631-249-5618 • Email: mpihq@aol.com

(see website: www.minutemanpress.com)

Welcome to the exciting and ever growing world of Minuteman Press, one of the foremost and prestigious printing franchise organizations in the world! The exceptional growth of Minuteman Press Full Service Printing Centers is based, in part, on our discovery of a void in the print industries' ability to fulfill a businesses' total graphics needs. As we expand into other countries around the world, we have found that same void exists in such places as the United Kingdom, South Africa, Mexico, Australia, Ireland, and the Caribbean.

After investigating the industry, we opened our first store in Plainview, Long Island. Concerned about the lack of capabilities in this store and the limitations of many Quick Printers, we dedicated ourselves to opening a more versatile and productive full service print center.

The prototype Minuteman Press center opened in Farmingdale, Long Island, in 1974. We utilized equipment which allowed us to reach further into the quality printing market and establish a unique niche in the printing industry. Full service printing became, and remains, the basis of the Minuteman concept; a virtual one stop center for all of your printing and graphic needs. Now there are over 850 Minuteman Press Full Service Printing Centers throughout the world!

Our concepts, along with our capabilities, have enabled our franchise owners to offer the quality and service necessary to generate a tremendous repeat business. We are also very

proud of the vast network of franchise owners operating their own Minuteman Press Full Service Printing Centers. These men and women come from all walks of life, most of whom have no prior background in the printing and graphics related fields. We are not looking to turn our owners into printers; rather we are looking for individuals who will be alert to the needs of their business community and who will manage and motivate their employees and promote their business. We will provide the training for you and your employees, and also provide technical and marketing support to assist you through our strategically, located regional support offices.

We at Minuteman Press International trust that you, like hundreds of others, will find this business to be exciting, challenging and rewarding. The Minuteman Press franchise concept has given us the opportunity of offering many people a new way of life. It can be yours too!

Robert Titus
President

PIP PRINTING

PIP Printing Is The Most Recognized Brand In Business Printing

Quality. Service. Dependability. When you need a printing partner, you can rely on PIP Printing. With more than 400 independently owned and operated United States locations, PIP Printing has the products and services to satisfy all of your of business printing and copying needs.

You can rely on PIP's 35 years of experience to provide solutions for every business printing need. The talent and dedication of more than 1,000 PIP professionals work every day to make your print project the best it can be.

You can rely on the integrity of the most experienced and trusted name in business printing. PIP is dedicated to seek the latest innovations in digital printing technology.

You can rely on PIP's ability to deliver the highest level of customer service.

From small or home-based businesses to Fortune 100 companies, PIP Printing will be your partner to help you achieve your printing, copying and document management needs.

If you need personalized service, PIP Printing has the dedicated professionals to help get the job done. Looking for a convenient location nearby, or one in another town, or state? PIP is there. And for those of you who prefer to do business online, our Web-based ordering system now makes it easy and hassle free.

Just let us know how you want to do business, and leave the rest to PIP.

PIP Printing Is Your One-Stop Business Printer

At PIP Printing, we provide every high quality document solution you need. With more than 35 years of experience, a staff of dedicated professionals, and the latest technology and software solutions, PIP Printing can deliver all of your projects just the way you want. We are the right printer and the right people for the job.

So, whether you're doing business down the street or across the country, why choose anyone else? From our website, www.pip.com, just click on one of our products or services and find out how easy it is to get our help. Or, use the "I Want to Create . . ." menu and get the detailed information you need at the click of a mouse.

SIR SPEEDY



Why Sir Speedy Is The World Leader In Business Printing.

Breadth. Depth. Scope. Nobody provides more in business printing than Sir Speedy.

With more than 1,100 centers in 23 countries, our Global Digital Network links you to an international team of 5,000 highly trained communications experts. So no matter what, we have the professionals it takes to satisfy your every printing and copying need.

And our network-wide initiative to invest in the latest, best-of-practice equipment means you can rely on hundreds of presses, thousands of copiers, and the finest in computerized graphic support.

Whether you're a Fortune 100 company, a small business, Sir Speedy can help you achieve your objectives in printing, copying and document management.

Need personalized attention for specific custom jobs? Sir Speedy has the people to help.

Need a convenient local center, or one in another town, state, or country? We're there. How about work on the Internet? We make it easy with our award-winning Web site, plus our innovative web-based ordering system.

You just tell us how you'd like to work, and we'll work with you.

Like to know more? Visit our website at www.sirspeedy.com, and just select a category from our menu. To establish a relationship or locate your nearest center, you may use the Zip Locator.

News You Need To Know

Sir Speedy is global in scale, with more centers, products and services to serve you than any other printing, copying and digital network.

4. QUICK PRINTERS' BUSINESS REVENUE
--

COMMERCIAL ACCOUNTS**WALK-INS****OUTSIDE SERVICES**

- | | | |
|---|--|--------------------------------|
| - The majority of business is done on credit basis | - Usually cash and carry orders | - Can be either cash or credit |
| - Most orders require some form of additional preparation | - Most orders need no additional preparation | - Special orders are sent out |
| - Constitutes about 65-70% of business | - Constitutes 25-30% of business | - Less than 5-10% of business |
| - Orders typically greater than 1,000 copies | - Orders typically less than 1,000 | - Size varies |

5. QUICK PRINT PRICING STRATEGIES

Lowest price, often on a narrow range of services

Superior service

- Wide range of offerings
- Price levels set by
 - Franchise chain suggestion
 - Industry guides
 - Value to customer

6. WHAT MAKES A QUICK PRINTER SUCCESSFUL?

Meeting customer deadlines and quality requirements

Having good production controls and enough equipment
to meet customer time/quality requirements

Differentiating this shop from others

Consistent promotion to build sales volume

7. OWNERS KEY QUESTIONS

How will it fit with my existing equipment?

How much operating cost will it save?

How much more output will I get?

Will my customers appreciate it?

How much more revenue will I earn?

8. WHERE DOES THE RISO DIGITAL PRESS FIT IN?

Complements existing equipment:

- Feeds into existing finishing equipment
- Takes heat off the photocopier, freeing up capacity for new business and extending copier life
- Reduces burden of short-run offset jobs

Adds capacity that will bring extra revenue:

- Ideal for medium run while-you-wait copying that otherwise might be lost
- Offers while-you-wait color printing
- Can be operated by counter help

Gives the print shop owner a new mix of product/service/price to offer customer

9. WHO'S THE COMPETITION?

1. Digital duplicators

- Others have poorer print quality
- In quick print business, you cannot afford "cheap"
- Use demo to overcome competitors on quality

2. Installed copier/duplicators

- Find out what meter click costs
- Compare RISO
- If favorable, compare RISO on longer runs
- If not so favorable, stress color and the wide range of paper stocks handled

3. New copier/duplicators

- RISO is not a copier - it is an ink printer
- Stress purchase economy for high-volume production

10. STEPS TO SUCCESS

DEVELOP THE TARGET - CHOOSE THE PROSPECTS

TALK TO THE OWNER

POSITION THE RISO DIGITAL PRESS AS A SYSTEM FOR EXTRA BUSINESS AND PROFIT

SHOW SAMPLES OF RISO DIGITAL PRESS OUTPUT - USE THE LATEST SERIES SAMPLER BOOK

TALK ABOUT COEXISTENCE WITH OTHER PRINT SHOP EQUIPMENT

IF POSSIBLE, INVOLVE THE PRESSMAN

EMPHASIZE THE BENEFITS

SHOW HOW THE RISO DIGITAL PRESS WILL MAKE MONEY

SET UP A DEMONSTRATION

CLOSE

11. WHAT IS IT USED FOR?

JOB	QUANTITY	WHY RISO DIGITAL PRESS USED
1. Fliers - blue ink on blue paper (training company)	1 x 500	Needed fast color; while-you-wait
2. #10 envelopes - black on white (temple)	1 x 500	Needed fast and inexpensive; press busy
3. Parking permits - blue on yellow card stock (auction)	1 x 75 (4-up)	Regular weekly business; card jams on copier, uneconomical on press
4. Postcards - brown on tan card stock (association)	1 x 180	While-you-wait
5. Event catalog - green on white recycled (environmental association)	11 x 50 1 x 150	Rush jobs, needed color, copier too slow, copier jams frequently with recycled paper
6. Meeting notice - black on white (youth club)	1 x 50	Copier busy
7. Meeting notice - green on yellow (garden club)	1 x 200	While-you-wait; colorful appearance
8. Informal business cards - blue on white card (politician)	1 x 125 (10-up)	Needed cards urgently for political rally. Copier could not handle
9. Celebration invitations - red on beige card (church)	2 x 125 (2-up)	Wanted inexpensive, colorful invitations, urgently
10. Fliers - yellow overprint on offset letterhead (museum)	1 x 150	Special logo to distinguish mailings; while-you-wait
11. Invitations - blue on pink (individual)	1 x 70	Color; while-you-wait
12. Letterhead - blue on yellow (communications company)	1 x 250	Color; needed quickly
13. Fliers - red ink sketch printed on paper to be used in copier (poetry group)	1 x 200	Added distinction to otherwise bland text
14. 9 x 12 envelopes - red on white (church)	1 x 100	Envelopes needed for one-time appeal

12. EMPHASIZE THE BENEFITS

Quality approaching offset

Simple color printing in multiple passes

Counter help can use it

Print enhancement features

Economical and reliable

Requires little floor space

Handles wide range of paper stock

Substitutes for offset on close deadlines

Expands shop capacity

Moderate capital investment

Environmentally safe

Handles recycled paper well

13. HANDLING OBJECTIONS

Don't sell the RISO Digital Press as an offset press; it isn't:

- it won't print larger than 11 x 17 image
- it may not match best offset print quality
- it's friction feed mechanism does not allow precise registration
- it won't print on calendar finish (e.g., brochure) stock

but...

- it doesn't take hours to set up and clean
- it can change ink colors in seconds
- it doesn't need a professional operator
- it does provide an impressive range of attachments

Don't sell the RISO Digital Press as a copier; it isn't:

- it won't produce single copies as economically
- it may not match the best copier quality on a copier's "good" days
- it does not make transparencies (no heat)

but...

- it will print much faster than most copiers
- it will print in color (at black pricing), 70 colors today
- it will handle recycled paper effectively
- it will print card, envelopes, NCR paper, etc.

Sell the RISO Digital Press as a Press Alternative...

As a print shop's workhorse for creative, colorful, reliable output
satisfying its quick/ while-you-wait customers

Section III

APPENDICES

A - SAMPLE WORK

B - OPERATING COSTS

C - COPIERS & OFFSET PRICE COMPARISONS

D - POSSIBLE RETAIL PRICING APPROACHES

INDEX

APPENDIX A - SAMPLE WORK

The RISO Sample books provide a wide range of print samples to illustrate the power of the RISO DIGITAL PRESS. It should be used to show your prospect the type of output he can expect in a variety of in-house jobs.

Nothing, however, can beat a live demonstration of our system. And, unfortunately, nothing can undermine your sales presentation more than a poorly prepared demo. This is particularly true for the print shop prospect that is measuring the product in terms of the sales ability of its output and its productivity.

We suggest you demonstrate at least the following: (Always try to send from your computer)

- Black ink on white paper at top speed. If you choose recycled paper, you will also be able to illustrate how well the RISO DIGITAL PRESS handles "problem" paper.
- Colored ink on colored paper at middle speed setting.
- Colored ink on card stock.
- Use a two color separated originals (hard copy or from PC) and print black first and then a second pass (change cylinder) and print in a contrasting color. Keep the center print/paper area open (first pass black) if possible for feed tire with first pass.
- Color ink on a 9x12, 8x10, or #10 envelope: a special message notice is simpler than a return address. The more envelopes in the stack, the greater the chance of misfeed. Experience will determine the maximum number of envelopes that can be handled safely. Although the RISO DIGITAL PRESS is not - and should not be sold as - a specialist envelope printer, it effectively handles limited rush jobs or add the AR8100.

This will be accepted readily by most printers: they know that even with traditional offset presses additional expensive equipment is required to handle envelopes effectively. Printers like the envelope feeder option, use the AR system as an closing option.

From this point onward, your demonstration is limited only by your imagination and proficiency.

APPENDIX B - OPERATING COSTS

Job	Quantity	Estimated Production Costs		
		Offset	Copier	RISO DIGITAL PRESS
1. 20# bond, 8.5x11	1,000/1-side	\$22.19	\$24.72	\$9.75
2. 20# bond, 8.5x11	50 sets of 5/1-side	5.56	4.17	3.84
3. 20# bond, 8.5x14	1,000/1-side	24.99	32.97	12.75
4. 20# bond, 8.5x14	50 sets of 5/1-side	6.20	6.22	4.48
5. 20# bond, 8.5x11, 67# cover stock (2)	50 sets of 20 with covers/1-side	20.50	26.65	15.45
6. 20# bond, 8.5x14, 67# cover stock (2)	50 sets of 20 with covers/1-side	23.52	28.67	17.47
7. 110# index postcard	3,000/2-side	48.11	N/A	36.00
8. 110# index postcard	500/2-side	24.24	N/A	6.00
9. 4.25x5.5 baronial	500/1-side	23.37	N/A	17.50
10. 4.25x5.5 baronial	50/1-side	2.34	N/A	1.96
11. 20# bond, 8.5x11	5,000/1-side	81.00	124.58	50.25
12. 20# bond, 8.5x11	5,000/2-side	131.00	222.79	72.25
13. 20# bond, 8.5x14	5,000/1-side	95.38	137.58	64.75
14. 20# bond, 8.5x14	5,000/2-side	145.38	235.79	88.25
15. #10 ½ 9x12 envelope	1,000/1-side	76.80	N/A	29.30
16. Business #10 envelope	1,000/1-side	42.50	N/A	18.70

NOTES:

Production cost estimates include supplies as appropriate (ink, toner, developer, master, plates, etc.), maintenance and paper. All estimates are for black ink on white paper. Labor costs are not included.

High-Speed Copy/Duplicator cost is based on some of the Xerox Systems

Actual printers supplied offset costs some time ago.

RISO DIGITAL PRESS costs were calculated using RISO ink yield and cost-per-copy charts and assume an average selling price of \$10,495 amortized over 10 million prints.

APPENDIX C – COPIER AND OFFSET PRICE COMPARISONS

Job	Quantity	Suggested Retail	Estimated Production Costs		
			Offset	Copier	RISO DIGITAL PRESS
1. 20# bond, 8.5x11	1,000/1-side	\$33.97	\$14.78	\$9.25	\$8.92
2. 20# bond, 8.5x11	50 sets of 5/1-side	14.69	11.13	10.52	10.85
3. 20# bond, 8.5x14	1,000/1-side	44.37	19.38	11.40	13.62
4. 20# bond, 8.5x14	50 sets of 5/1-side	17.61	12.41	11.39	13.13
6. 20# bond, 8.5x11, 67# cover stock (2)	50 sets of 20 with covers/1-side	57.51	32.01	30.86	42.06
6. 20# bond, 8.5x14, 67# cover stock (2)	50 sets of 20 with covers/1-side	70.52	43.00	41.85	53.05
7. 110# index postcard	3,000/2-side	218.96	170.85	N/A	182.96
8. 110# index postcard	500/2-side	76.57	52.33	N/A	70.57
9. 4.25x5.5 baronial	500/1-side	76.82	53.45	N/A	59.32
10. 4.25x5.5 baronial	50/1-side	25.42	23.08	N/A	23.46
11. 20# bond, 8.5x11	5,000/1-side	134.12	53.12	75.00	83.87
14. 20# bond, 8.5x11	5,000/2-side	219.95	88.95	-2.84	147.70
15. 20# bond, 8.5x14	5,000/1-side	183.37	87.99	45.79	118.62
14. 20# bond, 8.5x14	5,000/2-side	299.59	154.21	63.80	211.34
15. #10 ½ 9x12 envelope	1,000/1-side	136.45	59.65	N/A	107.15
16. Business #10 envelope	1,000/1-side	53.57	18.07	N/A	30.87

NOTES:

1. Suggested retail prices shown are taken from the latest "Bill Friday Counter Price Book". Prices listed are for the national "average" price for the jobs listed (neither high nor low) and include paper.
2. Operating margin is the difference between Suggested Retail and Estimated Product Cost shown in Appendix B.

APPENDIX C – COPIER AND OFFSET PRICE COMPARISONS

(continued)

Scenario #1:

Request for 1,000 prints on 8.5"x11" bond paper, one-sided.

Suggested Retail	\$33.97
Offset Cost	\$22.19
High-Speed Copier Cost	\$24.72
RI SO Digital Press Cost	\$ 9.75

Normally, this job would be performed on a high-speed copier. By using the RI SO Digital Press, a printer would gain an additional profit of \$14.97.

Scenario #2:

Request for 3,000 prints on 110# index postcard, two-sided.

Suggested Retail	\$218.96
Offset Cost	\$ 48.11
High Speed Copier Cost	N/A (out of spec)
RI SO Digital Press Cost	\$ 36.00

Normally, this job would be performed on the offset. By using the RI SO Digital Press, the printer would gain additional profit of \$12.11. If the client were to request color, an additional cost saving of at least \$20 in set-up and wash-up time and expense would be gained by using the RI SO Digital Press's interchangeable color print cylinder.

Scenario #3:

Request for 10,000 #10 business envelopes.

Suggested Retail	\$53.57
Offset Cost	\$42.50
High Speed Copier Cost	N/A
RI SO Digital Press Cost	\$18.70

Even though it appears more profitable to perform this job on the RI SO Digital Press, the offset press would be more appropriate for this application. This example does show, however, that this job could be done economically on the RI SO Digital Press if the offset was not available and the job had to be done.

APPENDIX D – POSSIBLE RETAIL PRICING APPROACHES

In setting price levels for RISO output, the quick print shop owner will reflect the economic and competitive realities of his own business. Ultimately, price levels will be set in relation to existing rates for copies and offset, capacity on each type of equipment, availability of labor and the prevailing prices in his customer area.

Although we cannot foresee what any individual print shop may do to develop its own RISO print business, here are three possible approaches that link into existing pricing structures:

1. Price RISO output the same as while-you-wait black and white copier pricing, but with a 40-copy minimum. Price would be valid for customer's choice of any one color (or black). Additional colors available for "color change and editing" flat fee – say \$5.
2. Price RISO output the same as offset pricing, but offer RISO work while-you-wait. Because of the simplicity of color changes on the RISO, a color change fee of, say, \$5 would be more appropriate than customary heavy surcharges on the press.
3. "Value price" RISO output, setting prices by examining competitive pricing and charging, "what the traffic will bear" for one- or two-color printing. In this case, be prepared to reduce prices substantially as competitive shops introduce their own RISO Digital Press.

These suggestions in no way replace your prospect's very careful analysis of his own business requirements and opportunities.

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