

# Table of Contents

	<u>Page</u>
Introduction	3
 <b><u>Part I</u></b>	
In-Plant Overview	3
In-Plant Applications	5
The In-Plant Customers and Business	7
The Competition	11
Selling Strategy	12
Handling Objections	16
Testimonials	31
SIC Codes and Web Information	32
 <b><u>Part II - Summary</u></b>	
Appendices	
A - Operating Costs	27
B - Standard Cost Justifications	28
C - Sample Work & Demonstration	29
D - In-Plant Managers' Purchase Justification Strategies	30
What is New for the Printer	31



## **Introduction**

RISO Market Guides are designed to help you understand the prospect, their business problems and opportunities. Although not designed to make you an “instant expert,” they will allow you to communicate more knowledgeably about this prospect’s business and help in your sales presentation. This RISO Market Guide examines the In-Plant printing market and describes some possible RISO PRINTER DUPLICATOR selling tactics. We recommend you review the RISO Market Guide to familiarize yourself with the In-Plant Manager’s outside competition.

The In-Plant Manager controls a business within a business. Although in many ways very independent, they are accountable to the parent company whose funds they spend. In selling to the In-Plant sector, the sales representative not only has to sell to the In-Plant Manager but also to their corporate Managers. There is a niche in the In-Plant Industry, and this RISO Market Guide will help you locate it.

## **The In-Plant Industry**

A recent report has defined In-Plant printing shops as:

*“...The reproduction facility of an organization which is engaged in other endeavors.”*

In other words, In-Plants are printing facilities located within an organization that derives income from non-printing operations. In-Plants are found in a wide range of organizations, usually with 150 employees or more. They include service companies, manufacturers, universities, and government offices.

## **Why Organizations Establish an In-Plant**

The In-Plant printing department originated in the late 19<sup>th</sup> century when companies, dissatisfied with their commercial printers, began to print in-house. With an In-Plant operation, they found they could control turn-around time, quality and confidentiality.

Control is still the primary reason for establishing an In-Plant printing department; cost savings, service, confidentiality, quality and special needs are important secondary reasons. Although these secondary reasons may not have been considered very carefully when establishing the In-Plant department, they have become very important criteria in its daily operation. As the department grows, the parent company comes to rely on the In-Plant for more and more of the printing workload.

Since you are unlikely to be trying to persuade your prospect to establish an In-Plant printing department, this RISO Market Guide focuses on the issues facing the existing department's Manager.

## **Cost Savings**

An In-Plant is not a guarantee of lowered printing and copying costs for the parent company. Organizations with In-Plants must have the optimum combination of volume and type of work in order to save money. A well-managed In-Plant with the proper mix of equipment/workload will always be more efficient than utilizing outside services. This is true because:

1. The "profit" portion of outside printing is eliminated
2. The outside printer's equipment overhead is eliminated. For example, when using an outside printer, a company which only needs basic black ink on white paper has to pay a portion of the carrying cost for the outside printer's other equipment (such as color copiers)

On the other hand, a poorly managed In-Plant carrying a lot of idle equipment in an attempt to meet all of the company's printing needs is likely to be a financial disaster.

**Service** – The existence of an In-Plant gives the company greater control in terms of the priority given to its print jobs. Where outside printers typically assign printing priority by the size of the account, In-Plant Managers typically assign priorities to accommodate the needs of the company. The parent company is therefore guaranteed that the majority of printing jobs will be done on time, with greater flexibility in scheduling, by the In-Plant Manager. Of course, peak loads can always be sent outside.

**Confidentiality** – Many companies produce documents that are either sensitive or confidential. Although some outside printers offer "security guarantees," many companies are not willing to take the risk. Confidentiality is a concern in all industry sectors, not just the obvious financial or government sectors. For example, because of the security problem, the auto industry began to print confidential reports in their company plants in the early 1900's.

**Quality** – In-Plants typically offer quality that is at least as good as the outside printer can deliver. In many instances, the two shops will have similar printing equipment. Although both printers are concerned with "repeat business," the In-Plant department's very existence is dependent upon maintaining high quality standards. If an outside printer

loses an account due to poor quality control, they could still get other customers. For the In-Plant Manager, their entire operation could be shut down.

**Special Needs** – Public institutions frequently have special copying or printing needs, which dictate the necessity for an In-Plant. Government committees often need 12-hour turn around on documents with several thousand pages. The unpredictable workload would be virtually impossible for the outside printer to maintain or staff.

In summary, In-Plants are established because their parents believe they can produce acceptable work with greater control and less cost than using an outside printer. They rarely eliminate the use of outside printing services entirely; it is generally accepted that an In-Plant will handle approximately 50-70% of the parent company's printing requirements. If the proper mix between workload and equipment exists, the parent company can save significantly on printing costs.

When a company initiates an In-Plant program, it usually has a printing plan outlining the type of projects to be handled in-house and the type and amount of production equipment it should maintain. Its equipment is often basic and contains few of the more elaborate print trappings of outside printers. As a result, the In-Plant is an ideal location for a RISO PRINTER DUPLICATOR; fast, effective and easy to maintain. Moreover, the RISO PRINTER DUPLICATOR offers a combination of convenience, cost, speed, and output quality that has not been available to the In-Plant Manager before.

### **Applications in the In-Plant**

<u>Product</u>	<u>% Producing</u>	<u>Product</u>	<u>% Producing</u>
Newsletters	77%	Stationary	72%
Envelopes	56%	Directories	50%
Posters	48%	Reports	39%
Catalogs	37%	Package Inserts	22%
Product Sheets	37%	Business Forms	74%
Memo Pads	70%	Tags/Labels	48%
Business Cards	43%	Product Manuals	35%
Signs	37%	Training Manuals	39%

## **Where are In-Plants located?**

The diversity of organizations, which adopt the In-Plant printing solution, has led one trade magazine to call it “the most elusive market that exists in terms of printing and selling. There are no road maps telling the salespeople where to find them.” The job of selling is more complex because from the outside it is difficult to distinguish between a true In-Plant printing operation and an approach that simply centralizes management of printing/copying equipment.

Your sales approach may differ, depending on whether you are dealing with an In-Plant print shop or centralized equipment program (often called a “copy center”) under the management of a Central Services Manager. There are important differences in management and purchasing power. In-Plants have at least one employee whose sole responsibility is to respond to the printing needs of the parent company's employees. They view their operation as a separate business, often a profit - or cost - center. They are directly involved in the printing. And, their hands-on experience aids in the justification of the acquisition cost of new equipment.

The Central Services Manager, on the other hand, typically does not run their equipment. They are not directly involved in the company's printing. The equipment under their control is accessible to all personnel. The Central Services Manager is only a mediator between the employees who use the equipment and the decision makers. Although both managers are important sales targets, the manager of a true In-Plant probably has an easier time getting investment approval than the Central Services Manager.

In the United States today, there are approximately 42,000 In-Plants representing a \$39 billion marketplace. Individual shops employ anywhere between 1 and 100+ employees. The level of service and print capabilities that the company requires in-house dictates the size of an individual In-Plant. Obviously, the greater the need for sophisticated printing, the larger the print shop.

As mentioned earlier, because of the wide diversity of organizations within the industry, growth rates are difficult to project. Industry growth is dictated by a combination of outside printing costs and overall company size. Generally speaking, an organization with fewer than 150 employees does not have the proper workload to justify an In-Plant.

## In-Plants' Customers

The In-Plant is different from the remainder of the printing industry because its customer base is predictable and, to a large extent, captive. In-Plants only print for the parent company and its employees. In general, company policies on In-Plant services are either **mandatory usage** or **competitive bid**.

**Mandatory usage** of the In-Plant is often established for specific printing requirements (e.g., black-and-white photocopying between 100-800 copies). Employees are required to send all printing that "fit" within these parameters to the In-Plant shop. The majority of companies utilizing this type of policy do not charge back costs to the department using the service. The parent company pays the service charges for the entire company.

The **competitive bid** approach requires departments or individuals who need printing services to get prices from both the In-Plant Manager and outside printing facilities. Based on cost and production schedule requirements, the department then chooses which service to use and pays for the job. The In-Plant Manager hopes not to lose too much work to the outside printer.

The In-Plant's customer differs very little from any other print shop's customer in terms of the service level that they expect. Quality, cost and turn-around time are still of paramount importance. The only possible differences are the understandable tension and opportunities that result from dealing with a sister organization.

## The In-Plant Business

Today, successful control over operating costs is the most frequently used justification for starting or keeping an In-Plant. The In-Plant is a separate division of the parent company but has its operating costs covered by the parent company. Therefore, in order to guarantee that they are offering the parent company the best prices, In-Plant Managers must constantly evaluate their costs relative to outside printing services. Cost savings from outside vendors represent a direct profit to the parent company's bottom line.

Operating costs for the In-Plant Manager are structured very differently from those of the outside printer. Quick printers and commercial printers must be concerned with financing, equipment acquisition, labor, and fixed operating expenses. The In-Plant

Manager is really only responsible for equipment acquisition and the successful day-to-day management of the In-Plant budget.

## **Threats to the Business**

Since the In-Plant operation is measured on cost savings compared to outside vendors, the In-Plant Manager must keep their prices competitive. This is true whether the company's program is mandatory usage or competitive bid. From the In-Plant Manager's perspective, the two greatest threats to their operation are:

**Sales Calls** - Larger commercial printers and quick printers typically have salespeople who call on organizations to solicit new business. In order to remain competitive, the In-Plant Manager must remain knowledgeable about what outside printers are charging to ensure that they provide a competitive value.

**Facilities Management** - Facilities Management (FM) services began during the mid-1980s and continued to grow throughout the 90s. Essentially, FM services centralize all of the company's copying and printing activities and then use outside staff to manage and run the facility. FM services come in many different forms, depending on the vendor's capabilities and the company's needs. For example, they are often responsible for designing and printing forms, monitoring inventory levels, and automatically delivering additional forms when required. FM services are offered by both outside printers and distribution companies acting as intermediaries between outside printers and the contracted company.

The In-Plant Manager must constantly be aware of these outside threats to their business. Their department's future depends on successfully recognizing and defeating the competition. Since many of the outside sales pitches will relate to flexibility, cost and turn around, the RISO PRINTER DUPLICATOR could play an important role in protecting the In-Plant's position.

## **What Makes for Success?**

There are typically two criteria that are used by upper management to evaluate the success of their In-Plant facilities.

1. Cost Savings
  - Are in-house costs less than outside services?
  - Are budgetary resources well managed?



## 2. Production control

- Are quality standards being maintained?
- Is there a large amount of underutilized equipment being carried?
- Can outside services offer a better cost/quality combination?

As long as the In-Plant pass these tests, it provides a worthwhile service. If it is well managed with an appropriate workload/equipment mix, it will always save the parent company money.

## Equipment Decisions

In terms of equipment acquisition, corporate management is nearly always the final decision maker. However, whether your target installation site is a true In-Plant or a centralized printing facility ("copy center"), the acquisition of any new equipment needs the active support of the manager.

**In-Plant Manager** – This person stands to be a product champion for the RISO PRINTER DUPLICATOR. Once the manager has decided to purchase a new piece of equipment, they have to justify the cost to their superiors. Upper management typically recognizes the printing expertise of the manager and will usually release the required funds.

**Central Services (or Printing) Manager** – In some cases, the Central Services Manager has the same job description and clout as the In-Plant Manager. Most likely, their influence depends on the amount of direct involvement they have with the printing equipment. Unlike the In-Plant Manager, they may not be considered a printing expert and upper management may not be so ready to release purchasing funds.

In most cases, the In-Plant Manager has more of a role than the Central Services Manager in remaining current with technological changes and understanding the impact of new equipment.

Traditionally, the In-Plant Manager uses only one of three reasons to justify the acquisition of new equipment: replacement of worn equipment, efficiency improvement or new product development. Today, with the rapid pace of the industry, In-Plant Managers often have to use all three. A RISO PRINTER DUPLICATOR purchase recommendation addresses all three spending justifications:

## **Replacement of worn equipment**

- Extends life of existing equipment
- Takes longer runs off copiers
- Offers near-offset quality
- Does not need the same skill level as older, obsolete presses

## **Efficiency improvement**

- Expands hourly output
- Quick set-up and instant color change, opens up the offset
- Does not distract offset pressman
- Does not require skilled pressman
- Can be operated by existing help

## **New product development**

- With the computer interface, we offer desktop publishing capabilities
- 70 color choices
- Most advanced digital duplicating technology
- Forerunner in the digital duplicating industry
- GSA approved/UL listed
- Can be integrated into company's network

## **Environmental Impact**

Today's focus on environmental issues is imposing an additional screen through which new equipment proposals have to pass. Companies are becoming very concerned about the impact that their operations have on air quality in the workplace. Many other print technologies have a negative impact on the work environment because of the hazardous materials used in, or produced by, the printing process. Even photocopying is increasingly criticized for the ozone it contributes to indoor air pollution. In contrast, extended contact with the RISO PRINTER DUPLICATOR has no negative effects, and its impact on indoor air quality is restricted to some limited ink odor.

Since the RISO PRINTER DUPLICATOR can print on recycled paper, it also serves the interests of environmentally conscious companies and staff wishing to reduce new paper consumption. Although photocopiers claim this advantage, heavy use of recycled paper can cause irreparable damage. Recycled paper fibers are shorter than those in "new" paper and are more apt to leave dust on copier components. Eventually, the accumulation causes

the sensors to become blocked and the machine to jam, resulting in a costly service call. The abrasiveness of recycled paper has also been found to cause premature wear on the photocopier drum. These problems do not arise with the RISO PRINTER DUPLICATOR technology.

Energy consumption – Lets not forget the incredible energy savings of a RISO PRINTER DUPLICATOR over a photocopier. The comparison isn't even close; we draw less than a standard light bulb. Instant On should help prove this point. We offer the NO HEAT way of imaging paper.

## **The Competition**

In the In-Plant market, you face RISO's traditional competitors (digital duplicators, copiers and offset presses) plus the local printer.

In the GR/RP Series Product Guide under "Competition" and subsequent RISO updates, you will find a feature-by-feature analysis comparing the GR/RP Series against its major digital duplicator competitors. It covers everything from first copy speed to retail price and is a great starting point for your RISO endorsement. Also, the "Answering Objections" section of this RISO Market Guide highlights some of the arguments you may encounter regarding the competition. Your sales key, however, in dealing with competitors is to focus again and again on print quality.

RISO is clearly the leader in digital duplicator print quality, but the RISO PRINTER DUPLICATOR should not be promoted as an equivalent to offset. Instead, the In-Plant Manager should be shown RISO's high-quality output and invited to visualize where such quality could be used for their in-house customers. Almost without exception, the internal user will accept slightly-lower-than-offset quality in exchange for convenience, color and rapid turn-around. Unlike the outside printer who has to sell their services at retail, the In-Plant Manager will be quick to recognize where this new level of quality/convenience will be accepted.

In addition to digital duplicators, you face competition from offset presses and copier/duplicators. The competition from offset comes in two forms. First, there is resistance to change by the skilled operator of an existing press who may view the RISO PRINTER DUPLICATOR to be a threat (they need to be persuaded that the RISO PRINTER DUPLICATOR will supplement their work and not replace it). Second, there is competition from sales of new offset presses that would add to or replace offset capacity. New sales are a significant threat only in In-Plants where there is already a skilled

operator; otherwise, the company faces not only the acquisition cost of an offset press (around \$25,000), but also recruitment and training 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 In-Plant Manager's meter-click cost figure 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 PRINTER DUPLICATOR features in your product comparison. For example, if you mention spot color (and the additional benefit that it can bring to corporate users requiring highlights, emphasis, etc.) and the wide range of paper types (card stock, envelopes, etc.) and sizes handled, you can shift the discussion from cost comparison to value comparison. The RISO PRINTER DUPLICATOR's excellent reliability is also an important argument. We believe that, in the majority of cases, the RISO PRINTER DUPLICATOR's black and white copy cost competes well with even the best copier price – and the choice of ink color is an added bonus.

The second threat from copiers comes from new machines with enhanced features. Here you can stress the fact that the RISO PRINTER DUPLICATOR 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 PRINTER DUPLICATOR and a copier.

## **Selling Strategy**

By this point, you should feel reasonably comfortable about discussing the RISO PRINTER DUPLICATOR's role in an In-Plant operation. You've probably already started to formulate your own selling approach.

Because In-Plant printing departments are established for a variety of reasons and because they differ greatly in terms of resources, you will have to tailor your selling approach to the individual prospect. Remember that, although cost savings is the main reason In-Plants are established, there may be other factors involved. Determining why the In-Plant facility was started and how it's operating today will help you develop your sales approach. Taking the time to understand the needs of the In-Plant operation and its manager makes it easier to position the RISO PRINTER DUPLICATOR among the equipment in place. Use the following outline as a guide.

## **Identify your targets**

Although almost all In-Plants are candidates for the RISO PRINTER DUPLICATOR, there are no set guidelines defining where to find them. Some good places to start looking are in government offices, large service businesses, and manufacturing companies with 100 or more employees. Your local library should have a business directory listing the number of personnel at each site, and a simple phone call to the company should reveal whether or not they have an In-Plant or copy center. Use the search engines on the Internet to assist you.

## **Find the In-Plant Manager**

Once you find an organization with an In-Plant, locate the In-Plant Manager. (If you are dealing with a company which has centralized printing equipment, look for the Central Services Manager or Central Printing Manager.) This manager is probably an expert on printing and their knowledge should be respected. The In-Plant manager doesn't care how wonderful you think the RISO PRINTER DUPLICATOR is; they care only about what the RISO PRINTER DUPLICATOR could do for their operation. Remember that equipment features are generally not the most important factor for the In-Plant Manager. If you can convince them that a RISO PRINTER DUPLICATOR will save their company money on outside printing, or improve the productivity and cost effectiveness of the operation, the purchase decision is half way to the sale.

## **Introduce the RISO PRINTER DUPLICATOR, RISO DIGITAL PRESS**

Position the RISO PRINTER DUPLICATOR as a system that will improve the productivity of the In-Plant while reducing the amount of work sent outside.

- One (or more) color jobs that normally have to be sent outside
- Medium/long runs requiring quick turnaround
- Photo work may not reproduce well on copier/duplicators
- Odd-sized work (envelopes, cards, etc.) In-between sizes
- Emergency supplies of out-of-stock documents or envelopes that are normally printed outside
- Low-cost, long-run production that cannot be handled on a slower copier/duplicator

## **Show what it can do**

Use the RISO Sample Books to show the different paper stocks that the RISO PRINTER DUPLICATOR can handle and the variety of print enhancement features available. Stress the value of the straight-through paper path and “no heat” system when talking about reliability. Keep asking the prospect where they see a place for this type of capability in their operation. Better still, use this discussion to obtain samples of typical jobs and arrange for a “live” demonstration using this material.

## **Talk about coexistence**

Stress the RISO PRINTER DUPLICATOR's compatibility with the equipment already in-house; the RISO PRINTER DUPLICATOR is an ideal product for coexistence. You are not out to displace any equipment, just lighten its workload. The RISO PRINTER DUPLICATOR frees up the offset (if there is one) and takes the longer run lengths off the copiers, while at the same time offering the opportunity to bring more work inside. If appropriate, refer to the computer network capability and higher quality from the computers.

## **Emphasize the benefits**

Focus your comments on the benefits of greatest importance to your In-Plant Manager:

- Output quality approaches offset (Connectivity offers higher quality)
- Release valve for the load on the offset press
- Simple color ink printing with copier push button simplicity
- Does not require skilled operator or special training
- Users can use print enhancement and editing techniques
- Low cost per copy
- Reliable, with long operating life
- Requires little floor space, very small footprint
- Handles wide range of paper stocks (lightweight to heavy)
- Quick set-up allows RISO PRINTER DUPLICATOR to substitute for offset for close deadline work
- High copy throughput (130 cpm) takes load off photocopiers
- Environmentally safe: no fumes, toxic chemicals or ozone
- Handles recycled paper without excessive wear and jamming experienced with heat based photocopiers

- Dramatically increases number of monthly impressions In-Plant can handle
- More work can be printed in-house
- Moderate investment

## **Show how the RISO PRINTER DUPLICATOR, RISO DIGITAL PRESS Will save money for the parent company**

The RISO PRINTER DUPLICATOR can save money by substituting for more expensive processes already in-house, by reducing the amount of work sent out, or both. Try to determine the areas where the RISO PRINTER DUPLICATOR can make the In-Plant Manager look like a hero (for example, allowing them to turn around a two-color price list or memo in a fraction of the time it takes to send it outside, or to dramatically reduce copier service costs). Ask the In-Plant Manager to give you examples of job costs they charge back to user departments, or bills they pay when sending jobs outside. Then compare these against the per-copy cost estimates from RISO CPC charts. Stress that with the RISO PRINTER DUPLICATOR there are no set up, wash up or ink color change charges. Appendix A provides some general cost comparisons but is no substitute for your job cost estimates for the RISO PRINTER DUPLICATOR compared with actual bills received. Appendix B contains the standard worksheet used to illustrate the RISO PRINTER DUPLICATOR's affordability in an environment where it coexists with existing equipment. Be prepared to discuss both purchase and lease plans.

## **Set up a demonstration**

Use the GR/RP and, where possible, tailor your demonstration to actual forms, documents and envelopes provided by your prospect.

Some prospects become over-enthusiastic early in the demonstration as they see color printing, cards, envelopes, and other exciting RISO PRINTER DUPLICATOR features. This is exactly what you want to achieve, but be very careful that you don't oversell. After the In-Plant Manager's initial reaction, make sure they look carefully at the output quality and understand how it compares to offset and copiers. If you allow the prospect to equate the RISO PRINTER DUPLICATOR to an offset, they will likely be disappointed after installation. Most In-Plant Managers will agree, however, that the RISO PRINTER DUPLICATOR will easily meet their internal customer's expectations.

## **Close**

Finally, let the In-Plant Manager conclude the RISO PRINTER DUPLICATOR is for them. Remember that you may not be able to close at this point because the manager may have to go through a justification process and get spending approval. Appendix D contains a list of justifications often used by In-Plant Managers to gain investment approval from corporate management. While you cannot prepare the In-Plant Manager's proposal for them, you may be asked to provide input to the case they are making. Experience suggests that this selling strategy leads the prospect to the conclusion that they cannot do without a RISO PRINTER DUPLICATOR, and they will help you close with the final decision makers.

## **Handling Objections**

### **The ink doesn't dry immediately.**

Compared with photocopier toner, this is true. But it does dry much faster than regular offset ink. Our printed color copies may need to be left for less than a minute before they can be handled without smudging.

### **What about set-off?**

In most cases, the set-off is at a minimum and is overcome by lightening the master-making scanning density and/or increasing print speed. RISO Printer Duplicators have unique receiving trays that provide added paper fingers to assist in delivery. If set-off is extreme because of specific routine tasks requiring large areas of heavy ink densities, RISO collators and sorters provide another alternative for these situations.

### **What about show-through/bleed-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 stock.

### **Envelopes need careful handling.**

True - the RISO PRINTER DUPLICATOR faces the paper handling limitations of all friction-feed printers when handling uneven stock. Today, we offer attachments for these



applications, like the #AR8100. Without the AR8100, limiting the number of envelopes fed through in each batch and carefully adjusting the rollers in the feed tray so that the friction roller is not working on too uneven a pile may avoid this problem.

**Press operators will have less work to do.**

WRONG - emphasize that the RISO PRINTER DUPLICATOR will allow the press operators to concentrate on those jobs that demand their expertise and not have to worry about the smaller, less critical, medium-run length jobs. Remember, the RISO PRINTER DUPLICATOR does not require the constant attendance to adjust the ink and water balance of the offset.

**Our company wants true offset quality.**

Without the RISO PRINTER DUPLICATOR option, in-house users have no choice but to accept either photocopy quality or the true color offset. Many In-Plant Managers will find uses for on-demand print quality that is slightly below offset but adds color. Given the choice, the majority of users will opt for RISO color quality now rather than true offset quality later.

**It won't auto duplex.**

True - the RISO PRINTER DUPLICATOR can print at 130 copies per minute, 1000 copies in less than eight minutes. Allowing a full 60 seconds to turn over the pile of copies for a second pass, that makes 1000 two-sided copies in less than 17 minutes, equivalent to nearly 60 two-sided copies per minute.

**I need advanced on-line finishing.**

RISO offers on-line sorters, accommodating up to 200 bins in four towers. These sophisticated sorters provide a variety of sort modes to meet users' requirements. Collators will also offer several solutions in a wider range of finishing equipment offerings.

1. WHY DO COMPANIES START IN-PLANTS?

Cost savings

Service requirements

Confidentiality

Quality

Special Needs

*Having control is the key issue.....*

## 2. WHERE ARE THE IN-PLANTS LOCATED?

Colleges/Universities

Government/Military

Manufacturing

Healthcare/Hospitals

Wholesale/Retail

Insurance/Banks/Finance/Real Estate

Non-profit/Trade Associations

Utilities/Communication/Transport

Electronics/Defense/Aerospace

Professional Services

Large Church/Religious Centers

Hotels/Amusement Parks/Race Tracks

### 3. IN-PLANTS vs. COMMERCIAL PRINTERS

#### In-Plant

Little underutilized equipment

Printing priced close to cost

Provide limited range of services

Provide 50-70% of company's printing

Typical In-Plant – 3-8 employees

#### Commercial/Quick Print Printers

Carry underutilized equipment to satisfy occasional customer demands

Profit included in all printing cost

Provide a wide range of print services

Provide 80-90% of company's printing

Average quick print shop – 4-6 employees

#### 4. WHAT MAKES AN I N-PLANT SUCCESSFUL?

Meeting the parent company's deadline and quality requirements

Having good production control

Using equipment efficiently

Consistently delivering a better cost/quality product than available outside

## 5. IN-PLANT MANAGER'S KEY QUESTIONS?

How will the RISO PRINTER DUPLICATOR fit with my current equipment?

How much operating cost will it save my department?

How much more output will I bring in-house?

How much printing expense will be saved for the company?

Will the parent company appreciate the new service level?

## 6. HISTORICAL JUSTIFICATIONS FOR NEW EQUIPMENT

Replacement of worn equipment

Efficiency improvement

New product development



## 7. JUSTIFICATION FOR ADDING A RISO

### **Replacement of worn equipment**

- Extends life of existing equipment
- Takes longer runs off copiers and shorter runs off the offset
- Offers near-offset quality faster
- Does not need the same skill level as older, obsolete presses

### **Efficiency improvement**

- Expands hourly output (7,200 impressions per hour or 2 Up 14,400 per hour)
- Quick set-up and instant color change, opens up the offset
- Does not distract offset pressman
- Does not require skilled pressman
- Can be operated by existing help

### **Gives the In-Plant Manager a new level of services and print capabilities to offer the in-house customer**

- More choice in-house
- Less use of outside printers



## 8. STEPS TO SUCCESS

1. Develop the Target - Choose organizations with 150+ employees
2. Talk to the In-Plant Manager/Central Services Manager
3. Position the RISO PRINTER DUPLICATOR as a system that brings work \ in-house, lowers print costs and improves productivity of existing equipment
4. Show samples of RISO PRINTER DUPLICATOR output - Use the GR/RP Series Output Sampler
5. Talk about coexistence with other shop equipment
6. Emphasize the benefits as they relate to them
7. Show how the RISO PRINTER DUPLICATOR will save money
8. Set up a demonstration and plan to control it
9. Close

## 9. EMPHASIZE THE BENEFITS

Output quality approaches offset

Release valve for offset press

Simple color ink printing with copier simplicity

Does not require skilled operator

Low cost per copy

Reliable, with long operating life

Requires little floor space, very small footprint

Handles wide range of paper stocks

Quick set-up allows RI SO PRINTER DUPLICATOR to substitute for offset or close deadline work

High copy throughput (120/130 cpm) takes load off photocopiers

Environmentally safe: no fumes, toxic chemicals or ozone

Handles recycled paper without excessive wear and jamming common with photocopiers (copiers use heat)

Dramatically increases number of monthly impressions In-Plants can handle

More work can be printed in-house

Moderate investment

## Appendix A - Operating Costs

Job	Quantity	Estimated Production Costs		
		Offset	Copier	RISO PRINTER DUPLICATOR
1. 20# bond, 8.5x11	1,000/1-side	\$11.24	\$24.72	\$9.75
2. 20# bond, 8.5x11	50 sets of 5/1-side	4.23	4.17	3.84
3. 20# bond, 8.5x14	1,000/1-side	14.04	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	18.04	26.65	15.45
6. 20# bond, 8.5x14, 67# cover stock (2)	50 sets of 20 with covers/1-side	20.06	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: (This is a sample guide for you to apply more current pricing)

Production cost estimates includes: machine usage charges (see description for offset, copier, RISO PRINTER DUPLICATOR below), 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. Numbers will always vary from year to the next.

**Offset** machine costs are based on an ABDick small format press under a typical five-year commercial lease agreement. Maintenance is calculated at normal commercial maintenance pricing. All price information was collected over the past 4 years.

**Copier** machine and maintenance costs for a typical copier were calculated under a 12-month rental term. Supplies cost were also calculated using estimates. Maintenance is included in rental charges.

**RISO PRINTER DUPLICATOR** costs for supplies and maintenance were calculated using a RISO cost-per-copy. Machine cost is an assumed average price of \$10,495 amortized over 10 million prints without interest.

**N/A** - Indicates that the application is not available.

## Appendix B - Standard Cost Justification

Use the "RISO PRINTER DUPLICATOR...Pays for Itself" form to illustrate how the RISO PRINTER DUPLICATOR can fit into the In-Plant. This approach is quick, easy and valid in the In-Plant environment: by involving the prospect in the calculation, you can prove how the RISO PRINTER DUPLICATOR can add capacity without cost.

### RISO PRINTER DUPLICATOR... Pays for Itself

Location: PRESENT COPIER		Date: PROPOSED SYSTEM
	<b>Situation</b>	Copier                      RISO Printer
□	Model	_____
_____	Present Monthly Volume	_____
N/A	Average Run Length	_____
_____	Planned Life Cycle	_____
	<b>Equipment Cost Per Copy</b>	
_____	Machine Price	_____
_____	Volume Life Expectancy	_____
_____	Mach. Price ÷ Vol. Life Expectancy	_____
	<b>Total Cost Per Copy</b>	
_____	Machine	_____
_____	Supplies	_____
_____	Service	_____
	<b>TOTAL COST PER COPY</b>	
x	Monthly Volume	x                      x
	<b>TOTAL COST</b>	
	<b>Life Cycle Cost Savings</b>	
	Monthly RISO Savings	
	Annual RISO Savings	_____
	Five-Year RISO Savings	_____
	Copier Life Extension	_____
	Copier Replacement Cost	_____
	Uptime %	_____

\_\_\_\_\_  
 (Without RISO Printer  
 Duplicator)

## Appendix C – Sample Work & Demonstration

The GR/RP Series Output Sampler provides a wide range of print samples to illustrate the power of the RI SO PRI NTER DUPLI CATOR. It should be used to show your prospect the type of output they can expect in a variety of in-house jobs.

Nothing, however, can beat a live demonstration of the GR/RP series, using materials the In-Plant Manager actually runs in their shop or has printed outside. And, unfortunately, nothing can undermine your sales presentation more than a poorly prepared demo. This is particularly true for the In-Plant prospect that is measuring the product in terms of its output and its productivity.

We suggest you demonstrate at least the following:

- Black ink on white paper. If you choose recycled paper, you will also be able to illustrate how well the RI SO PRI NTER DUPLI CATOR handles “problem” paper.
- Colored ink on colored paper. Bring a color cylinder with an extra color ink cartridge. Offsets require a clean down to switch colors taking 10 to 20 minutes.
- Colored ink on card stock. Most offset printers can not go from standard paper to heavy without shutting down and adjusting (5-10 minutes)
- Use your laptop to send copy, delete a portion of text from the PC screen original and print (first pass) the remaining text in black. Then use the software to delete the text that was originally “remaining” and print (second pass) in a contrasting color. Print their name in color. The connected demo provides the highest copy quality and the latest technology

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

## **Appendix D - In-Plant Managers' Purchase Justification Strategies**

In most cases, the In-Plant Manager will have to prepare an investment request for submittal to corporate management. Typically, this will show how acquisition of new equipment will improve productivity and/or reduce expense for the company as a whole. Such proposals generally follow one (or more) of the following approaches, so be prepared to support your prospect in making his case.

Use receipts for work currently going outside as a base against which to measure the price of new equipment.

Examine price levels in the commercial market and balance that figure against the cost of purchasing and operating the equipment necessary to do the job.

Research how long it will take to pay for the equipment and what it will save in man-hours and out-of-house expenses. The ROI, Return-on-investment is in terms of months.

Show proof that the equipment will reduce the workload (e.g., overtime, part time) of at least one employee.

If workload is increasing, compile a report that reflects this and emphasize that with new equipment the work can be done better and cheaper in-house.

Testimonials would be very helpful in securing an order. Be careful not to use schools or churches unless it's a true print shop environment. Use other happy print customers if possible. If you are without print customers and it comes up, you need to let the prospect know how important they will become to your organization as you sell more print shops. Everyone likes to think they are special and that they will receive special treatment.

# Printer Testimonials

Tetra Especial Marketing	CA	We Love it!
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.
Bakersfield College	CA	Ideal for quick run spot color stationary. Quality compatible to offset w/a fraction of cost and time.
Sierra Sands Unified Print	CA	Great machine - Simple to operate, long running Machines
WESD Printing Services	AZ	We have run over 3.5 million copies on our RISO and continue to enjoy success on it every day.
IGAPIIC Corp.	CA	Perfect Machines.
Sierra Publications	CA	Older model - but works good
City of Burbank Print	CA	Easy to use! Very fast tool! I love this machine!
Saugus Graphix	CA	Strong, quiet and efficient. This machine runs all day! Flawless.
SBCC	CA	I have had very good results from RISO.
House Photography	HI	Great machine, best duplicator on the market! Had no problems since I've bought it. Fast, easy to use.
ACTS Ministries	CA	Like the color capabilities and multiple color registration and not having to clean a press. Copy quality is good also.
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.
The Hanagan Company	CA	Fast turnarounds, easy instruction, good quality, extended performance.
Ergo Print n graphics	CA	I love the RISO for many print jobs. The quality is good for most jobs.
Colorful Copies	NV	Great machine needs very little on registration definitely one of our finest machines.
Sup. Office Services	CA	Economical solution that works!
Gateway Business Forms	CA	Love it. Does great work.
Mainline Thermographics	CA	Does its job - never breaks down.
Ole Printing	CA	The thermo and RISO really work great together.
Ocean's Press	CA	Dependable Duplicator
GES Exposition Services	CA	We've had GR1700, RC6300, 4500, and currently have (3) 3770's. Very efficient and cost effective. We just upgraded to computer interface, and the quality is awesome.
EUSD	CA	A machine I cannot live without!
California Youth Authority	CA	Love RISO, life saver
Zenith Machine Sales	OR	Have been using the RISO to do in house printing i.e. 4 color file folders and copying sales brochures and fly sheets and parts books usually using pre-printed letter head. I have a computer interface. I have no service problems.
Sloco Data, 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!
Sloco Data, Inc.	CA	Love them! Replaced at least 1 pressman.
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.	FI	The RISO is a very versatile way to make a lot of copies at a very reasonable price. People love the different ink colors.

## SIC Codes (Helpful when ordering database for mailings/blitizing)

In-Plants are in large companies and are very hard to order database(s) but...

Could try here I. Services

7334 Photocopying and duplicating services

7334-00 Photocopying and duplicating services

Maybe some here I. Services

73 Business Services

7389 Business services, nec

7389-99 Business services, nec, nec

7389-9962 Printers' services: folding, collating, etc

## Key Web Sites

<http://www.digitalcentury.com/encyclo/update/print.html>

<http://www.printusa.com/>

<http://www.quickprinting.com/>

<http://www.americanprinter.com>

<http://www.piworld.com/>

<http://www.ipgonline.com>



# What's New for the Printer?

