

# The state of plates

► BY MARY L. VAN METER PUBLISHER & EDITOR-IN-CHIEF

**There is no doubt** in any of our minds that there is less demand for print newspapers than there used to be. As of March 2016, graphic arts supplies shipments dropped 10.3 percent year-over-year. Some industry forecasts call for a continued decline of five percent or more per annum through 2020. In addition, PEW Research Center's State of the News Media report from June 2016 stated that news circulation was down 7 percent in 2015 with ad revenues down 8 percent.

But while these numbers are dismal and expected to get worse, the industry

## **N&T: How is your company adapting to this rapidly shrinking market?**

**Carey:** Agfa has a long reputation of providing the commercial and newspaper sectors with offset solutions that deliver outstanding value. Agfa remains committed to both markets, developing cleaner and cost-effective solutions that are easier to operate and maintain, both for chemistry-free and for conventional plate systems. We call this approach ECO3. To demonstrate our continued commitment, Agfa announced its next generation violet chemistry free plate, N95-VCF, which offers newspapers longer run length, faster roll up, and superior UV resistance. Combined with our industry leading violet platesetter solution — the Advantage N — newspapers can truly enjoy low cost of ownership without sacrificing productivity, consistency, ecology or convenience. Our innovation does not stop there. Agfa's new thermal DoP plate, Azura TE, offers the benefits of direct on press for short run applications. It's outstanding image contrast, full daylight resistance (up to 24 hours before and after imaging) and fast make-ready make it a leading choice in today's market. Agfa's newest thermal plate, Energy Elite Eco, delivers on the benefits of sustainable innovation, lowering the cost of ownership without compromising on press performance.

**Palmer:** As we have done several times in several markets, Fujifilm aligns our product and service portfolio with the size and

shape of markets we are committed to serving, which certainly includes the news media segment. New product technology introductions that improve and streamline the production process is our approach to gain market share in a declining market. Product life cycles are being considered over a shorter term, but our long-term commitment to providing true solutions to this market is unchanged.

**Rangel:** Kodak's plate business over the past year has seen stable volumes. Our plates' price decline is in the single digits, tracking lower than the rest of the U.S. market, and we're making up for profitability with improved manufacturing productivity. The market for printing plates in the U.S. is still very large, and we are confident that it will continue to be a significant market in the future. In fact, Kodak is actively moving plate production for the U.S. market to our plant in Columbus, Georgia, and we recently invested in a new plate manufacturing line at that plant, dedicated to satisfying the growing U.S. demand for SONORA Process Free Plates.

**Jenkins:** Despite the fact overall market segment is shrinking, Presstek is focusing on the growth segments within the market. High performance, eco-friendly plate technology in particular is steadily growing. Presstek is well positioned with GemPlate and Gem NewZ, Thermal Develop on Press plate products, Nytro and Nytro NewZ washout solution plate products offering higher durability for UV

is still viable. *News & Tech* asked five successful plate supplier executives to share their thoughts and plans. **Dave Carey**, senior product marketing manager for Agfa Graphics; **Lane Palmer**, vice president of corporate accounts, newspapers for FujiFilm North America; **Nicholas Rangel**, public relations manager for Kodak; **Ralph Jenkins**, worldwide director of sales and marketing for Presstek and **Steve Mattingly**, senior vice president of Southern Lithoplate talked with us about how they are succeeding and planning for an uncertain future.

applications, NuVio no pre-heat for violet CTP systems and Zahara no-chemistry for waterless printing applications.

**Mattingly:** SLP continues its longstanding commitment to print: We are "core-dedicated-all-in" to providing quality, affordable, best-in-class, current lithoplate technology along with certified, professional service, support and consulting for the print market. This commitment is substantiated by our recent investments, including:

Liberty NXP, a true thermal no-process printing plate.

The new market leading thermal CTP CRON-ECRM, exclusively from SLP.

SLP's acquisition of Konica Minolta and American Litho's North American lithoplate and technology portfolio to complement prior acquisitions of DuPont Imperial, Citiplate and 3M/Imation.

The recently completed significant capital investments in both our NC and MI manufacturing plants to meet the demand for no-process printing plates.

The launching of SLP Solutions, led by industry veteran Gary Blakeley. A prepress/pressroom-to-dock consultancy for printers, with a revenue-generation platform that provides sales training for integrated print and online support, along with an EHS/OSHA advisory service.

We also listen very closely to our customers, from our CEO to the street and by having just surveyed 2,200 customers for their print-centric needs for the future. Remember, SLP is All-In.

## **N&T: How is your company adapting to the movement from print to digital/mobile and simultaneously supporting print, which remains the profit core for newspapers?**

**Carey:** In order to stimulate the symbiosis between printed content and its re-purposing into the online, digital and mobile realm, Agfa Graphics developed Eversify, software that stimulates the distribution of captivating multi-platform content towards readers. Implementing the solution has helped numerous publishers worldwide to get readers engaged, to enhance their loyalty towards the publisher and to develop and measure targeted advertising campaigns. This content-publishing software solution can be integrated in any editorial, content management system or layout system based on InDesign. The software service allows publishers to push content on a number of different platforms and delivers diversified content streaming in a variety of fully automated ways to a wide range of devices (smartphones, tablets) and websites.

**Palmer:** Like most other print segments we serve, the newspaper business today is adapting to digital media alternatives and new platforms. We understand that print runs and circulations will decline, and consolidations will accelerate, however we are committed to providing offset, flexo plates and pressroom solutions for the newspaper, publication, book, commercial and packaging printers we serve for as long it is

mutually beneficial.

In terms of digital production options, Fujifilm has a proven track record of bringing digital solutions to processes that were previously analog, in industry verticals ranging from photography to medical to printing and publishing. Our commitment to digital imaging is measured in decades, starting with our 1962 joint venture with Xerox, to consumer digital cameras in the 1980s to the introduction of the Digital Ink Jet J Press 720 in 2008.

**Rangel:** Our commitment is to print and to our customers. Our solutions maximize efficiencies both in prepress and in the pressroom, ultimately saving newspapers money and helping maintain the sustainability of print. In addition, because print quality is more important in the newspaper industry than ever before, both to keep newspaper readers engaged and to make it possible to expand to commercial print applications for increased revenue, we offer solutions that enable the high quality newspapers need to adapt to the demanding needs of today's market.

**Jenkins:** Presstek supports traditional and newspaper printers by removing steps in the print production process helping to reduce costs and increase productivity. In addition, Presstek offers DI digital offset presses, systems that allow printers to be more competitive in a market that continually demands faster turnaround time and shorter press runs at lower operating costs while maintaining an eco-friendly footprint.

The current and fully commercially available eco-friendly lithoplate market in North America has narrowed down to thermal no process and violet pre-finish/gum "chemfree."

**Mattingly:** SLP recently collaborated with Creative Circle, Virtanza consulting, and Mark Stange LLC to help our news partners maximize the integra-

tion of print and online/mobile in the publishing space with "25 Ways to Improve your Print Products in 2016," a compendium of solid practices, published at the MEGA Conference and available at slp.com. We see year-over-year growth by many customers that are providing fully integrated marketing communications with print at the core, complemented by online, mobile, event marketing, etc.

**N&T:** Thermal printing plates represent nearly 80 percent of the printing plate volume in North America, a percentage that's rising. What does this mean for your company?

**Carey:** Agfa is a leader in offset plate innovation. While Agfa continues to advance its violet chemistry-free offering, it's developing cleaner and even more cost-effective thermal solutions that are easier to use. Twelve years of innovation have made Azura the number one selling processless plate in the industry. Azura is stable, easy to use and sustainable. Our latest addition to the Azura chemistry-free family, Azura TE, also provides the benefits of DoP for short run applications. Outstanding image contrast, full daylight resistance (up to 24 hours before and after imaging) and fast make-ready make it a leading choice. However, one plate cannot satisfy the needs of the entire market. That's why Agfa offers a large assortment of thermal offset plate technology addressing the various needs of today's commercial and newspaper printers. Agfa's newest thermal plate, Energy Elite Eco, delivers on the benefits of sustainable innovation, lowering the cost of ownership without compromising on press performance. Agfa is a leader in digital plate innovation, offering the broadest assortment of digital offset plates in the industry. You can expect more advancement in offset plate technology from Agfa in the future.

**Palmer:** On a global basis, both violet and thermal offset plate technologies receive significant consideration for our development efforts and we are committed to provide best-of-class solutions. Fujifilm is a global manufacturer, and as a result, we consider the product and technology needs of the worldwide market. Products/technologies designed for one market can be adapted and deployed in another market. Our commitment and approach to R&D remains strong — we consistently invest billions of dollars each year into developing technologies to support the needs of rapidly changing markets.

**Rangel:** Kodak has been a leader in thermal plate innovation ever since we were the first to commercialize a thermal plate over 20 years ago. We were also first to introduce a commercially successful process-free thermal plate, as well as first with a process-free plate targeted specifically for the newspaper market. Therefore, we are very pleased, although not surprised, that thermal is the technology of choice in North America. This market acceptance pushes us to continue to develop thermal technology and introduce new thermal plates to the market, such as the ELECTRA MAX Thermal Plate and the SONORA UV Process Free Plate.

In addition, Kodak just invested in our new low-chem Libra plate, which was specifically designed for the newspaper market and we expect it to open up new opportunities in the violet space.

**Jenkins:** This outlook supports Presstek's move to offer a wide range of eco-friendly thermal plates, which include GemPlate, GemPlate NewZ, Zahara and Zahara NewZ. With this portfolio, Presstek is well positioned to meet both current and future market demands. These plates combine thermal technology with environmentally friendly attributes, yielding industry-leading

run lengths and image quality. Presstek is focusing on growth segments and directing R&D and marketing efforts accordingly.

With the large amount of print consolidation in North America we've already seen, with several more thousand estimated to close or consolidate between 2016 and 2020, there is and/or will be a virtual abundance of pre-owned hardware in the market.

**Mattingly:** Our company manufactures, services and supports a full array of both thermal and violet technology in lithoplates and CTP hardware. This year the conversion to thermal no-process has been very fast paced with a growing momentum of violet users recapitalizing and converting from violet to thermal no-process. SLP will continue to fully support both technologies. However, it is clear that thermal no-process is the dominant plate of choice, especially since it requires no post-imaging pre-treatment at all. It quickly and easily develops right on press.

**N&T:** What is it about your prepress hardware offering that justifies buying new vs. eBay?

**Carey:** New equipment from Agfa Graphics is more reliable, more productive and more profitable. The difference in price between new and used equipment can often be negated by the increased cost to service used hardware. As technology changes, the overall lifetime of equipment becomes shorter and parts become increasingly difficult to source. By investing in used equipment, a buyer may face "end of life" issues far sooner than with new equipment, thus starting the cycle of investing in more equipment faster than would otherwise be required.

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**Palmer:** Like any capital investment decision, the new vs. used analysis typically yields an “It depends” answer.

Does the customer prefer to buy reliable, new, fully warranted equipment that has predictable availability, spare parts support, service life and low total cost of ownership? Another key benefit of this option is that the equipment can be tailored in a configuration to meet the needs of a specific application.

On the other hand, the pre-owned marketplace may provide a lower price point. If a property has the luxury of time, only needs a limited quantity of equipment, is flexible in terms of configuration and understands the limitations of used equipment, then this might be an acceptable option.

**Rangel:** While it is true that closures and consolidations do increase the volume of used

equipment in the market, companies that consolidate are looking for ways to boost productivity. Kodak now builds CTP devices that can replace two or three older platesetters and provide even better productivity. Our CTP business actually grew last year in the U.S. and Canada as compared to 2014 and is on track to grow again this year.

The older, used equipment often finds its way into smaller print shops that might not be able to justify a new CTP device, which is good news both for small business and the environment, because the equipment now has a longer usable life.

**Jenkins:** Presstek offers a wide range of CTP systems solutions in four up, eight up, and VLF formats. This wide product portfolio is competitively priced and designed to meet the needs of commercial and newspaper printers. What makes the Presstek solution unique is that our packages offer guaranteed

performance and peace of mind. These bundle packages include hardware, software, plates and services. The bundles offer huge savings to our customers and are unavailable in the used market space.

In addition to this, Presstek specializes in re-manufacturing products. A re-manufactured press could cost less than 50 percent of the brand-new price, and the technology boasts far superior quality to second-hand purchases. All of Presstek’s re-manufactured systems also come with brand-new warranties and contract offerings. Fantastic aftercare is a further reason to make purchases with Presstek.

**Mattingly:** I recently enjoyed the privilege to actively co-chair NPES/PRIMIR’s recent research project and its published result: “The Future of Print in the USA,” compiled by The Economist Intelligence Unit. Additional conversations with Dr. Joe Webb from whattheythink.com, confirm

another wave of print site consolidation during the next several years. This will intensify the new vs. pre-owned and/or used hardware quandary. That being said, CTP for newspapers is now more than a decade old. A good portion of the used market is at, or past end of life and therefore not suitable for re-commissioning or refurbishing. Hence, SLP has introduced the affordable CRON-ECRM thermal CTP with a three-year, stem to stern warranty, including consumable parts. SLP provides a 24/7/365 Tech Hotline and a comprehensive nation-wide field service and support infrastructure for the newspaper print market. Our “new” solution minimizes the cost of recapitalization, covers a full three-year window on parts cost, and delivers the most current technology available. Bottom line: lower costs, better print, virtual “lights-out” prepress and much less worry. ▲

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