

# GOING GRAND

## Does It Make Sense for Your Business?

There's a movement about in the grand-format industry. Manufacturers are busy building faster, more productive, versatile machines with sophisticated technologies and capabilities. Demand for digital textile printing is surging, and along with that are innovations in inks, software and finishing automation. Most notably in the last three years, this is all paired with the high quality previously limited to smaller printers.

Yes, it's an exciting, dynamic time in grand-format. As business owners explore whether or not to expand into this arena, there are many factors to consider beyond which equipment to choose. Just to clarify, grand-format refers to printers that are 95 inches or more in width. With this type of equipment, print service providers (PSPs) can produce high-quality, large-scale applications that often result in high margin projects and higher throughput at lower operating costs.

The demands and requirements of running a business in this industry mean print shops have a constant requirement to keep improving their product, whether based on turnaround times or the quality of the output. Reliability and flexibility, price-to-performance ratio and quality are always front runners for future development.

Taking that next step to grand-format is investment-heavy, and can be daunting. It demands a comprehensive look at all aspects of a shop owner's business. Essentially, there are three areas that any business interested in entering or expanding into the industry must consider in order to make the right decision for their particular business needs and future success.

### 1. An Effective ROI and Business Assessment

First, a PSP must truly understand the numbers. Using a comprehensive Return-On-Investment (ROI) tool can be a very valuable exercise. This can be challenging as it forces many questions to be answered regarding costs and business operations that may or may not have been closely inspected before. Shop owners must initially evaluate whether they have the volume and demand to support this large-scale purchase, as well as the space and infrastructure in place. It's also important to ensure that a viable and growing customer base exists for grand-format. A comprehensive ROI will take into consideration all of the labor, real estate, hard costs, products and processes needed for an entire workflow and compare

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Greg Lamb, Founder and CEO, Global Imaging Inc.



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various products on the market to better educate buyers about their options. These calculations also often examine the total cost of owning a printer over a five-year period, including the daily operational costs, training and support and a long-term maintenance program.

Some of the factors considered are:

- Equipment cost including financing
- Labor
- Rent allocation (real estate needed for equipment footprint)
- Income expectation based on average selling price per square foot
- Monthly production in square feet
- Average working days per month
- Average production speed in square feet per hour
- Number of shifts
- Daily production and maintenance
- Cost of ownership including maintenance and warranty
- Material waste

Once completed, the PSP should be able to evaluate how much business at what selling price will be needed to secure a return on investment and in what amount of time that ROI will occur.

## 2. Large-Format Capabilities and Ink Options

Secondly, thoroughly explore all of the large-format and ink options. Overall, grand-format delivers much faster speeds and greater productivity at a significantly lower cost of ink and production than wide-format printers. Another advantage is that it allows for the consolidation of smaller equipment into one single printer that can do the work more efficiently while maintaining high quality. Finally, grand-format enables the print shop owner to discontinue outsourcing large projects, and take on bigger jobs. The ability to

produce these jobs in-house equates to much higher margins and opens market share opportunities that never before existed.

Most grand-format printers fall into the “industrial” class of printers versus wide-formats that typically are “commercial” class printers. There are no hard definitions for commercial versus industrial inkjet printers, but there are some common assumptions. Typically an industrial printer is larger, faster, heartier and more productive. You should expect an industrial printer to have heavier duty frame and parts construction. They are typically at least 3.2 meters wide and are designed for 24/7 operation. And generally where a commercial printer tops out at somewhere around 500 square feet per hour, you will see faster speeds with an industrial printer: Usually much faster, in the thousands. Some end users may argue that redundancy in wide-format beats investing in one (or multiple) grand-format printers, but in assessing the speed and operation head-to-head, most shops don’t have the real estate to create true redundancy of three to four wide-format printers to equate to the productivity of a single industrial grand-format printer.

Grand-format printers also command sophisticated software, and the software manufacturers work closely with the print equipment manufacturers to develop some very sophisticated productivity features. Many manufactures are capable of printing two completely different jobs on two completely different types of materials at the same time.

Lastly, buyers shouldn’t overlook the potential color management issues that can arise when running multiple printers to complete a single large job. If the work is there and a grand-format printer can be kept running, there is no question





Evo 33 eSUV

that industrial grand-format supersedes commercial wide-format for lower cost, higher productivity and consistently high-quality throughput.

Making the case for commercial, consider too that grand-format machines require compressed air and usually have higher power requirements. Business owners may need to add an air compressor and/or dedicated electrical lines. Also, grand-format requires the handling and storage of much larger media on heavy rolls which may require additional lifting equipment and manpower. All of these variables should be carefully weighed and discussed with a resourceful vendor partner that can guide you through the decision-making process.

Now, let's address inks. With high-capacity output from grand-format printers comes higher ink yields and a generally significantly lower cost per liter to start. In some cases, PSPs will reduce their per liter cost by more than 70 percent per square foot. In a high-production, shop this can mean tens of thousands of dollars per month, more than making up the initial equipment cost. Ink heads are a significant part of the equation as well. Greyscale variable droplet heads lay down a much more precise dot and require significantly less ink than a binary drop that only sprays a fixed drop size. These heads can produce drops of varying sizes and colors within a single image file, marrying the best combination of image quality that comes with small drop sizes and productivity associated with large drop printing. The additional benefit of these heads is that, on average, it uses 35 to 50 percent less ink because it doesn't require using more mid-value colors (light cyan and magenta) to achieve gradients and mid-tone colors. This can result in higher quality output and substantial savings.

Beyond the positive economics of grand-format ink costs, there are many advanced ink options available that should be considered. Water-based eco-friendly inks are in high demand, and new ink technologies are evolving all the time., such as PrinterEvolution's eSUV ink.

### 3. Evaluate and Streamline the Entire Workflow

Investing in printers that have high print speeds in the thousands of square feet per will not make any sense if PSPs are going to have to do all of the cutting and trimming by hand. A print shop is only as productive as its weakest link, so ensuring that the entire workflow is as efficient as possible is important to the success of the business. This includes examining other products that will have impact on the scope of output such as advanced pre-press software and up-to-date finishing equipment. Buying in bulk is another way to streamline the workflow and improve profitability. If space permits, buy substrates, media and ink in bulk to save costs. This, of course, also takes more square footage to store.

Consideration should be made for pairing a grand-format printer with an automated flatbed cutter that can route, cut, trim, score and generally meet or exceed the finishing demands of a grand-

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format printer. Welders and sewing machines may also be necessary to complete the workflow setup. Welders and sewing machines are especially important for smaller wide-format print shops as demands for larger jobs continue to grow and without grand-format in-house, many jobs will need welding and sewing to achieve basic dimensions. Of course welding and sewing are used in grand-format shops as well, but they will help achieve even larger final pieces with fewer seams equating to a better overall look and less labor.

Another crucial part of the finishing process is packaging and shipment. Again, this is a space consideration and the shop owner needs to assess his current infrastructure and manpower requirements to evaluate the impact. Do not make the mistake of overlooking this important part of the plan when evaluating what equipment to invest in. The ability to conveniently provide all of these services under one roof can be of enormous value to the customer and in the end, generate higher profit margins for your business.

#### Should You or Shouldn't You?

Speed, quality and increased productivity — these three fundamental components have always been the foundation for success in our industry. There is no better time than now to “Go Grand” as new technologies in printers, printheads and inks continue to emerge. With an industrial-sized printer, opportunities can expand to areas like out-of-home,

POP, interior and exterior design, and the exploding market of fabric graphics.

As you consider new equipment, align yourselves with the manufacturers who are leaders and innovators in the industry, as they will help you achieve your ultimate goals. These are companies that provide all-encompassing service, offer products with visible value propositions like upgrades to extend the life of your investments, and have the inventory and technical expertise to support the future growth of your business. The relationships you build with these companies will inevitably turn into valuable business partnerships and help you pave the way to your success in the grand-format industry.

*Greg Lamb founded Global Imaging with his wife Tara in 1995, and has served as its CEO since the company's inception. His primary role and talent at Global Imaging has been in developing strategic business relationships and the creation of new business opportunities for Global Imaging and its customers. Lamb graduated from the University of Colorado, Boulder, in 1989 with a degree in Fine Arts with an emphasis in photography and sculpture.*



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