Océ helps Kutco improve productivity, expand services and reduce costs

As consolidation in the commercial print market continues, the print providers that are emerging victorious are those who recognized early on the importance of implementing advanced technology to improve efficiency and offer customers a broader suite of services. A compelling example of a print shop that has successfully cracked the code is Kutco Printing and Products (www.kutco.com). The forward-thinking print provider has adeptly navigated the transition from an ink-on-paper print shop to an integrated communications services provider. One of the ways Kutco has made this happen is by investing in advanced digital technology to streamline operations, gain a competitive edge and strengthen customer relationships.

The full-service print provider’s applications run the gamut from brochures, full-color newsletters, reports, letterhead, business cards and variable data postcards to graphic design, mailing services and full bindery capabilities, using a mix of offset and digital technology. Approximately 35 percent of current print volumes are digital and 65 percent are offset. However, digital volumes are growing fast.

“We’re seeing increasing migration from offset to digital for a variety of reasons. Customers are asking for it, digital allows us to print short runs cost-effectively and we’re doing more personalized direct mail,” says Kutco Vice President, Dave Stewart. He adds, “A lot of the work we used to do on small duplicators and offset presses is moving to digital. As you can imagine, the choice of the right digital equipment is a very important business decision.”

The essential role of technology in driving growth inspired Kutco to replace existing devices. Kutco installed an Océ VarioPrint® 6160 duplex cut sheet printer and Océ CS650 Pro color printing system.

The challenge: reducing costs and improving productivity

The partners, Albert Grissinger and Dave Stewart purchased, the print shop in December of 2005 and began retooling and rebuilding immediately. The goal was to improve reliability and productivity. They also wanted to reduce costs and leverage digital technology and best practices to provide customers with better service and better finished products.
When Stewart and Grissinger began experiencing problems with the existing digital cut sheet printers and couldn’t get the vendor support they needed, they began scouting around for newer technology and a technology partner who would respond to their needs. “We were running up against a wall when it came to calculating cost-per-print, negotiating new equipment and even service. Basically, we were a small fish in a big sea of customers and it was time for a change.”

Kutco evaluated other devices, but nothing measured up to the Océ VarioPrint 6000 digital duplex system for black & white work, or the Océ CS650 Pro for color work. “Our digital color and duplex volumes are significant and growing all the time,” states Stewart, “so we knew that if we wanted to be responsive to our customers, we had to have a system that could keep pace. Our main criteria were speed, quality and the ability to handle different types of substrates.”

“When we saw the Océ VarioPrint 6160 system, we were amazed at the low level of energy consumption and the low fusing temperature,” states Stewart. He adds, “We liked the fact that it runs and feeds like a press. And with the simultaneous duplex feature, we knew jams would not be an issue. We were even more amazed by the system’s registration, speed, pricing and post-press flexibility.”

Stewart continued, “People don’t think about this a lot, but if you have to take a job off of a machine and put it in the binder and do any kind of post-press, you’re going to have issues with static and paper curl. The xerographic process totally ruins paper. In contrast, we were really impressed with the way jobs come off the VarioPrint 6160. For all intents and purposes they look and feel like offset. Two demos of both products and we were convinced.”

As for the competition, Stewart laughed, “There is no competition. We looked at other devices but nothing else came close. As for price, let’s just say we’re smiling every day.”

The solution: Océ VarioPrint 6160 and Océ CS650 Pro color system

The solution to the firm’s immediate challenge was an Océ VarioPrint 6160 digital duplex cut sheet printing system, an Océ CS650 Pro digital color system for growing color volumes and Océ Doc Works Pro™ software to streamline workflow. Both machines and the software were installed in October of 2007. The installation of the Océ VarioPrint 6160 and Océ CS650 Pro systems was smooth and easy and the new equipment was up and running almost immediately.

“There were some initial bumps in the road,” Stewart recalled, “but they were quickly resolved in a very professional manner. Working with Océ was a breath of fresh air.”

Like other members of the Océ VarioPrint 6000 family of digital duplex cut sheet printing systems, the Océ VarioPrint 6160 uses Océ Gemini Instant Duplex technology to press images into both sides of the page in a single pass. The simultaneous duplexing capability enables the system
to deliver output with higher levels of productivity, offset-class quality and near-perfect registration. The Océ CS650 Pro production color printing system combines an output speed of 65 images per minute with capabilities like variable data printing, cost-effective short run printing and a wide selection of finishing configurations.

Océ Doc Works Pro is a server-based output management solution that provides a total digital solution for the entire document workflow. Océ Doc Works Pro software simplifies workflow from submission, acceptance and preparation through production, finishing, archiving and distribution. Automated preflight capabilities and a PDF workflow streamline pre-production processes, saving time and money. Integrated accounting capabilities ensure that all costs translate into accurate billing. With these combined capabilities, Océ Doc Works Pro software makes doing business with any commercial print shop easy and cost-effective, while improved customer service opens up new business opportunities and higher revenues.

The print operation today
Today, Kutco Printing and Products produces more than two million images per month, of which some 800,000 are printed on the Océ VarioPrint 6160 and 40,000 on the Océ CS650 Pro systems. “These numbers are quickly changing though,” says Stewart, “because so much is migrating from offset to digital technology.”

The print shop is open for business five days a week, from 8:00 a.m. to 4:30 p.m., something that may change as growth continues. In addition to the Océ equipment, Kutco’s fleet includes a MAN Roland® 300 series six-color double perfector press, a Ryobi® 580 two-color press and a Shinohara® two-color perfector press. The print shop also has a Halm® jet envelope press and a smaller Ryobi 3302, two cutters, a Duplo® 30-bin booklet maker and a BLM200 folder for the Océ VarioPrint 6160.

“Duplex represents a huge opportunity for us,” says Stewart, “Almost everything we do is duplex, confirming studies that show 80 percent of production volumes printed in black & white are duplex. You can always do a color insertion or a cover to dress up a document. We do a lot of newsletters and manuals and we’ve started to do more books. When you look at the documents coming off of the Océ VarioPrint 6160, the halftones and registration are incredible—far superior to anything else we’ve seen.”

Kutco is starting to get into digital book printing as well. “We do perfect bound books for several customers,” Stewart notes, “a typical run is about 150 books, but it varies. We’re mostly doing educational books, manuals and government directories, but we’re starting to see a lot more self-publishers coming in. The Océ VarioPrint 6160 is ideal for these types of applications.”

“Our digital color volumes are steadily growing,” Stewart reflects, “a few years ago, our breakeven point for digital color over offset was 1,000. Today, with the Océ CS650 Pro, it’s up to 2,500.”

He attributes the growth to improved quality and turnaround. “With the Océ CS650 Pro,” Stewart adds, “the quality is much better than what we had before. We see a lot of two and three-color spot work like business cards and we’re migrating a lot of those types of jobs to the Océ CS650 Pro. It accelerates turnaround for our customers and it cuts out a huge amount of waste because we don’t have to run a job through two or three times to get a third or fourth color. It’s great for business cards, variable data jobs and anything that’s time-sensitive where people wait until the last minute. That’s the beauty of digital, you can throw it on, print four or six postcards and cut immediately. Offset has to dry before you can do post-processing.”
Accelerated turnaround raises the productivity bar

With the Océ VarioPrint 6160 and Océ CS650 Pro digital systems, Kutco is realizing considerable benefits like faster turnaround, better quality and reliability and exceptional productivity. "I think it all goes back to the fact that the digital systems allow us to eliminate unnecessary processes and simplify the post-processing aspect of production," says Stewart, "We don't have to take things off the press to finish them. And both systems are helping us build our variable data business."

"Both printers are incredibly reliable," Stewart adds, "we've had a couple of people come in to look at the machine and there's always the question, 'does it jam?' Our answer is always no. Since we've had the machine, we've run a couple of million copies and had maybe one drop in a tray."

He concludes, "After just a few months, considering the fact that Albert and I have been in this business for 30 years, we have a huge amount of confidence in Océ equipment. We have absolutely no reservations about migrating our black & white work to the Océ VarioPrint 6160."

As for the future, both Grissinger and Stewart like the fact that as their black & white volumes grow, when they're ready to move up to an Océ VarioPrint 6250, they don't have to bring in another box. "The technician will just bring in a board," Stewart laughs, "turn a key and we're there. No forklift upgrades, just the speed and performance we need, when we need it. Our vision for the future is a lot more digital technology. It's where the industry is going and Océ is helping us get there."