

CASE STUDY:

PMG— Meeting Needs of Corporate Marketing Departments

Company

Printing Management Group, Inc. (PMG),
Beaverton, Oregon

Profile

Founded in 1992 as a print brokerage firm, PMG now offers complete graphic communication services after adding in-house creative and printing capabilities.

Challenge

PMG needed an in-house printing solution that would allow them to address both the demanding lead times and the high quality requirements of its primary client base of corporate marketing communications departments.

Solution

A Presstek 52DI® digital offset press

Results

- Increased customer loyalty
- Gained new business
- Ability to deliver aggressive pricing
- Better consistency in color and quality
- Improved margins
- Environmental benefits

Presstek 52DI® Brings New Customers and New Business Opportunities

Mitch Craghead founded the Printing Management Group (PMG) as a print brokerage firm in January of 1992. Today, the company has nine employees and generates \$2 million in annual revenues. “About ten years ago, we started adding creative services,” says Craghead, “moving our business from a pure brokerage firm to a creative services agency with a comprehensive design staff.”

About three years ago, with an increasing compression in both deadlines and run lengths, Craghead was looking for a solution that would

both lower the average transaction price and allow more transactions to occur in a shorter time. The first step

toward this goal was the acquisition of a Xerox 7000 toner-based digital device. “We were still brokering the majority of our work,” he says, “but now we could do customers a favor in emergency situations more easily in-house than we could with outsourcing. Yet, we still required a higher quality solution for much of the work.”

Craghead chose to focus on marketing communications departments of mid-sized corporations as his primary market. “These clients have color critical work more often than not,” he says, “and they are very quality sensitive.” With that in mind, Craghead acquired a Presstek 52DI digital offset press to produce high quality, fast turnaround work for these demanding clients. One year later, PMG was running its Presstek 52DI press overtime every day.

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Continued on reverse



A 28-page apparel catalog is one example of how PMG is leveraging their Presstek 52DI press to win more business. Vivid colors and detail were critical issues in printing. “The Presstek 52DI’s quality was an important factor for this catalog,” says PMG owner, Mitch Craghead.

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Continued

A Different Model

“By bringing production in-house with the Presstek 52DI press, we can maintain control over the most color critical jobs,” Craghead explains. “And, we have been able to pull off some miracle turnaround times for clients, as well as raise the bar on the quality level for critical color. We could not consistently meet these requirements through outsourcing or with toner-based production devices.”

PMG has also benefited from the complementary natures of its Presstek DI press and Xerox 7000 digital toner-based device. “We use these devices together in different ways,” Craghead says. “First, we can buy ourselves time when an emergency order is needed in a couple of hours and the DI is already booked. We run part of the job on the Xerox and the balance when the DI is available. We also print offset shells on the 52DI press that can be overprinted on the Xerox to add variable data, bringing the overall cost of the project down and improving quality.”

Having these two pieces of production equipment has been critical for Craghead’s success. He says, “You never want to say ‘no’ to a customer. Being able to accommodate emergency orders and produce cost-effective variable data pieces has been a real benefit for us.”

New Opportunities

According to Craghead, “A long-time client, a domestic apparel manufacturer, has engaged us to do the photo shoots for their 148-page catalog, which was then produced on a heatset web press. The president of the company was in our plant for a photo shoot for an addendum to the catalog. After our meeting concluded, we spent an hour on the production floor because he was interested in the 52DI press—its quality, waterless operation, and other environmental benefits.” As a result, PMG was awarded the entire turnkey project—everything from concept to photo management, color management, layout, and printing on the DI press. It was even stitched in house, and we did the mailing,” he says. “This is a huge opportunity that we would not have even been considered for without the 52DI press.”

The catalog addendum was 28 pages plus the cover, with a run of 12,000 units. “The Presstek 52DI’s quality was an important factor for this catalog,” Craghead notes. “The client sells dance apparel and cheerleading outfits with custom fabrics, such as neon pinks with sequins. Every spread has a crossover. The detail the 52DI was able to produce, plus the

tight registration and color consistency required for the crossovers, resulted in a product that was much higher quality than the client previously received from heatset web.”

Going Green

Craghead has also found the environmentally-friendly aspects of the DI press to be beneficial to his operation. “With on-press imaging of chemistry-free plates,” he says, “I don’t need a separate platesetter or chemicals to produce plates. The waterless printing means we save on water consumption as compared to conventional offset. And, of course, the built-in automation and efficiency of the press drives waste down.”

Looking Ahead

Without the Presstek 52DI press, the future of PMG was not promising. “Margins are so much skinnier in our industry now,” he explains. “To have a truly legitimate wholesale trade printing relationship and maintain any kind of margin is

difficult because everyone has already cut to the bone. The Presstek 52DI press is truly different from traditional offset. Its productivity is one reason I have been able to maintain a high sales-per-employee ratio, even during these difficult times. This type of efficiency is not commonplace with traditional offset.”

Craghead is quick to point out that while many printers focus on pricing and mark-ups to try to maintain margins, controlling waste in labor and materials increases value for customers and improves the bottom line. “The DI’s minimal waste is one reason why we anticipate installing more of these presses as our customer base continues to grow,” he says. “We are also very excited about the UV option Presstek recently announced. We think it can bring significant benefits in terms of quality, a wider range of substrates, and even faster throughput. In the end, it is all about throughput. If we can run another job or two a day, everyone wins.”

PMG is already adding a second shift for the 52DI press to handle the increased volumes of work Craghead would like to produce in-house. “The truth is,” he says, “we haven’t even advertised that we have the press. The fact that it allows us to do a better job is huge. The DI press has gained us new customers as well as made existing customers even happier. I’m looking forward to adding the next one!” ■

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