

## How One Small Lettershop Made The Transition To “Full Service Printer”

### For Catawba, A Little Curiosity Went A Long Way

HICKORY, NC -- After more than 20 years as a full service lettershop, Catawba Mailing Service can now be called a full service printer. With the addition of a new Presstek DI waterless offset press in April of 2007, along with a Kodak NexPress digital color press, the company is poised to print the products that it once just mailed.

The new name reflects that: Catawba Print & Mail, Inc. Owner L.F. Miller was bitten by the printing bug back in 1994 with the introduction of inkjet addressing technology, the precursor to variable printing technology. Although he embraced the inkjet technology, he noted, “It was a huge hurdle for operators.”

#### *A Big Move Up*

The ability to produce a custom message to an individual addressee sparked something in Mr. Miller. His first inkjet printer was a Scitex 5120. Realizing the quality image that inkjet addressing offers, additional units were purchased making a total of 6 inkjet units that currently occupy the shop floor.

One of the first variable printing jobs Catawba landed was for a large national home center chain that wanted a map printed on a postcard directing that addressee to the correct local store. Using pre-printed color postcards that had enough “white space” on the back of the card made easy work for the new inkjets.

Excited by the new technology, Mr. Miller wanted more. He understood that in order for a mailer to generate more revenue it meant moving more volume. “There’s got to be a better way to create a product that you don’t have to run huge volumes,” he said. “Instead have something you can charge a premium for and not work yourself to death.”

Naturally the next step would be for Catawba to start printing the products that it mailed. Mr. Miller knew nothing



L.F. Miller  
Owner & President,  
Catawba Print & Mail

about the printing industry, however. As he explains, “I already had a grip on variable data technology. What I didn’t understand was color, and what constitutes a good-looking piece.”

Tim Larson, a veteran printer, was working for a web offset printing company that used Catawba to mail their catalogs. Messrs. Larson and Miller eventually became friends and exchanged much information about their respective industries. Mr. Larson, being a traditional offset printer at that time, admitted he had no idea what digital printing was. Soon after he had left the printing company to pursue other interests, Mr. Miller hired him to plan and execute his venture into the printing world. “I had complete trust in him,” Mr. Miller said.

They immediately began to work on building a printing customer base. Starting out by brokering or “farming out” printing jobs was the first step. Larson had the graphic software experi-

ence and the latest Apple Macintosh equipment.

Brokering almost a year, seeing the trends of printing volume shrinking, the decision was made to pursue digital color equipment. One of the first purchases was an Ikon CPP 500 color printer. This satisfied the demand for quality full color with the ability to address and add variable data.

It didn’t take long for the demand to outgrow that machine. The high cost per copy coupled with the slow speed and only being able to run one side at a time, soon forced Messrs. Miller and Larson to pursue bigger and better goals.

In December 2005, after thoroughly researching and attending several trade shows, they decided to purchase a Kodak NexPress 2100 Digital Production Color Press. Delivering 4200 letter-size sheets per hour with the ability to print both sides in one pass proved to be a wise decision as they landed a customer who needed over 30,000 color postcards with variable data per week.

Also driving the demand for the new digital color press was the ability to print full-color custom pieces for a customer that would have several different versions, depending upon the demographics of the addressee. Changes to a document could be made “on-the-fly” and all variable data and addressing was completed at the same time.

Meanwhile Catawba noticed the increased demand for full-color static jobs (pieces in which the image does not change). These jobs included items such as full-color self-mailers, postcards, brochures and rack cards. Because most of these products had large run lengths, digital equipment proved not to be cost-effective.

While these jobs were being brokered, Mr. Miller and Mr. Larson searched for a solution that would bring these jobs back in house. In April of 2007, a Presstek 52DI digital offset press was added to the shop floor.

Presstek reports that DI, or Direct Imaging, is the process of sending a digital



**Catawba Print & Mail's management team. From left to right: Bruce Sigman, Director of Lettershop Operations; Michael Miller, Customer Service Manager; Franklin Miller, Vice President; Tim Larson, Director of Print Operations; and L.F. Miller, Owner and President.**

file directly to a press and imaging all four offset plates directly on the press and in precise register. This patented process was developed by Presstek and offers an environmentally friendly alternative to traditional plate-making which is done off-press and imaged using chemistry.

The high level of automation and features that are contained within this press reduced the need for both skill level and the amount of labor needed to run the press. Catawba recruited most of its printing personnel from the Graphics Arts program at nearby Appalachian State University in Boone, NC.

L.F. Miller explains that college graduates make the perfect employee since they are already knowledgeable in the latest graphics technology and they don't come with years of outdated experience. "They're eager to run the latest equipment", said Mr. Miller.

Postcards have and continue to be the product that Catawba produces most on its new offset. The 52DI, with its 52cm landscape format is able to run nine 4"x 6" cards per sheet and four 6"x 9" cards per sheet. Pre-printing color "shells" en-

## 7 Tips On Adding Print Operations

1. It is easier to add printing to a mailing operation than vice versa.
2. The most important thing is to hire a "front man." Someone who has real experience and knowledge in the printing industry and the latest graphics software. Listen to them, learn from them.
3. Establish a printing customer base. Start by brokering jobs to a trade printer.
4. Attend trade shows; do research.
5. Before purchasing any equipment, visit actual printing operations where the equipment is in use. Talk to the operators (away from the salesman) and get their thoughts on the equipment.
6. Equipment sales reps tend to inflate profit margins, especially on variable data printing. Know your real costs. Talk to owners of the equipment.
7. Research your state's sales tax laws. Most printing services are taxable.

-- L.F. Miller, Owner & President of Catawba Print & Mail

able them to make a profit on the printing and also charge for the inkjet addressing and mailing.

Catawba figures that static run lengths from 500 to 25,000 sheets are most profitable when produced on the Presstek DI. Run lengths in excess of 100,000 are still being brokered to a web offset printer.

The number one benefit of adding printing operations for Catawba has been providing customers with a "one-stop shopping" atmosphere. Customers enjoy the fast turnaround times that Catawba now offers from start to finish. Mr. Miller is also pleased with the revenue generated by the company's printing operations. It is projected that printing will have accounted for 42% of total sales in 2007.

Mr. Miller suggests to mailers that now is the time to add printing operations. "You'll be one step ahead of most printers who are stuck with dinosaur equipment", he said. The printing industry is technology-driven and is proving to be less labor-intensive than ever before. He feels the transition is easier for a mailer to add printing operations than vice versa.