

CASE STUDY:

The Hoppmann Group—Targeting Demand with Presstek DI®

Company

The Hoppmann Group, Wauwatosa, Wisconsin

Profile

This 85-year-old printing firm underwent a change of ownership in 2005. The company has 20 employees and serves a wide variety of customers.

Challenge

Because of the proliferation of 40" presses in the Milwaukee area, the Hoppmann Group's new owners wanted to adjust the manufacturing portfolio to better address the smaller-format short-run color market. The combination of a toner-based press and a half-size (20" x 28") sheetfed offset press left a production gap that needed to be addressed.

Solution

A Presstek 34DI® digital offset press

Results

- Experienced 40 percent revenue growth in first year and doubled profit margins
- Saved \$80,000 in wages and reduced overtime hours, due to improved productivity and reduced staffing needs
- Profitably producing runs from 750 to 15,000
- Able to deliver agency-level quality, opening new markets
- Environmental benefits are attractive to customers and provide a cleaner working environment

Short-run On Demand Color Is a Boom Market with a Presstek 34DI®

The Hoppmann Group, located in Wauwatosa, Wisconsin, in the greater Milwaukee area, was founded 85 years ago, primarily doing business by word of mouth and printing for the trade. Its current owners, John Van Der Puy and Dale Rauwerdink, acquired the company in 2006 and were looking for ways to grow the business.

"At the time," says Kyle Tuska, Vice President of Operations, "we had a half-size four-color press that was not being fully utilized. As we considered options, we chose to stay with the smaller format since we had so much complementary equipment and the Milwaukee market already has plenty of 40" presses."

"We had 40 percent revenue growth in the first year after the 34DI press was installed!"

With that in mind, Van Der Puy established an on-site creative department to help customers with design of brochures and other collateral, and installed a Konica Minolta bizhub C650 to complement their half-size (20" x 28") four-color and small-format one- and two-color presses. "We planned to use the Konica Minolta for short runs that were not economical to produce on our Sakurai half-size press," comments Tuska.



Filling the Gap

Shortly after the Konica Minolta was installed, Tuska reports, "We noticed that there was a gap between the top end of the Konica Minolta's economical quantity and the bottom end of the Sakurai. A significant amount of work was falling into that gap. We could not be competitive and were missing many opportunities. We needed a solution to fill that gap."

The Hoppmann team saw a demonstration of the Presstek 34DI digital offset press at Graph Expo, and knew it was the right answer. "We had 40 percent revenue growth in the first year after the 34DI press was installed! At least 25 percent of that growth was work that fit right into the run length/profitability gap that the DI press addresses," explains Tuska.

Continued on reverse

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Reaping Results

Not only did the DI press enable Hoppmann to capture that work, but it made the company more profitable. According to Tuska, the lead Sakurai press operator retired and did not need to be replaced. “We saved money there,” he says. “We also eliminated about \$25,000 in overtime, as well. This has been a big contribution toward our ability to double our margins.”

Prior to acquiring the Presstek DI press, Tuska indicates that when the firm did receive work in the 750 to 15,000 range, the work was either outsourced, or run on the half-size press. “It is amazing to consider that it cost us about \$600 to set up and run a 1,000 piece job on the Sakurai,” he notes. “With the Presstek DI press, we can profitably sell the job for \$300 to \$325. The DI press is perfect for our type of business.”

Hoppmann was also attracted by the small environmental footprint of the Presstek 34DI press. It is a waterless press, which eliminates the need for fountain solution. When combined with the DI’s chemistry-free on-press imaging, very few VOCs are produced. Plus, its fast makeready and consistent quality results in significantly less paper waste.

New Opportunities

With its new hybrid manufacturing platform, Hoppmann has been able to produce a wider range of projects than in the past. Tuska explains, “We have deployed two very successful programs for a local cable/internet/phone provider that involves targeted mailings to an audience of 25 to 30 thousand. This sequential mailing starts with a postcard that includes a personalized code that recipients can enter on the Web, and is followed by two subsequent and more complicated mailings. All three pieces are printed on the Presstek 34DI press on a 12" x 18" sheet and variable data is overprinted with the Konica Minolta. This project would have been cost-prohibitive without the 34DI press.”

Tuska also points out that Hoppmann can now print on heavier stocks. “This has gotten us into a very lucrative national menu program,” he says. “For one customer, we produce 11" x 17" menus on 24-point board, with six to 10 pages. Offline, we die cut rounded corners, laminate, and bind with plastic coil, making an 8.5" x 11" menu book.” In the past,

this project could only be produced on 16-point board, and the low runs of 250 to 500 were expensive. “With the 34DI press,” says Tuska, “we are able to deliver a better quality product while saving our client 20 percent and improving our margins.”

In another menu application for a chain of restaurants, the base menu is printed on the DI press, with location-specific information added with the Konica Minolta. “This is a terrific example of how the Presstek DI and the Konica Minolta work hand-in-hand,” Tuska adds. “Without the DI press, we would not be getting any of this work.”

Counter mats for the auto parts industry have also become

a good application for Hoppmann.

“When the auto parts distributors develop a new program for their merchants and stores, they like to provide counter mats to promote those programs,” says Tuska. “They

might need anywhere from 3,000 to 20,000 of these mats depending on how they are rolling-out the program. We produce them on the 34DI press on 24-point board, laminate the top, and put on a foam backing. They are a big hit.”

Hoppmann is also producing more four-color envelopes, as well as products on plastic and low-tack vinyl that can be used in lieu of static cling. “Anytime we get four-color envelope orders,” Tuska says, “we run them on the 34DI press because it is quick and easy, and the envelopes look awesome! Clients are often willing to pay more for these because the quality is so good.”

Tuska concludes: “The Presstek 34DI is a great press. It is the best single addition to our manufacturing platform that we have put in place so far.” ■

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A spiral-bound catalog with slip-case and personalized mailers are examples of how Hoppmann combines the capabilities of its Presstek DI press with those of its toner-based printing and conventional offset equipment.

For information about Presstek digital solutions, or for a schedule of demonstrations, visit

www.presstek.com

or call 1-800-524-0003 x3599.

