

# Printing Impressions

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## Opportunities for Commercial Printers in Wide-Format

Commercial printers are increasingly serving the large-format digital output needs of their clients, and creating new revenue streams in the process.

# Wide-Format Potential Is Large for Commercial Shops

For commercial printers, wide-format printing can open the door to new sales opportunities. Those that have embraced it are typically generating 10+% of their revenues from wide-format, but the true potential is far more.

By Toni McQuilken

**C**onvergence isn't just an industry buzzword, or a trend that will fade in a few months. Instead, it is a movement gaining speed, as commercial printers of all sizes and types — from every corner of the country — realize that diversifying services and technologies is the path to growth and success in both the short and long terms.

While the range of services commercial printers offer is vast, one in particular is proving to be lucrative for many: digital wide-format printing. The opportunities in this space go far beyond just printing a few posters. In fact, for those commercial print shops that have embraced it fully, an average of 10% of annual revenue now comes from this offering alone — with predictions across the board that the volume will only continue to increase.

“I don't know the exact percentage of our business today, but [wide-format printing] is probably around 10%,” Dan Paquette, VP of sales and marketing at Signature Printing, based in East Providence, R.I., says. “It's profitable, and has enhanced our brand considerably.”

According to Paquette, making money operating 40" sheetfed offset presses is difficult in today's environment. “The digital presses all function at a higher net profit, so it really balances the business out. I'm old school; I love those 40" presses, but I also have to accept the reality of our industry.”

## Finding the Path to Growth

For most commercial printers, knowing where to start can be a daunting task. The number of different format sizes, technologies, ink formulations, substrates, and formats can be tough to wade through. And starting from the wrong place could be just as disastrous as not starting at all when it comes to the long-term plans for the business.

Doug Hederman, president and CEO of Hederman Brothers in Madison, Miss., notes that his company overcame that hurdle by choosing to partner with a local company that already had wide-format equipment, rather than jump straight into the investment portion of the strategy.

“We weren't sure if we were going to get into the wide-format space,” Hederman admits. “We wanted to see what was out there, and what the opportunities were in our areas of the country. So we formed a partnership with a company here, and started farming some projects to them on an as-needed basis.”

Over the course of several years, he notes, the business slowly grew as customers found they liked having a single point of contact for all of their print

needs — be it direct mail, banners, signs, posters, wraps, or something else. And once he realized Hederman Brothers was outsourcing a sizable volume of wide-format work, Hederman decided it made more sense business-wise to acquire the team he had been partnering with and create a new in-house, wide-format division.

## Organic, Not M&A, Wide-Format Growth

For others, however, the path into wide-format printing is completely home-grown, although it is almost always still customer-driven. Ironmark, based in Columbia, Md., is one such success story. While the company has seen rapid growth through acquisitions in the past 15 years, its wide-format capabilities grew internally in response to customer needs.

“We broadened our product offerings through acquisitions, but wide-format is the only one not acquired,” Matt Marzullo, president, points out. “It was organic — we got into the space because customers pushed us into it. We started off doing just basic posters and foam core types of products. Now, we're producing full trade-show graphics, a lot of environmental graphics, indoor/outdoor applications — the evolution has been truly organic, which is unique for us.”

Merlin Printing, in Amityville, N.Y., is another commercial shop that has seen wide-format output slowly become a bigger part of its service mix. With a large client base producing grocery inserts in an industry where newspapers are starting to decline, Steven Vid, president, started looking for new business opportunities. The shop started out printing simple window graphics for retail spaces, and saw it evolve from there.



*Ironmark operates equipment from Fujifilm, Roland, and HP in its wide-format printing department, which was created due to client demand.*



*Hederman Brothers uses HP Latex technology to produce rigid wide-format printing for clients, such as this casino/hotel.*

“We started out with aqueous units in the ’90s,” Vid recalls, “and made typical window signs in four colors. But they would burn out over time in the sun, so customers started asking for products that would last a little longer. We explored it and moved on to better equipment ... some of the eco-solvent technologies.

“Getting into that opened up doors to several other applications beyond paper window signs,” he adds. “We could offer in-store displays, storefront graphics,

etc. We could help retailers in ways we never imagined because of opportunities with better inks.”

And that evolution has only continued, with the shop eventually upgrading from roll-to-roll to flatbed devices, allowing it to bring on a far wider range of substrates and print directly to rigid items instead of having to print and mount, which in turn opened up even more avenues for growth.

### Show Me the Money

One thing all the commercial printers interviewed for this article who have found success in wide-format agree on is that the jobs a shop might initially believe it will offer aren't necessarily the ones that will end up being the proverbial “bread and butter” for the department. In fact, oftentimes the opportunities for wide-format work are limited only by the creativity and imagination of the design team.

That creativity is something that Ironmark's Marzullo reveals has become a strong selling point for his company. While he notes they have a large sales staff that's been well-trained in the equipment, one of the best strategies the business has is sending in its wide-format specialists.

“[Wide-format] can be very custom, and a lot of times it's the ability to bring that expert out, find out what customers need in the space, and then recommend solutions — even conceptualizing for the clients — that make the difference. A lot of creativity comes from the wide-format side, versus the print side.”

That creativity is particularly important in the segments of the market that are growing — ones that are demanding new ways to capture the attention of target audiences and make brands stand out from the crowd. For example, the 2020 “Hot Markets” report analyzed the top 25 sectors that will drive 98% of print demand.

Categories such as travel & hospitality, retail, nonprofits, and food services are projected to see growth this year, and commercial printers that can offer a total print solution, including interior signage, outdoor graphics, and creative ways to capture, engage, and delight consumers, will find themselves ahead of the game.

And while SGIA research (“Markets and Products, Commercial Printers” completed in 2019) found that more than 60% of

## The Right Tools for the Job

For each of these commercial printers, having the right wide-format equipment is an essential part of their success. The world of wide-format can vary greatly, with a range not only of sizes, but also print technologies impacting everything from the type of substrates that can be used, to the longevity and durability of the final product. Here is a look at how each of the five shops profiled in this article has approached the equipment conundrum.

### Hederman Brothers

HP R2000 Latex hybrid flatbed printer  
 HP 560 Latex roll-to-roll printer  
 Two Mutoh eco-solvent roll-to-roll printers

### Ironmark

Fujifilm Acuity/Select HS UV flatbed printer  
 HP Scitex FB 700 UV roll-to-roll printer  
 Roland Sol Jet eco-solvent roll-to-roll printer with Versa Works and cutter

### Merlin Printing

Agfa Anapurna 2500i LED-UV hybrid printer  
 HP 560 Latex roll-to-roll printer  
 Roland SOLJET Pro 4 XR-640 eco-solvent roll-to-roll printer

### Quantum Graphics

Agfa Jeti Tauro LED-UV hybrid printer  
 Agfa Jeti Titan UV flatbed printer  
 HP Latex 360 printer  
 Two Epson GS6000 roll-to-roll printers

### Signature Printing

Agfa Jeti Mira LED flatbed printer

commercial printers have dipped their toes into the sign and graphics space, less than 15% have taken it a step further into more adventurous avenues of wide-format, such as garment and textile printing, which in turn opens up even more opportunities for growth.

Andy Paparozzi, SGIA chief economist, recently detailed some of the top trends for 2020 by pulling together SGIA “Industry



*Steven Vid, president of Merlin Printing, works on the company's Agfa Anapurna 2500i LED-UV wide-format printer.*



*Quantum Graphics installed an LED-UV hybrid wide-format printer in 2018 to expand the types of applications that the Eden Prairie, Minn.-based firm could produce.*

Benchmarking” surveys that spanned last year. He uncovered some interesting trends that commercial printers should take note of.

For example, in his research, Papanozzi found that the applications that have the highest growth potential include items such as window graphics, banners and soft signage, and labels and decals, with other applications such as building and vehicle graphics also seeing a lot of interest in the graphics and signage community. These are the applications that wide-format shops are looking at for growth in 2020, which means for commercial printers looking to start or grow a wide-format division, they’re applications to consider strongly. Brands and print buyers want these types of products — it’s just a matter of figuring out who to buy them from.

### Open Houses Open the Door of Opportunity

To best position themselves to be that shop, Nick Larsen, the director of technology at Eden Prairie, Minn.-based Quantum Graphics, notes that highlighting previous winning jobs for other clients and inviting customers in for open house tours has been a winning combination.



*Operator David Aguiar, of East Providence, R.I.-based Signature Printing, operates and monitors an Agfa press.*

“The best success story for us has been showing our existing customers examples of successes we’ve had [with wide-format for other clients.] Wall graphics and bold dimensional signage lend themselves to telling good stories. When clients come in for plant tours, we find a lot of them get excited to see examples of wide-format projects, get a better understanding of the scale of the equipment we use, and experience firsthand the different substrates we can utilize. The in-person experience makes them eager to sit down and start brainstorming ways they can use the technology as well.”

Open house events and plant tours have been a popular tool for Signature Printing as well, with Paquette noting that he does practice what he preaches, using tools such as direct mail to help educate his customer base about wide-format options. But when it comes to tours, and allowing people to see the machines in action, “so many times we’ll do a tour only to be told ‘I had no idea you could do that!’

“But we can’t be running constant open houses, so we’re going to do a virtual tour,” he adds. The video will be segmented, allowing the sales team to walk potential clients through the entire plant, or show them just the relevant departments for the project, giving them a wider range of flexibility.

For Merlin Printing, Vid notes that social media has also been a highly successful way of building his wide-format business, with Instagram, in particular, proving to be a valuable source of leads. “It is a way to get something out there instantly; people see it and ask ‘how do I get this?’ They react faster to that than any other form of marketing.”

### Educate Sales Reps About Capabilities

Hederman warns, however, that commercial printers shouldn’t neglect their sales teams when it comes to selling wide-format work. “Educating the sales force and getting them the details is critical,” he says. “It’s complicated at times to know all of the substrates, and all the products you can print with wide-format, so make sure they’re educated. They can come up with some very unique projects just knowing what the capabilities of those wide-format presses are.”

The take-away for commercial printers is that wide-format isn’t just a “build it and they will come” scenario. With the vast array of technologies, substrates, techniques, and even finishing options, the sky is the limit.

For each of the shops that have introduced wide-format successfully to their offerings, the only similarity is that they grew slowly, finding ways to introduce the new services to their existing customer base before expanding outward. They also didn’t think small — while they may have started slow, they looked ahead, planning for what customers might request in the future, rather than just what they need right now.

Finally, the single best piece of advice any commercial printer can learn from their example is that selling wide-format means getting out there and telling people about it. It requires actively introducing existing customers and prospects to the capabilities; finding innovative and unique ways to solve problems; and ensuring creativity, not volume, is the top priority.

Wide-format printing might still constitute a very small slice of a commercial printer’s potential revenue stream today, but it has big potential for where a shop could go as the industry continues to evolve. ●

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# WHO WE ARE

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## **Printing** Impressions

For 61 years, *Printing Impressions* has provided authoritative coverage and analysis on industry trends, emerging technologies, and graphic arts industry news, with a focus on the commercial printing segment. We connect audience via a monthly publication, a daily newsletter, videos, webinars, the Inkjet Summit event and the "Show Daily" for PRINTING United, the largest printing event in North America.

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