



INTEROFFICE MEMO

Tuesday, June 6, 2000

TO: John Oppedahl, Dale Duncan, Henry Bird, John Newhouse, David Lewis, Mike Quayle Rich Cox, Bob Kotwasinski, Bill Bolger
Pam Johnson, Julia Wallace, Tim Franklin

FROM: Howard I. Finberg

SUBJECT: DRUPA Summary / Scouting Report

Here are some thoughts and trends noted at the DRUPA printing expo, which is held every four or five years. While it was impossible to visit every booth – there are 1,600 exhibitors and more than 400,000 attendees during the show's two-week run – several interesting technology trends and products emerged.

MAJOR TAKEAWAY

Like most industries that have been around for a while, the printing sector is now feeling the next wave or effects of the digital revolution. While many forms of printing have changed little since the days of Gutenberg¹, a couple of interesting issues are emerging, much like the changes that are shaking the newspaper industry:

- While printing will survive for a very long-time [something has to be stamped on all those toothpaste tubes], the use of digital printing technology is much more firmly established. Not only in the pre-press area, but in the actual printing of documents. We are on the edge of a totally digital process – from creation to a press with instantly changeable printing plates. As usual, these changes will start in the short-run, commercial field. An example of such a change is the CreoScitex “direct to press imaging method.” *[Attached is an article about the system.]*
- Just as important are the changes that are affecting the “business” of printing. How customers buy printing services will greatly change in the next several years, as the Internet allows for the reduction of geographical barriers. Many of the “request for proposal” processes will be streamlined and taken online. This will greatly affect both small and larger printing concerns.
 - *Why should we care about the above? Many of our customers – advertisers – will be affected by such changes. We should look for additional ways to make sure they get / find the services they need regarding their inserts and flyers. This always raises the question as to whether we should look for strategic alliances or acquire printing services for customers.*

¹ This is the 600th anniversary of his birth, or at least the date the Germans are celebrating.

DIGITAL PRESSES

As mentioned above, the digital revolution has started to shake the physical printing industry in much the same way that pre-press was affected during the transition between hot type and cold type and finally electronic composition.

There were a number of digital presses showed by a variety of vendors [and a variety in the size of the companies showing these presses]. While many in the newspaper industry might see these machines as “copiers on steroids,” I urge that we think about the first personal computers – the Apple IIe. Few in the computer industry saw the potential, most thought of the PC as a personal “toy.”

While we have seen Xerox’s efforts in this area, Heidelberg also showed a very impressive looking product produced on their Digimaster. As we think about customer / address specific delivery, we should start thinking about the nature of the products we will create for such customers.

- *What this means: We need to monitor the development of these presses, in addition to thinking about the form / format of address-specific content created by the newspaper.*

PDF PREVAILS

For most people, Adobe’s Portable Document Format [PDF] has been a way to move reports, memos and other documents across internal and external networks. PDF’s documents are smaller [and hence easier to transmit] and yet maintain the typography and other graphic elements in the original.

Given what was at DRUPA and what is likely to be at NEXPO, PDF is likely to become the “de facto” standard for advertising systems workflows. This means that companies will adopt PDF as the common language for sending, editing and sharing documents that need to be printed in a location not controlled by the original creator. The most interesting aspects of the emergence of PDF are the new tools used for editing this document format.

- *What this means: We should look at how PDFs fit within our entire publishing systems and internal document processing systems. We should also look closely at our current workflow and explore whether we are positioned for the future²*
- *We should also look at how we manage all of our digital assets [for the newsroom, the advertising department and marketing department].*

WORKFLOWS DOWNHILL

While the newspaper industry is sometimes slow to learn from its commercial counterparts, one area we have ignored is in the development of methods to track work throughout the entire process – from the arrival of an ad

² The discussion regarding a new classified system for Phoenix would fit within this exploration.

order to the finished printing [and all those steps and costs in between]. While CNI newspapers have some of the better upfront [pre-press systems in the country, DRUPA pointed out we should continue our efforts to extend such systems into the press and post-press areas.

- *What this means: With better workflow systems, better decisions regarding press runs and color and space use can be made. In addition, such systems can be linked to financial or accounting systems to provide “true” cost information.*

WATCH THIS PAGE

There were several very interesting technologies around the “instant proof” of a newspaper page. Some of these systems come from workflow vendors, but there are other systems available that could allow newsroom and other executives to view a page remotely [at home, in a hotel] without having an entire CCI editing workstation installed on a desktop or laptop computer.

- *What this means: Cost savings and more flexibility for editors to see important pages without the need for a high speed access line.*

UNBUNDLING SYSTEMS

During discussions with several vendors – especially the German company Pape + Partner Media [PPI], an interesting possibility arose regarding how we look at publishing systems and whether we should continue to use this model in the selection of future systems. In the past, systems such as advertising and classified were tied as much to physical production as to the front-end information gathering. Given the use of new Internet languages [XML, Java] for the delivery of information, it might be possible to “unbundle” these systems in the future. Unbundling would mean that we could separate the ad order entry system [an “ad” is an “ad” model...] from the pagination of the material that runs in the paper. Since single vendor solutions do not always give us the tools we need, this approach might allow companies to replace “modules” rather than whole systems.

- *What this means: We should explore system replacements from several different angles. And we should keep asking our selves what do we want do in the future.*

As usual, let me know if you have any questions.

cc: Chip Weil, Bill Toner, Tom MacGillivray, Eric Tooker, Kevin Salcido, Billie McConkey

Attachments