

Global Reach of Premedia

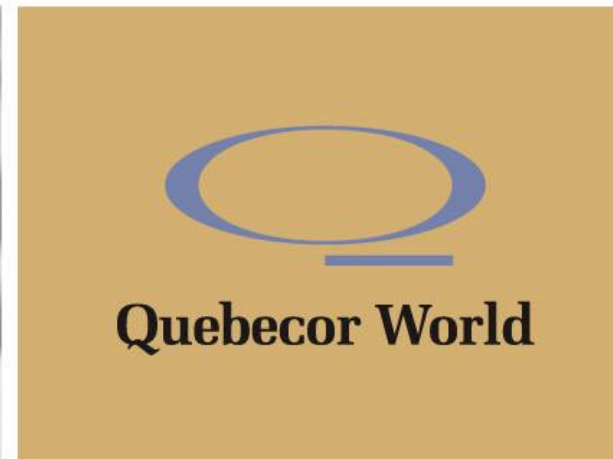
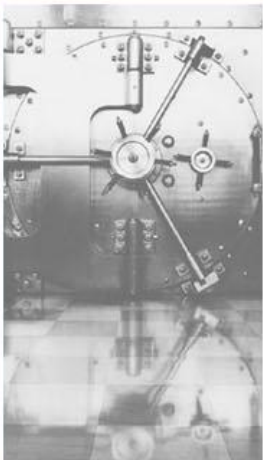
January 20, 2009

Johnny Sutton

Director, Technology/Customer Solutions

Quebecor World Inc.

johnny.sutton@quebecorworld.com



A little about me!

Over 25 years of gravure experience

- √ File formats and workflow automation background
 - √ Hell Chromacom (CEPS) operator in 1984
 - √ Drove first workflow from a database in 1998
 - √ Author of the “How2PDF Guidelines”
- √ Journeyman craftsman, trained by Burda - Germany (in-sourced)
 - √ Do it right everytime, emphasis on QUALITY
 - √ First experience that quality requirements are different from country to country



Why did we consider outsourcing?

Simple review of the obvious

- √ Need to stay competitive in today's market
 - √ Price erosion
 - √ Customer demands to do it cheaper, faster, better
- √ Digital technology opens the doors to a seamless transition
 - √ Internet, Quark, InDesign, Photoshop, Acrobat, softproofing, etc.
 - √ Industry standards; PDF/X, SWOP, etc.



Considering all the options

Outsourcing

- √ Piece meal labor intensive tasks
 - √ silos, etc.
- √ Contract out the job
 - √ Native application out, finished pages back
- √ Like with DTP in the early 90's, will industry compromise quality to save \$\$\$
 - √ Typography quality dropped until software caught up
 - √ Mechanical errors once taboo were now accepted



Considering all the options

Automation

- √ Limit the actual touches
 - √ Customized job ticket per client
 - √ All details of job are on a per client basis
- √ Acceptance of liability
 - √ Pricing model based on who accepts liability
- √ Sharing in the population of Metadata or Job Ticket feeds automation



Is the grass greener on the other side?

When it works, it works well!

- √ Less than 24 hours turn around time.
- √ Lower cost
- √ There are some good partners out there



However all good lawns have to be fertilized!

Choose your partner wisely

- √ There are some good partners out there
 - √ Also some bad ones
- √ Some partners are more qualified than others
- √ Went from 7 potential suppliers to 2 in just a few months
- √ Know the management's commitment!
 - √ Top down commitment



What we learned

Verbal Communication

- √ India is better at speaking English, than China
- √ Customer Service is better in India
- √ Two US based companies use different terminologies to describe the same thing
 - √ Overflow from one facility to another can be a difficult transition
 - √ Plants and personnel are different
 - √ Misinterpretation or different interpretation of mark-ups, etc.
 - √ Team learns a customers personality, likes, dislikes



What we learned

Technology

- √ 2008 Summer Olympics doubled the bandwidth in China
- √ Matching technologies, vendors sell globally

Time Zones

- √ Are as much a hindrance as they are a blessing
- √ 12 hour time differential for labor: GOOD
- √ 12 hour time differential for Customer Service communication: BAD



What we learned

There economy is booming

- √ The employee turn over rates are very high
 - √ Like the 80's in NYC, get a better paying job over lunch
- √ Employees gain knowledge and move on to highest bidder
- √ We have sent multiple people over for to assist in training, color, workflows
 - √ 10 day to 3 month stays



What we learned

What's different

- √ No two people see color the same
 - √ Flesh tones are different from Asia to US
- √ Pleasing color is perceptive
 - √ Oceans and skies look different from continent to continent



What we learned

Mechanically the work is SOUND!

- √ Since they typically don't speak the language they proof-read character for character, instead of word for word
- √ Mechanics are measurable/precise, not perceptive



The future is bright

Automation

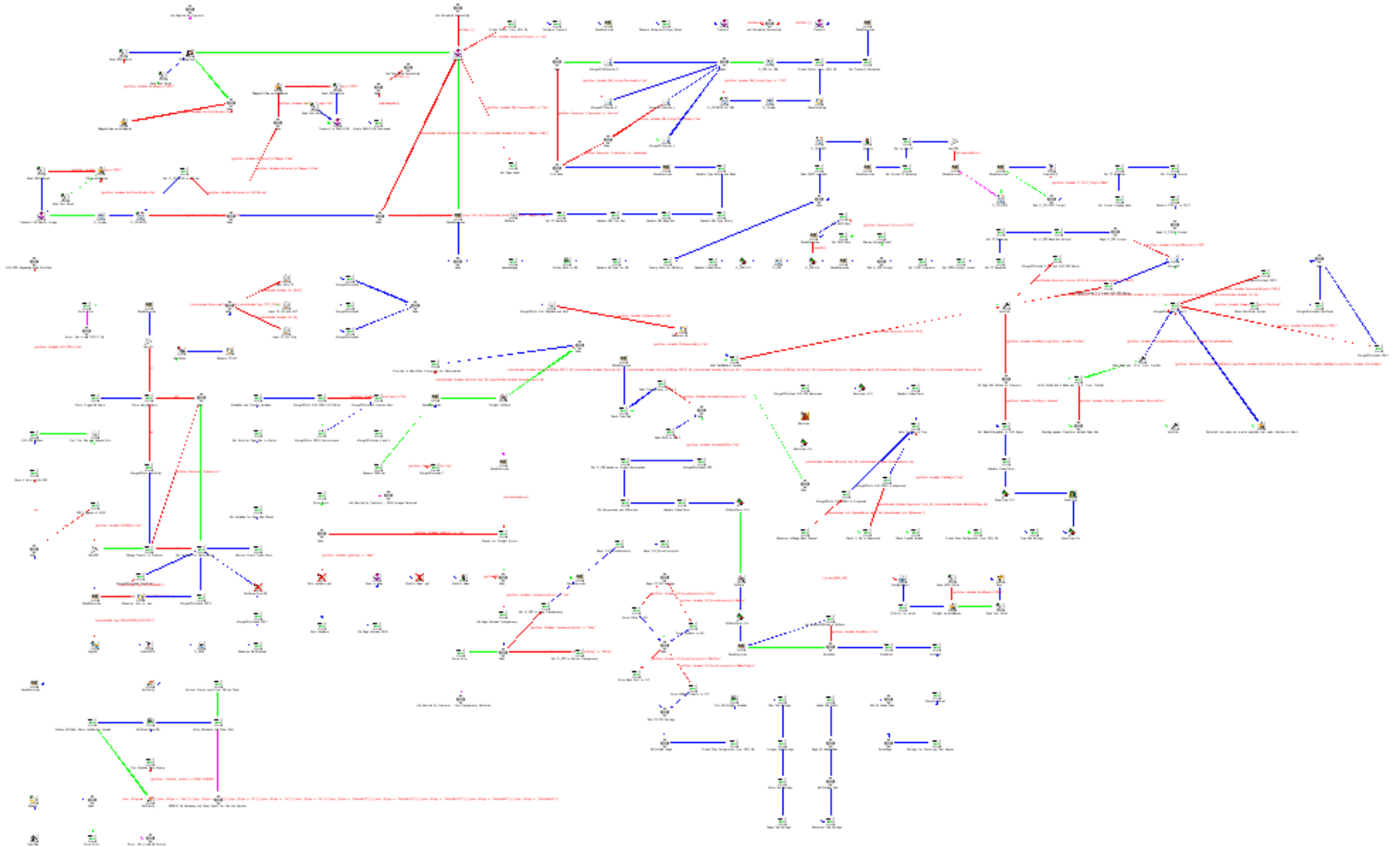
- √ Automation is a real option
 - √ JDF and database driven solutions are available
- √ Complex tasks can be customized and automated

Outsourcing

- √ It works and will only get better
- √ Technology is paving the way



Sample of Complex Workflow Automation Logic



Customer/Premedia Interfaces



Upload file to 4Capture

+
-
▶

Customer
Campaign

Workflow Variables

My_Customer ▾

- ✓ March_2009
- April_2009



Upload file to Automation_Demo

+
-
▶

Enter Job Number

Workflow Variables





Thank you for your time!



Quebecor World