

Gravure Publication Competitive at Short Run

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GAA Pressroom Conference

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European Rotogravure Association (ERA) Comprehensive Gravure – Offset Analysis

In 1986 (Anders Bjurstedt)

Competitive Sweet Spots

- Offset
 - 16/32 pages
- Gravure
 - 48 pages and greater
 - with Digital Cylinder Making – could be competitive at lower pages

Since then, the landscape has changed

2006 European Rotogravure Association (ERA) Comprehensive Gravure – Offset Analysis

Web Offset changes

- CTP
- Offset 24-32 page presses (3,000 FPM) = (100% Wider and Faster)
- Closed Loop Color

Gravure changes

- Engrave – digital, closed loop, and automated – NO Wet proofs
- Wider Presses (up to 4.3 Meter in Europe)
- Automation

Bottom Line - Web Offset has benefited the most from these advances.

In Europe – an estimated 80% reduction in manufacturing costs.

ERA Estimate - Break-Even Costs (Offset-Gravure)

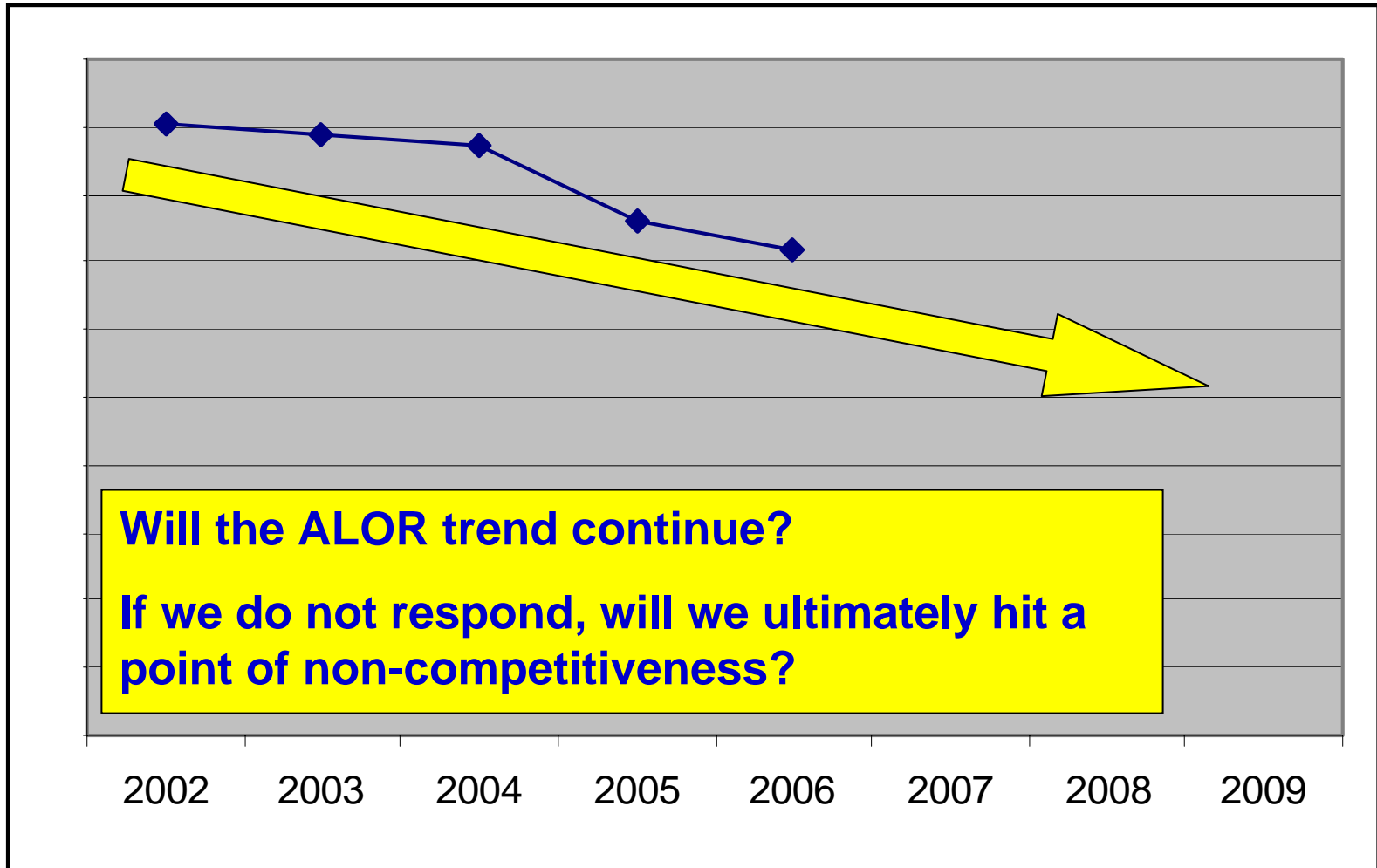
- 64 Page Product = 550K Copies
- 96 Page Product = 350K Copies

In the US Markets Continue to Drive Shorter Run Lengths

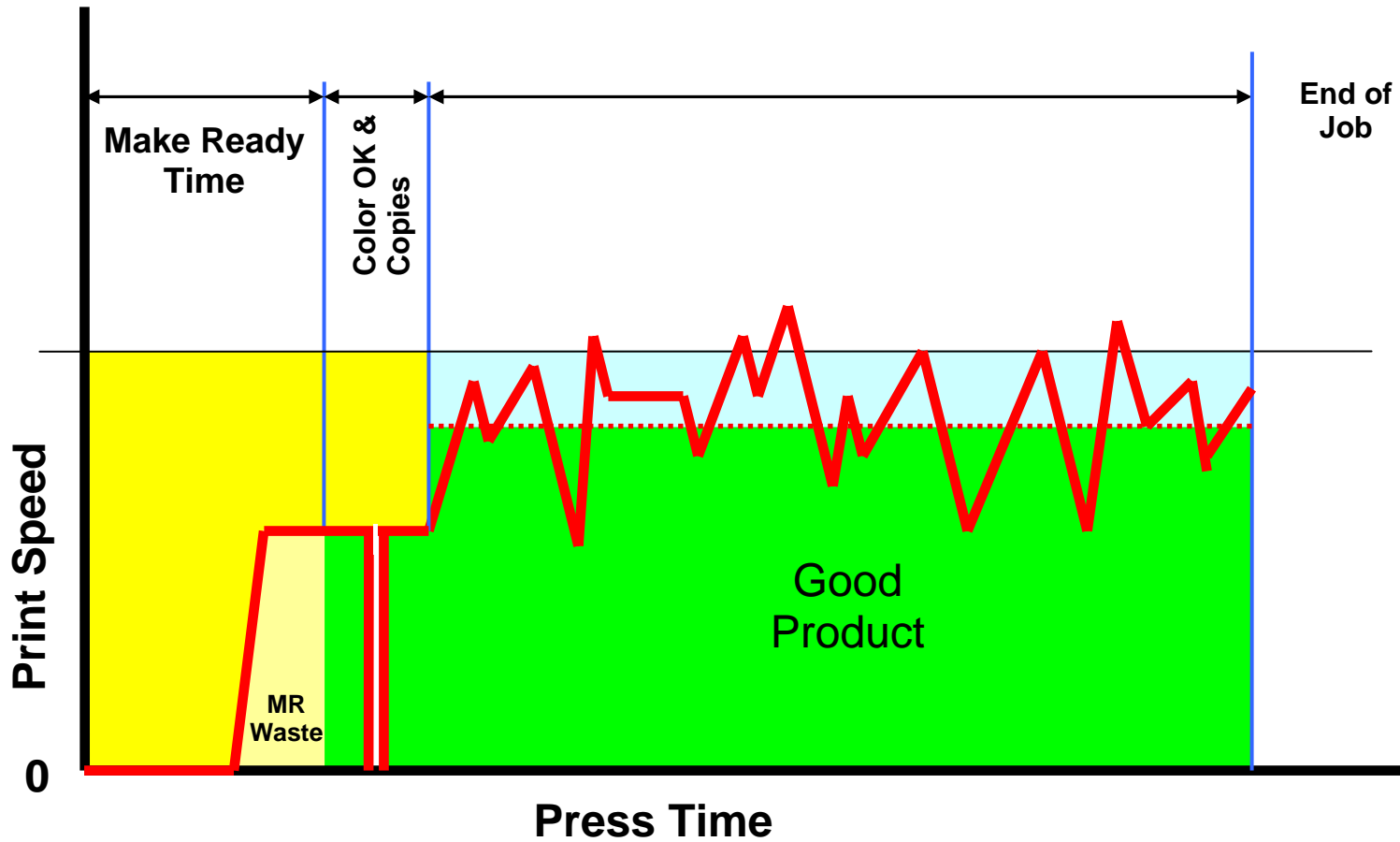
- Targeting Audiences
 - Personalizing
 - Content
 - Message
 - Pricing
 - Regional
- Increasing – thinner and lower count “Specialized” Catalogs
- Retailers also Regional customization

- Cost & Cycle Time
 - Prepress
 - **Press Makeready** and Run
 - Bind and Distribution

The Results = Average Length of Run - ALOR Decreasing 5-10% Per Year

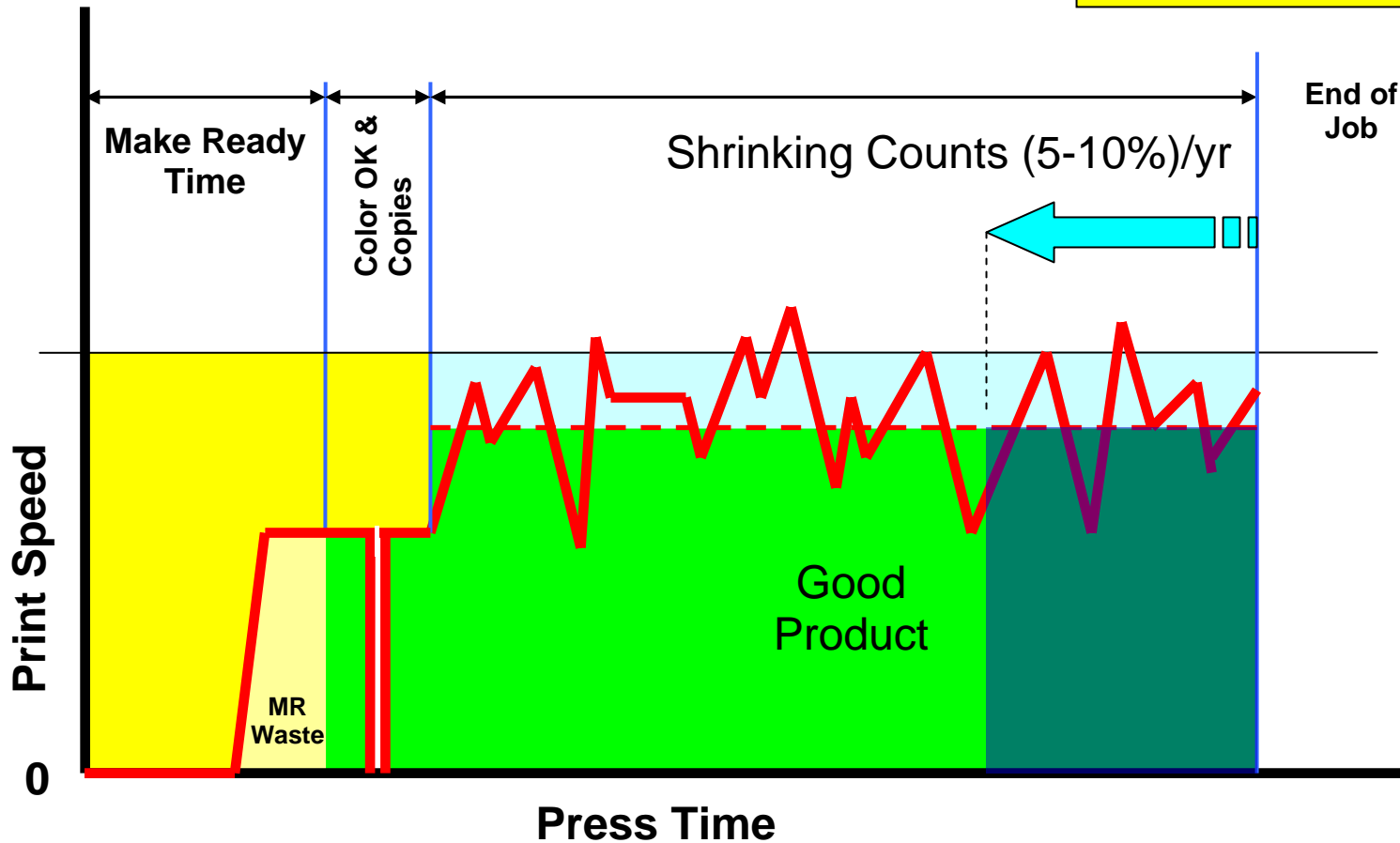


Today

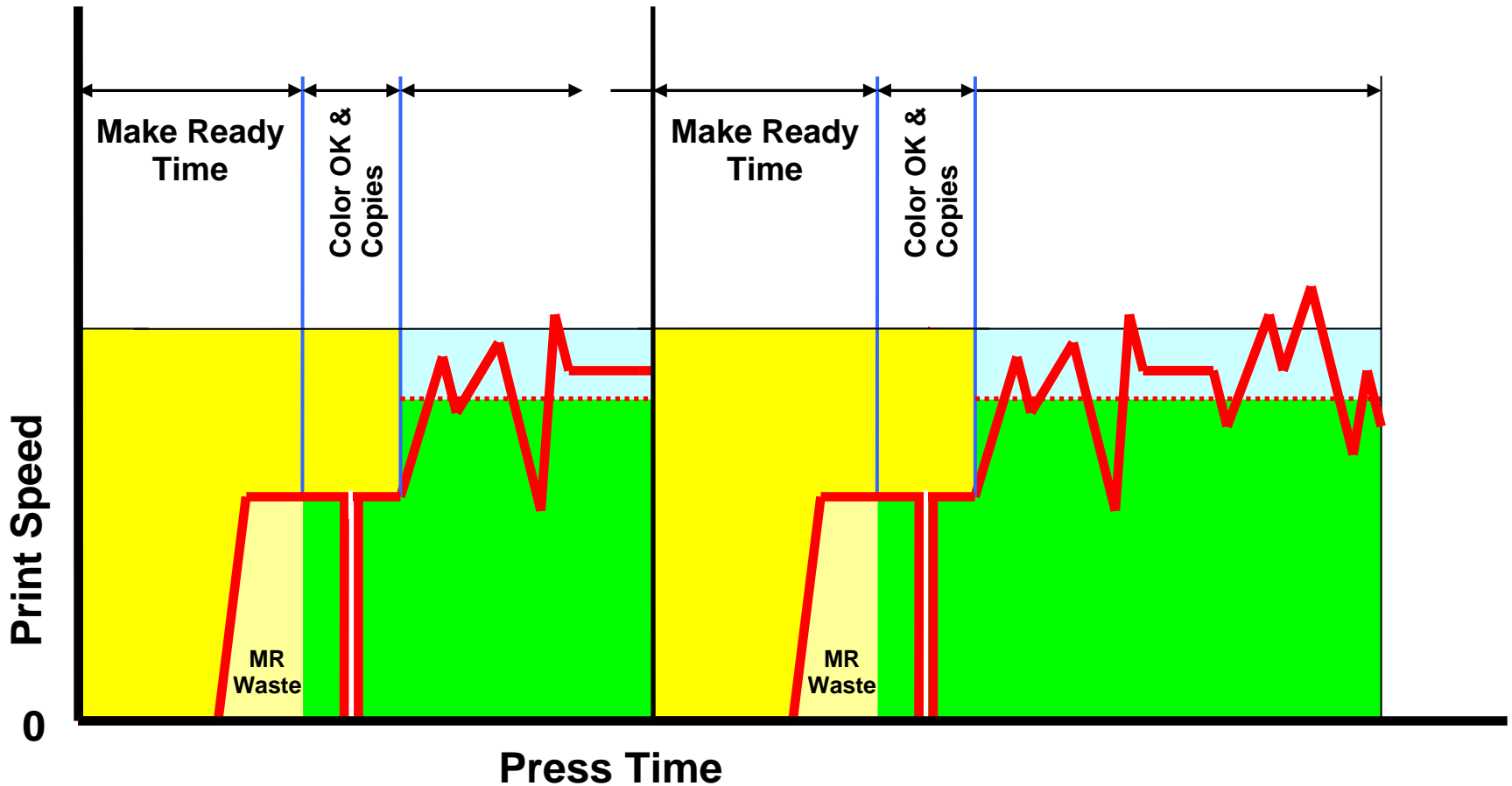


Shrinking Run Lengths

We lose the Cream as the run lengths shorten



If Nothing Changes... More Time & Cost to Produce the Same Volume

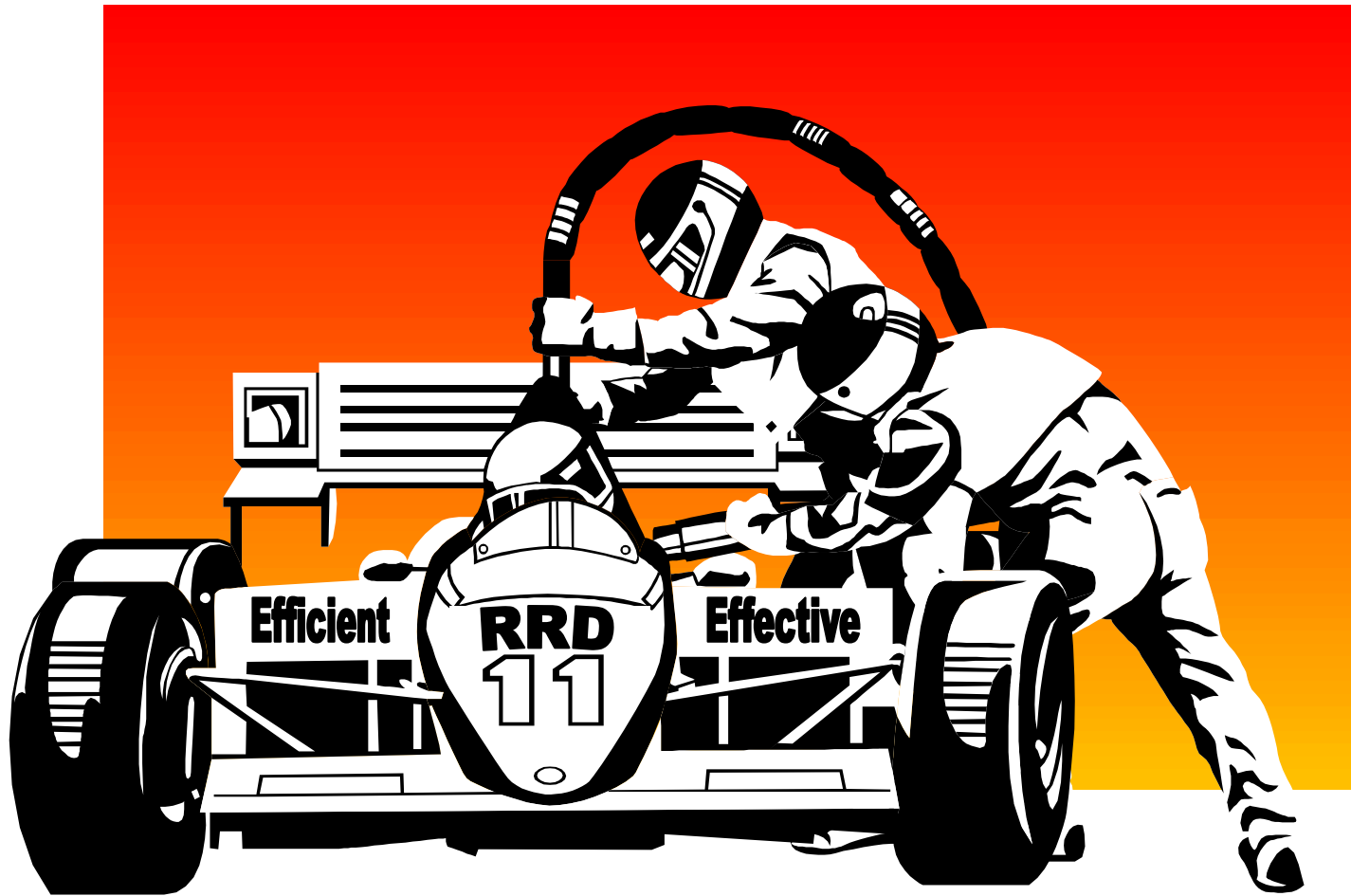


Triple HIT

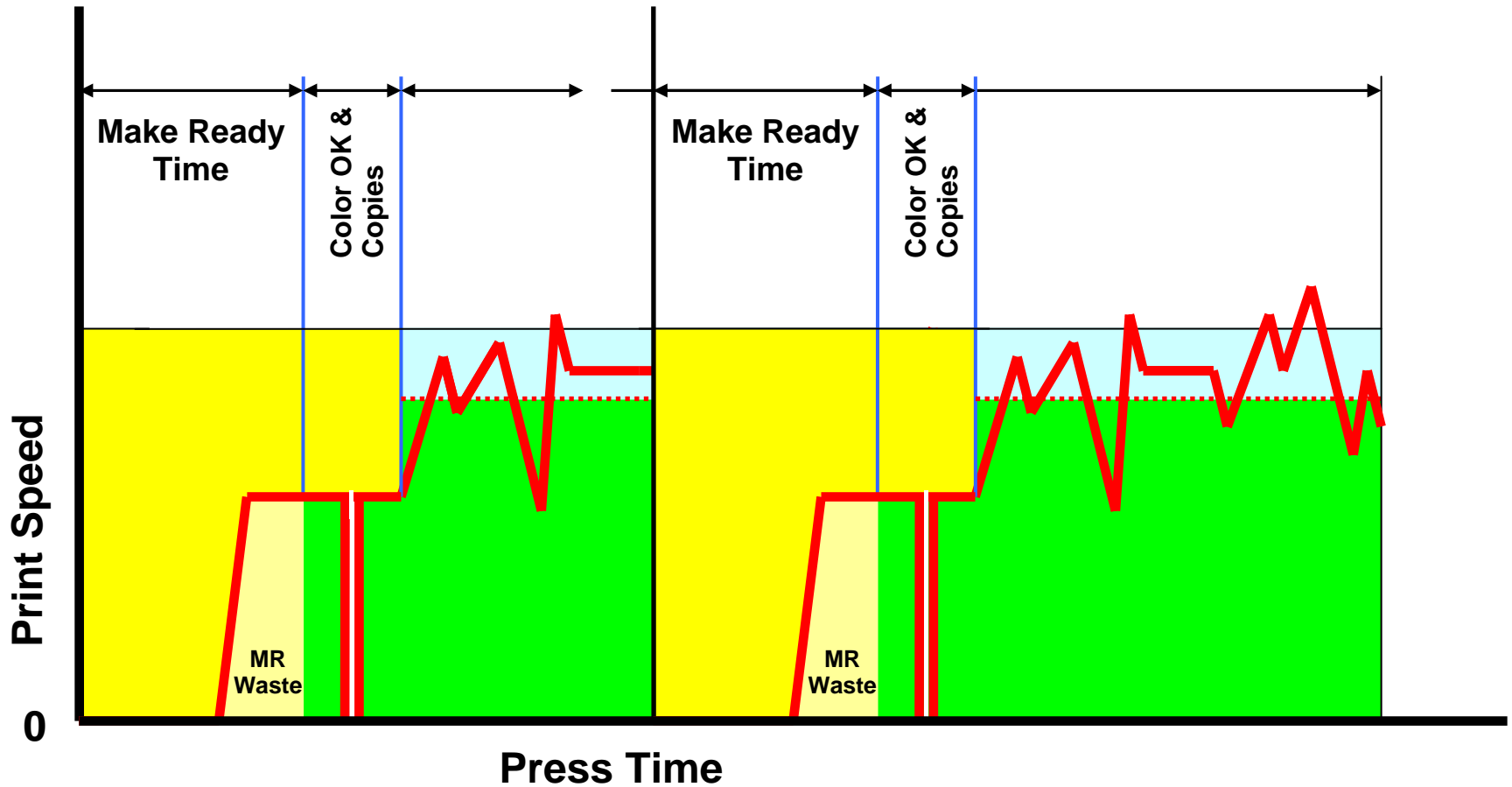
- **TIME** – Decreased Efficiency = Longer Cycle Times – adversely impacting Customer and Production Schedules
- **COST** – takes more press hours to produce the same volume.
- **Capacity** – Reduces Critical 3rd and 4th Quarter Capacity

One of Several Areas of Focus...

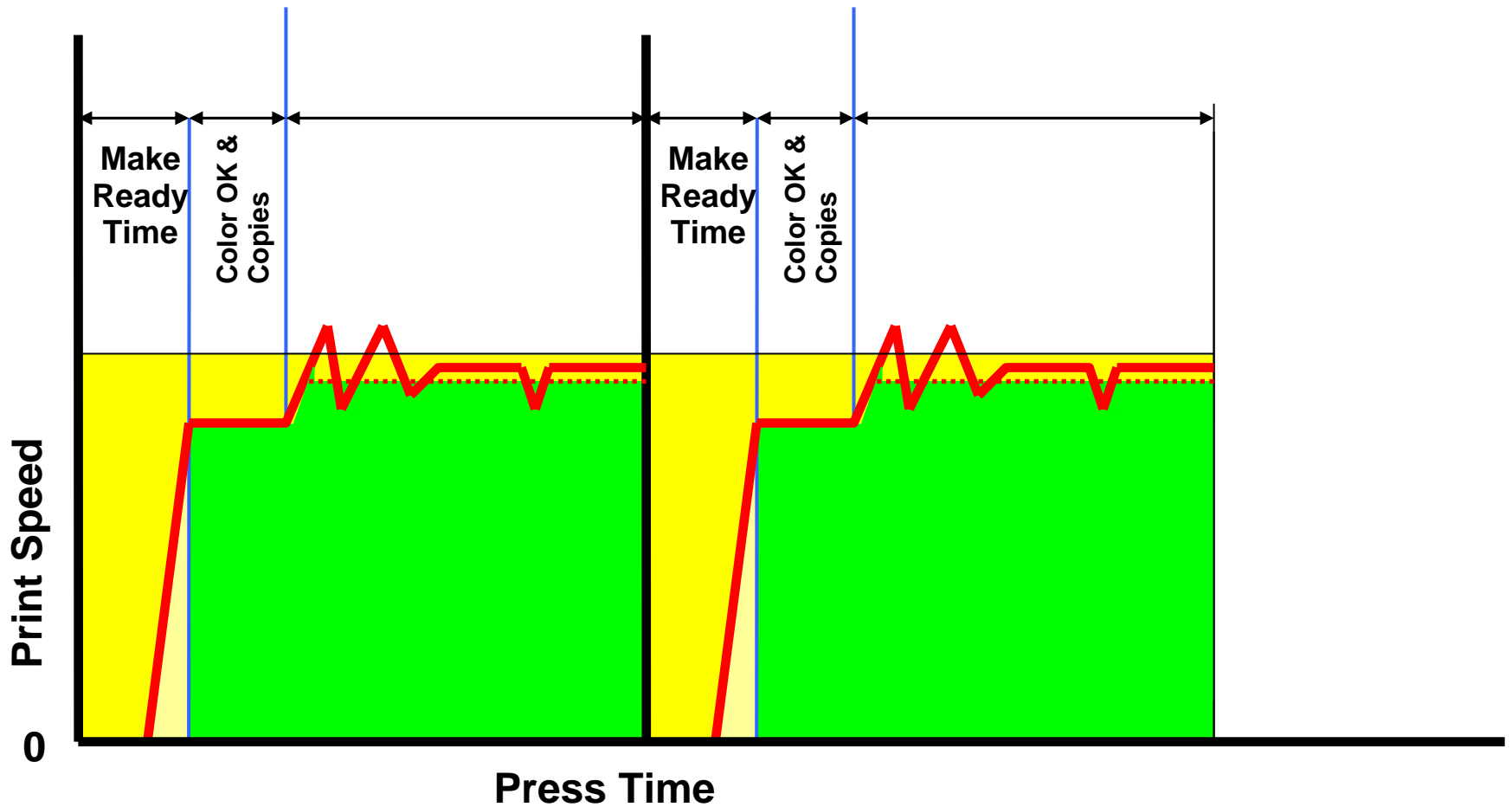
Efficient and Effective MR's



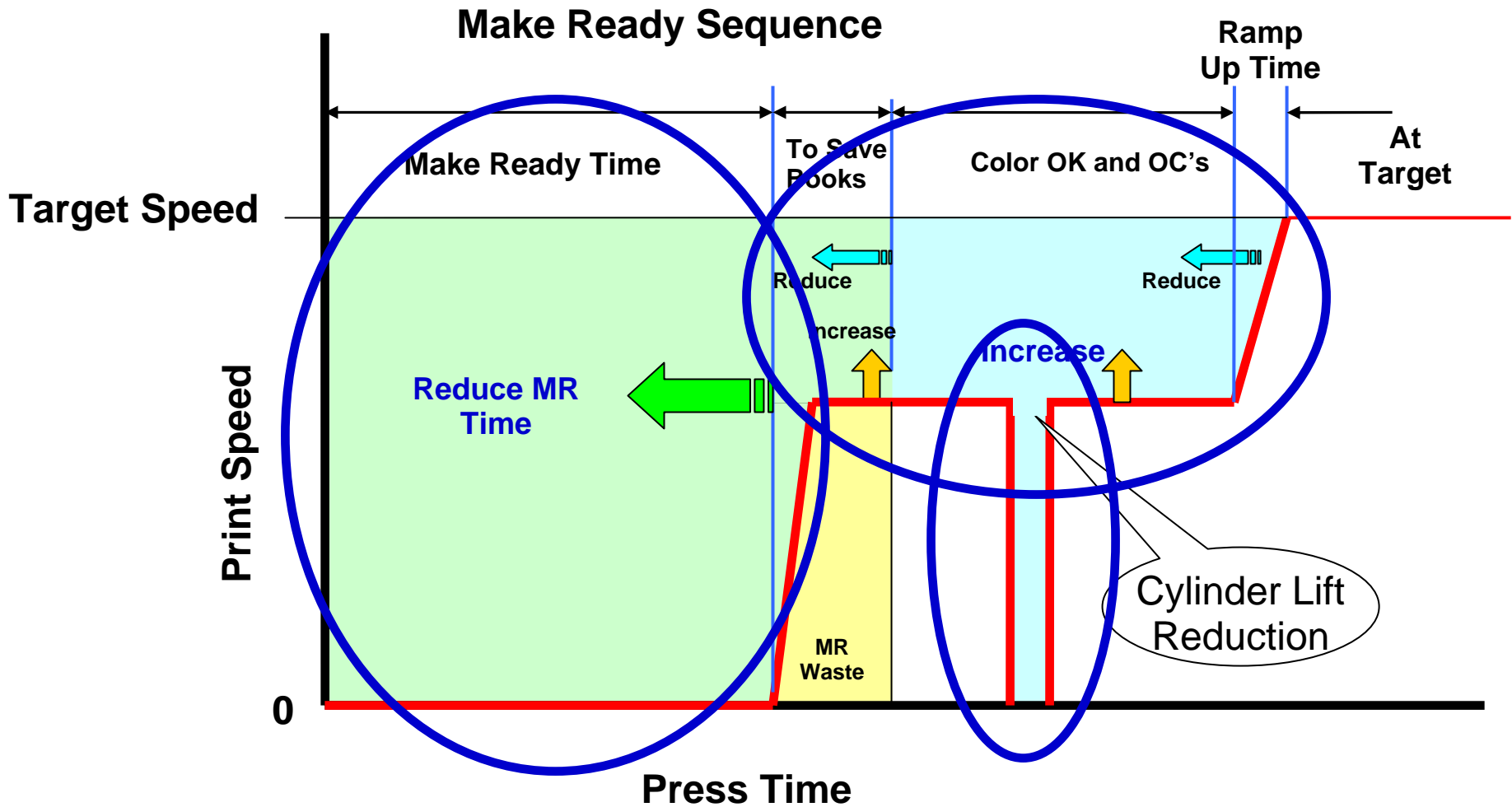
Tomorrow? How Good Can We Get?



Tomorrow? How Good Can We Get?

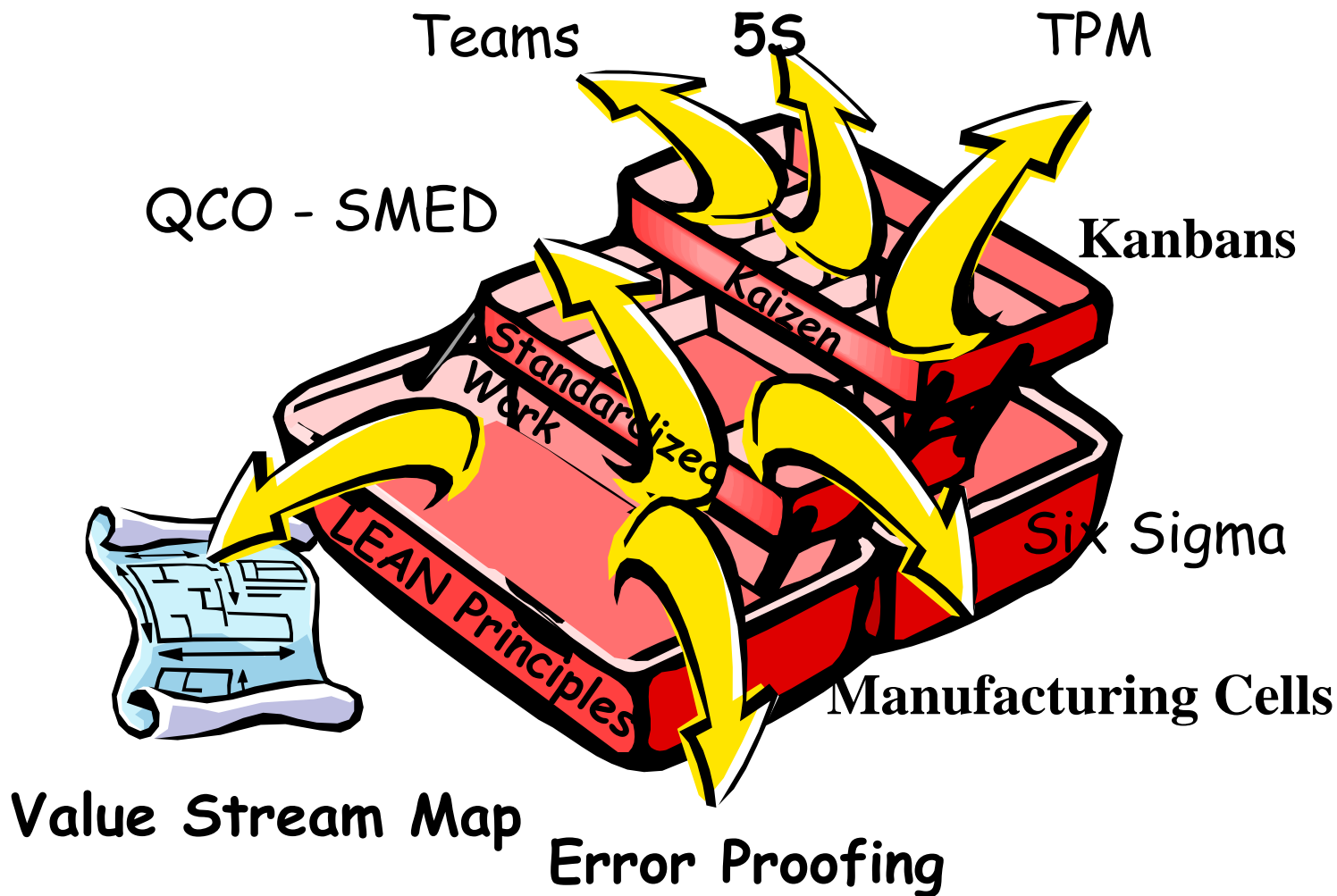


Focus is on an Efficient (Fast) Makeready that is Effective (Steep Ramp)



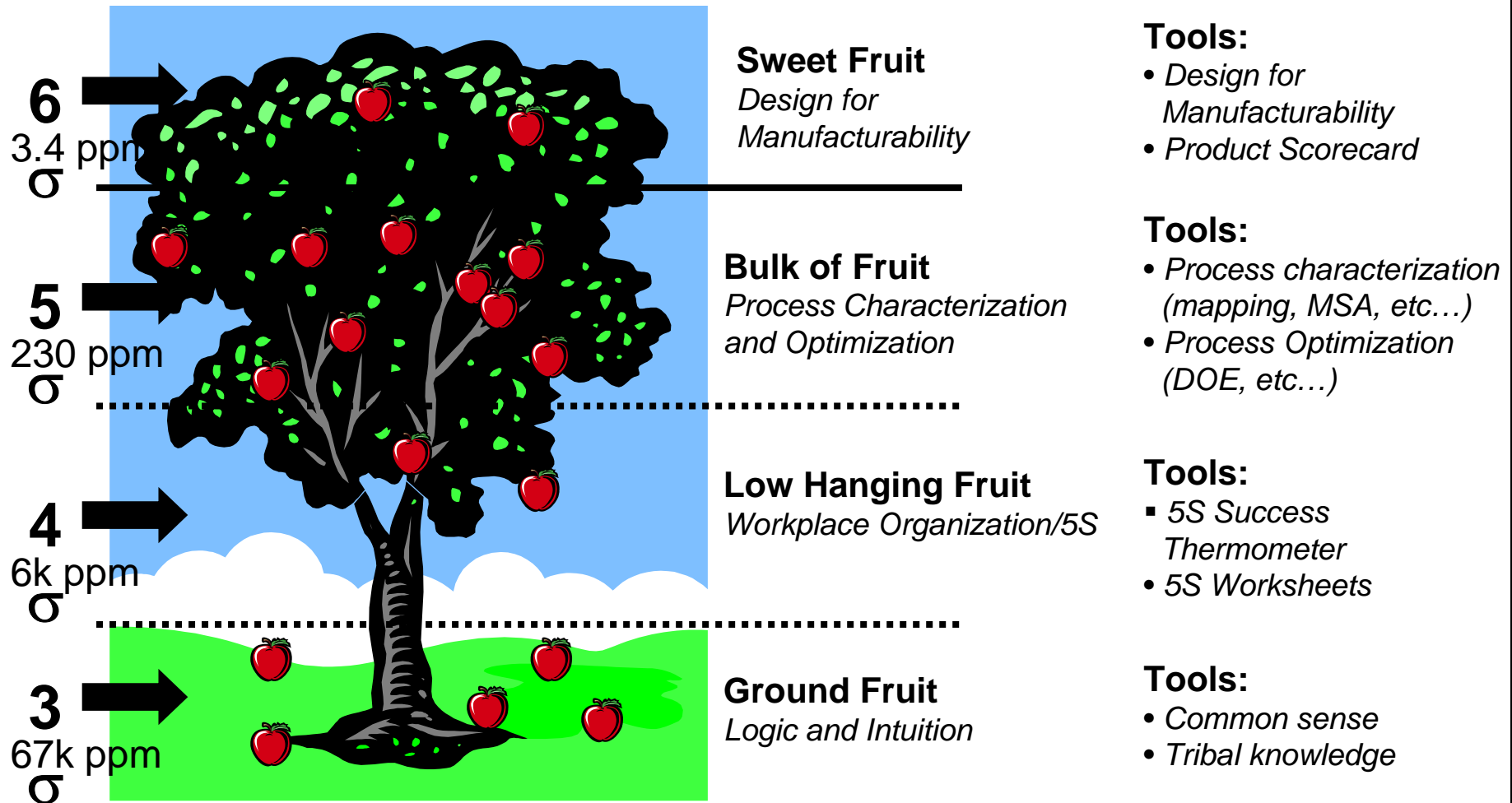
Selecting the Right Tools...

As the old saying goes...“If All you have is a hammer, everything looks like a nail”



Picking the Right Tool(s)

Depends on how much fruit you have on your tree, initial targeted focus, and how much you can effectively bite off.



Fundamental Management Principles linked with Process Expertise and a Methodology

- Clear Communication of Business Case/Driver
 - Clear Targets – Expectations
 - Responsibility - Accountability
- Short Term Gains Can be Achieved by Brute Force Alone
- To Improve and Sustain – One must make fundamental changes as to what they are doing.

Other Influencing Factors

- Technology
 - Press – Vintage - Automation – Presets
- Team – size and responsibility
 - Effectively Leveraging
- Information Systems – Work Flow
 - Prepress, Planning, Job Instructions, Materials

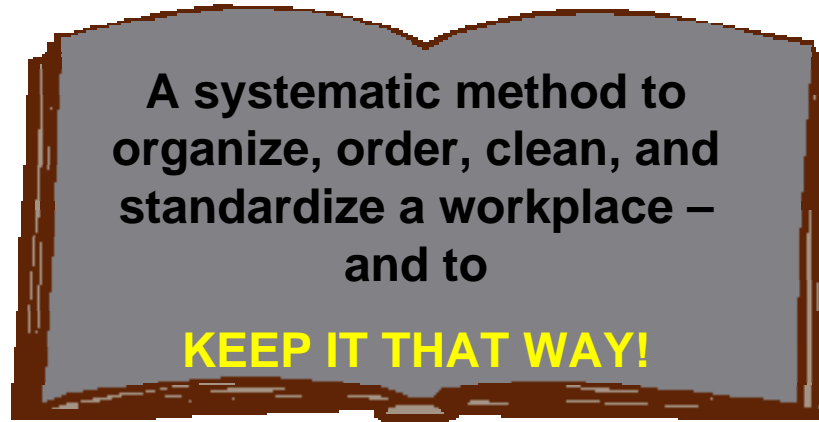
A Few Popular Methodologies

There are many different Makeready Reduction Methodologies... some overlap, and some dove-tail.

- 5S
- Quick Change Over
- SMED
- Referencing
- Value Stream – Process Mapping

I wanted to touch briefly on a couple

5S



1. SORT.....SEIRI
2. SET IN ORDER..... SEITON
3. SHINE SEISO
4. STANDARDIZE SEIKETSU
5. SUSTAIN SHITSUKE

整理
整頓
清潔
清楚
躰け

Vision of 5S

A work environment that is

- self-explaining, self-ordering, self-regulating and self improving...
- predictable - where what is supposed to happen does happen, ***on time, every time.***

▪ NO...

- Wandering/ Searching
- Waiting/ Delays
- Secrets
- Obstacles/ Detours
- Extras
- Injuries
- Waste/ Red Ink

Myths of 5S?

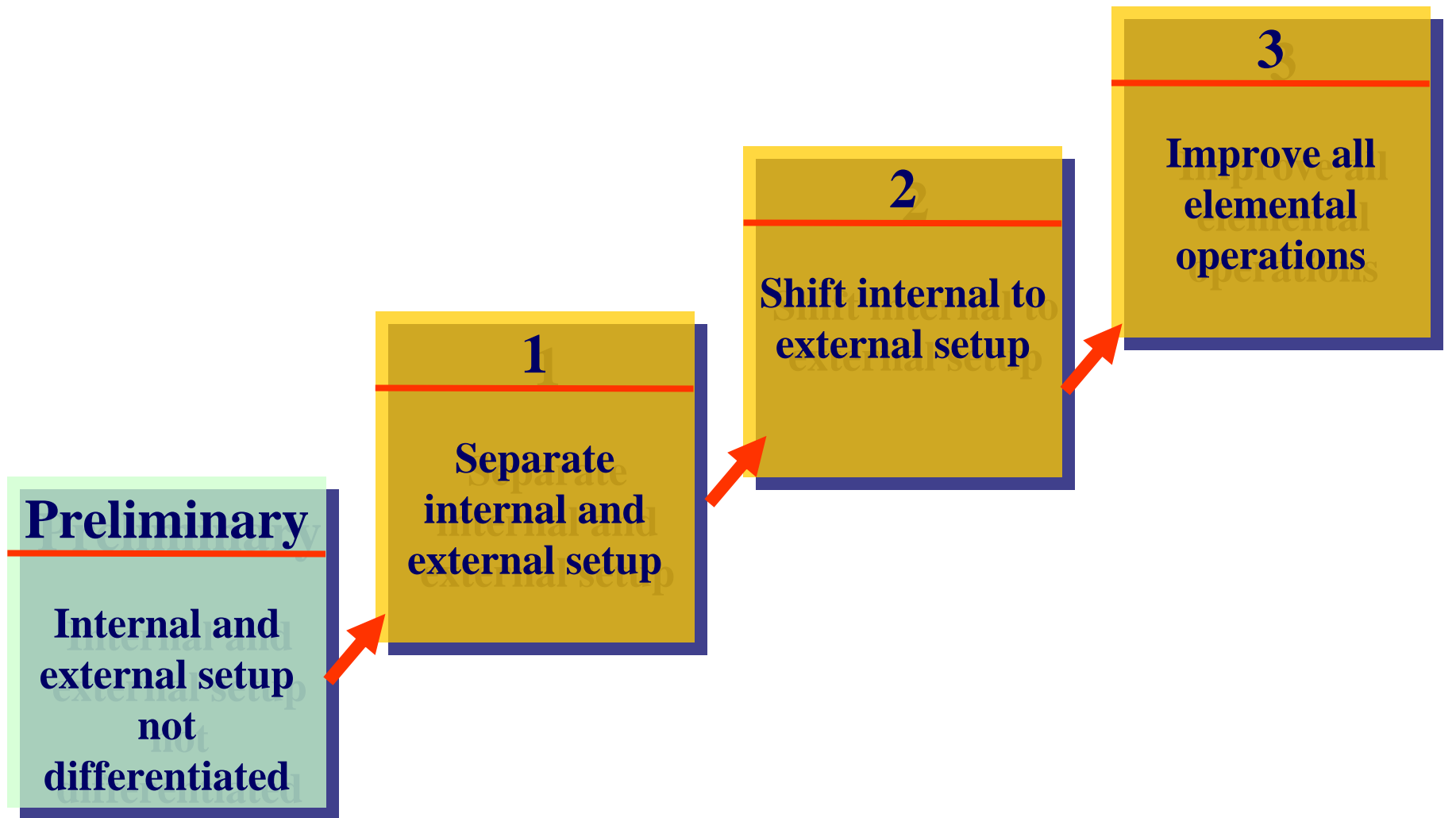
What 5S Is NOT:

- Cleaning area to satisfy management
- Imposing of standards on the workplace
- Silver bullet to productivity gains
- Flavor of the month

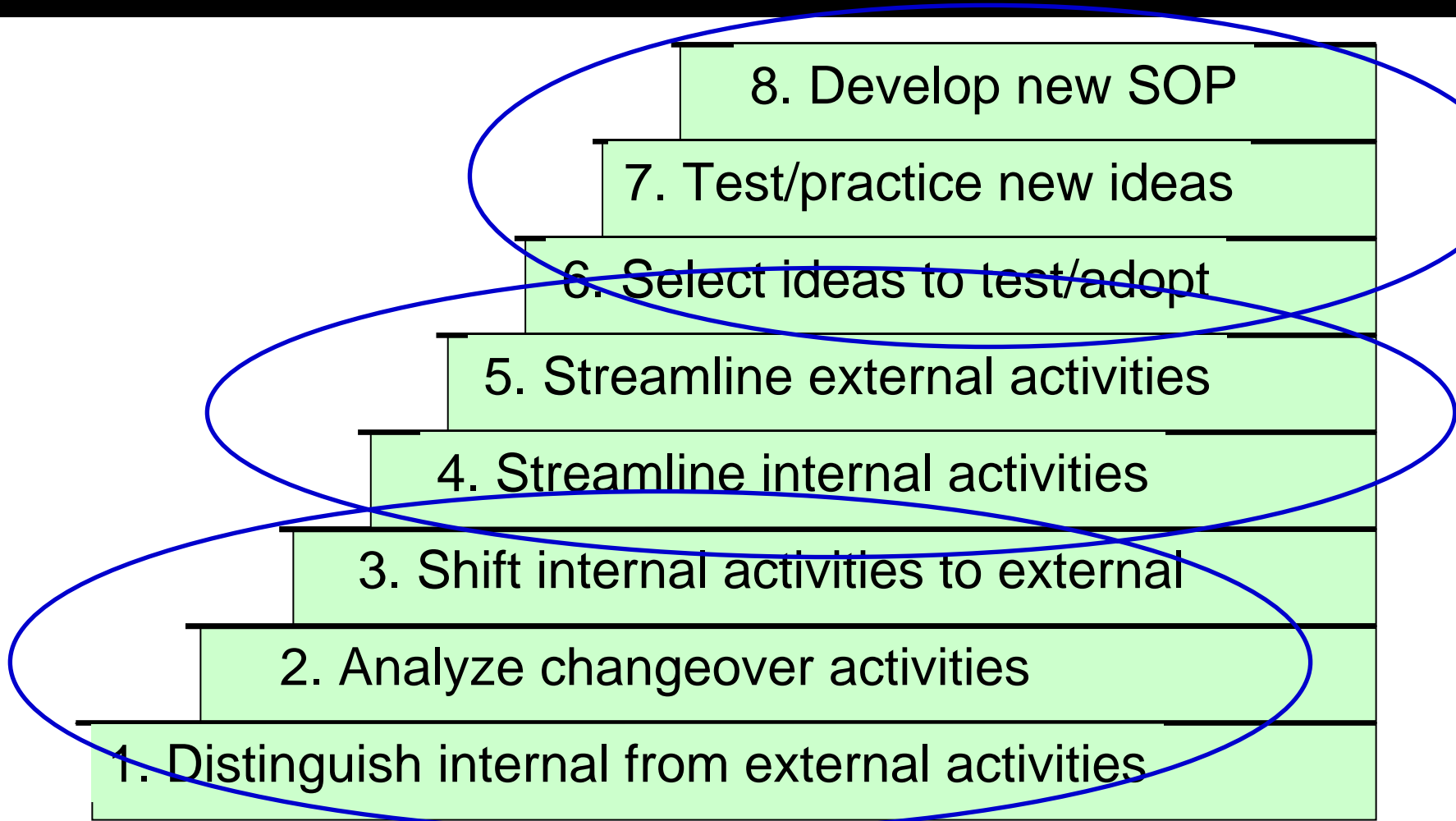
What 5S Is:

- Foundation to achieve
 - Employee engagement
 - Cost reduction
 - Improved work flow
- Empowerment of the Press Teams to Define and Design their work place for Efficiency
- An ongoing process

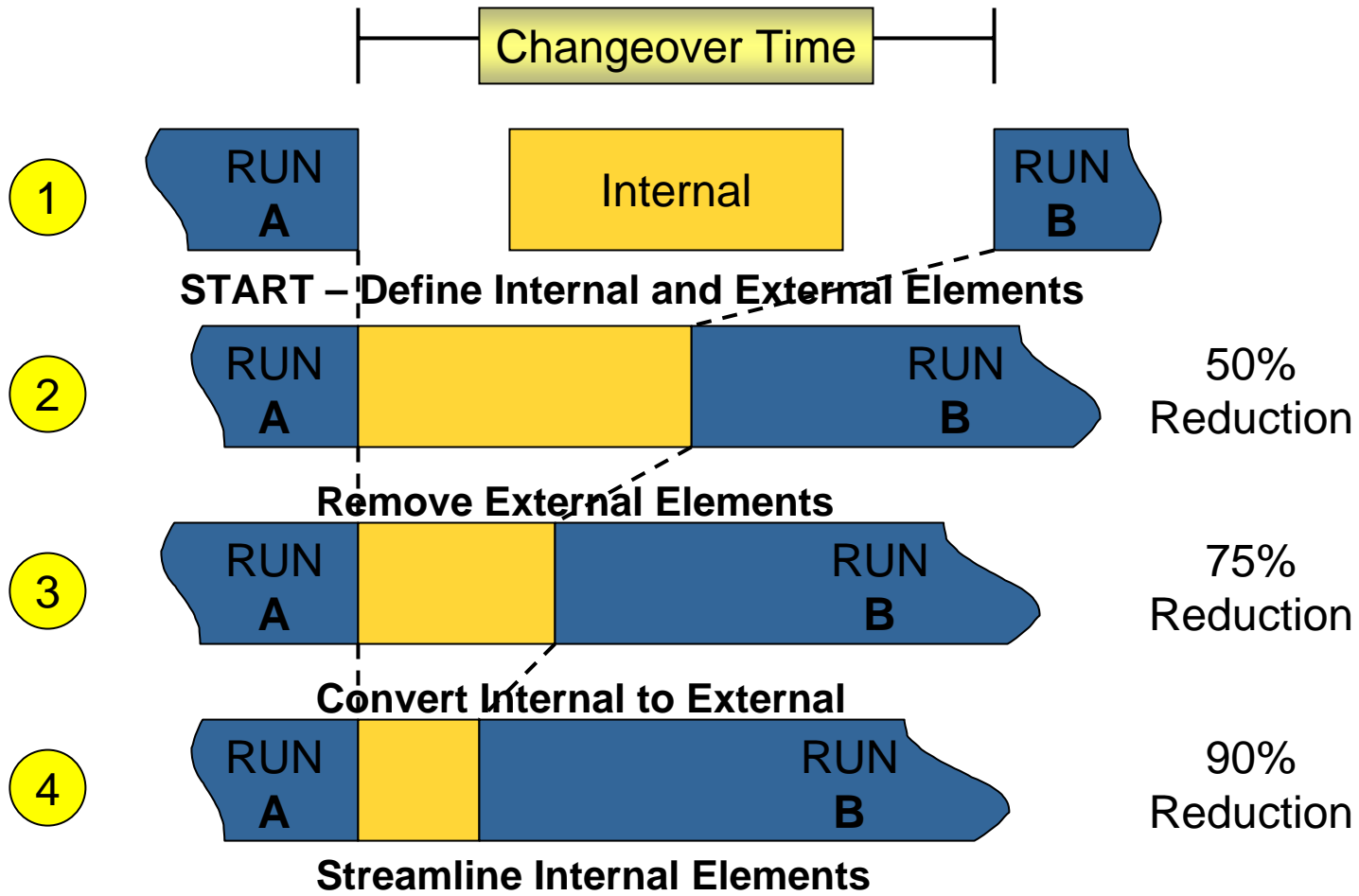
Stages of Quick Change Over (QCO)



Quick Change Over (QCO) – Building Blocks



What Can One Expect?



Summary – Competitive at Short Run Gravure

- MR Process Improvement (Efficient and Effective)
 - Leverage Solid Management Principles
 - Provide Tools and Disciplines
 - Change what we do and how we do it
 - Brute force will not sustain the gains
- Technology
 - Suppliers – Printers need your help
 - low cost / high value solutions

We need to put the Heat on Offset