

Reinvention with AIIM



by Bob Dale

Successful print companies not only keep up with current technology they reinvent themselves through major changes in technology and customer requirements. To properly illustrate what it means to reinvent yourself, I thought it would be best to explore one printer and review what their process of change was and what new processes needed to be put in place. The printer of choice is the AIIM Group, a historic company always on the cutting edge, based in Aurora, Ontario.

I met with Mario Giorgio, who is the chief executive officer of the company. Mario and his brother Frank, who is a partner, have built what can truly be labeled as a company providing print communications solutions. Last year, the firm had annual sales of approximately \$20 million. Digital print is not new to the brothers and their team. Beginning in the early 1990s, they were focusing on establishing one of the country's largest on-demand services, JIT Direct, to complement their small- and large-format offset production capabilities.

By the mid-90s, AIIM sold JIT Direct to the technology firm Ricoh to create Ricoh Document Management (RDM). At this point, AIIM refocused on offset production, and partnered with RDM when offset and digital production was required. In the fall of 2004, AIIM installed a 10-colour Man Roland press with a roll-to-sheet feeder.

Now for the reinventing approach of AIIM: in January of 2005 they installed a Xerox iGen3 to handle short-run digital work and to provide variable marketing solutions to clients. How does this digital offering fit into the commercial print structure? There are considerably different requirements to successfully serve the

commercial print and the digital markets. Workflow, technology, sales and marketing and company culture are often different in each production environment. What is the AIIM Group doing to blend technology with the culture, and are they headed for success?

Workflow foundation

As I spoke with him, the first requirement Mario mentioned was the workflow process. AIIM had established a PDF workflow since the mid-90s. They were on the leading edge, and partnered with Agfa to implement a PDF workflow that standardized the operation with a Read Once Output Many (ROOM) structure. This enabled them to accept customer files and if necessary convert them to a PDF file. The same file could then be output for proofing, CTP or sent direct to a DI press or a digital printer (Xerox DocuColor 2060).

This flexibility was one advantage, but they also invested a significant amount of time training customers and their suppliers to create good, accurate PDF files. This saved a major step of converting native files once they received them, and the associated time and expense.

In 1998, they started a program for clients to access information and submit jobs through the SSI customer facing interface, labeled as a Self Serve Interface. This custom module includes functionality for submitting a RFQ, file storage through a digital asset management module, inventory control, order management, online proof approval, FTP file submission, as well as a web template solution where customers can build custom documents within specific parameters. This is all linked to the PSI production management system.

Mario indicated that this represents an investment of \$3.5 million over the last few years. Was there a return on this investment? He indicated that the company had achieved 30 per cent growth over

the previous year. This is a combination of organic growth by expanding services within current customers, and growth through winning new clients. Keep in mind that this incredible growth was achieved in a very challenging market for the Canadian print industry.

What are the other processes required to integrate the digital iGen with offset environment? The AIIM Group is also an ISO 9000:2000 registered company. This foundation of clearly defined organizational structure, roles and responsibilities, and work instructions has been a great building block for the company to build upon.

In addition to having the right technology environment, there was a significant planning process. This included market research, building budgets and sales projections, and documenting everything in a business plan that included marketing strategy. The plan may not be followed to the letter, but it does provide goals and benchmarks and as the service evolves, adjustments can be made to achieve the goals, if the initial plan is off target.

The selection of the technology was made by assigning internal teams with specific responsibilities, including a focus on technical capabilities, cost and financial considerations, market acceptance and approach, and volume/cost projections and analysis.

Operations

Many companies overlook the operational requirements with the acquisition of new digital technology. One commercial print client that had built a major digital print service planned to estimate, cost and invoice new digital projects with the same management information system that they used for the office production. When I pointed out that the volume of jobs was going to increase from 50 per week to 1,000 per week, they realized that they could not handle the invoicing with their current method.

The AIIM team added estimating capabilities, and developed a new estimating process to handle data work, file preparation, imaging and bindery operations. Some of the BHR – time and material estimating foundation – would be used, but now they had different types of specifications to gather in order to estimate costs and prices. The docket process was streamlined, so they were able to use the existing MIS system and this created a common, consistent reporting structure for production and financials.

Production

To enable the plant to respond to inquiries and produce jobs in hours, instead of days, they created a dedicated premedia department, with the appropriate programming and data management skills. These skills differ from traditional prepress departments, so it makes sense to split these functions.

Sales and marketing

This is one of the greatest difficulties for companies to address. Many companies take the approach that the traditional commercial print salespeople will offer the sophisticated digital production offering to their clients and the jobs will immediately follow. As many have found out, that is not the case. Digital service offering is a different approach and usually buying decisions are made by very different people in customer organizations.

The expertise needed to help clients understand the business benefits and process for digital, variable communications solutions are not the same skills that many conventional sales reps have. AIIM's approach was to hire a dedicated sales manager with the mandate to hire sales people with the understanding and technical savvy to get the correct message to the prospects and clients. This has been supported with marketing tools and resources to help educate, inform and demonstrate benefits of variable print technology.

In addition, internal employee incentive programs have been developed to help keep staff focused on business goals. The program has been developed to ensure that all employees are eligible to be recognized, not just sales staff. Key criteria have been developed that recognize the contributions that sales, operations, administration and production staff can make towards total customer satisfaction.

Has AIIM achieved success?

Although it is still early going for the AIIM team, particularly with the introduction of the iGen, they are constantly measuring the plan to actual progress and making adjustments as required. Last year's growth of 30 per cent during difficult economic times truly indicates that they are doing something right. Evolution may be slow and steady, but there are many risks associated with revolutions. ☐

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