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SERVICE AREA(S):

Business Development Strategies

CASE STORY

EVOLUTION OF AN IN-PLANT

SCHNEIDER ELECTRIC BUILDS BUSINESS THROUGH
WORKFLOW EFFICIENCY

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Written for Canon U.S.A., Inc.

Canon

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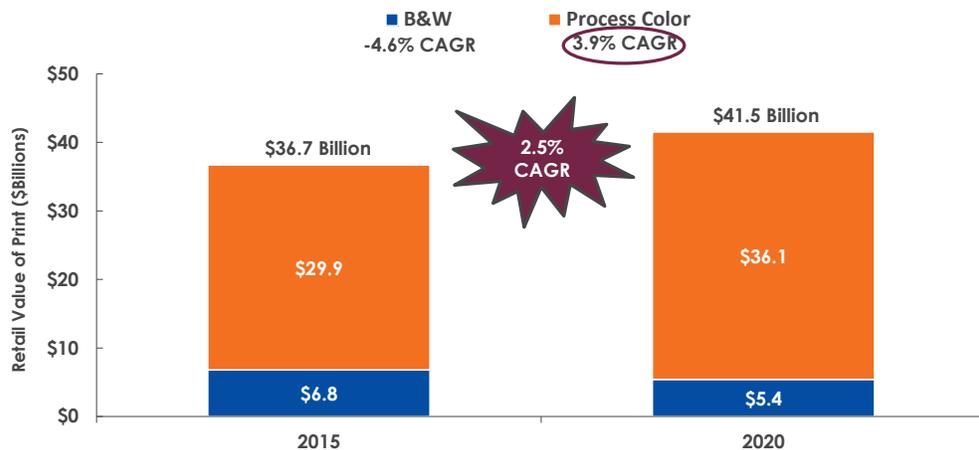
Introduction

The value of an in-house printing operation is tied to its ability to meet internal clients' needs. In today's ever-changing document environment, this is not an easy task. Schneider Electric's in-house printing operation is responding to changing market dynamics by evolving from a provider of black & white technical drawings to a solution center that offers countless communications requirements for the large electrical company. Evolving from an in-plant to an in-house solutions partner, the department provides print and digital media solutions with its arsenal of Canon digital presses as well as electronic delivery of information and archival media, wide format and promotional items.

Digital Color is the First Step... and Efficiency Follows!

Digital color translates into a growing business opportunity for in-plant operations in terms of revenue from digital color. InfoTrends expects the retail value of print to experience a CAGR of 2.5% between 2015 and 2020 with color projected to show a CAGR of 3.9%. In addition to print on demand opportunities from color digital printing, there are traditional value-added services that corporate buyers are seeking today—including mailing, signage and display, document management, and data preparation.

Figure 1: Digital Color is the First Step... and it Will Drive Dollars!



Source: U.S. Print On Demand 2015-2020 Market Forecast, InfoTrends 2016

Studies of print operations show that most costs—and most opportunities—are locked inside non-print activities. InfoTrends reports that 70% to 75% of the cost in printing operations comes from non-printing activities like receiving jobs, programming customer job tickets, composition, preflighting, finishing, and tracking. So is much of the value. For every dollar spent on printing, \$3 is spent on overhead including work process, content management, and fulfillment.



With an automated workflow, prepress operators can move away from preparing every job for printing to managing the flow of jobs through the print shop. As you move from receiving a few jobs a day to perhaps hundreds of jobs a day, a “touchless” approach to file preparation, job routing, and output will ensure that your customers’ printers are handling jobs rather than waiting for them to be prepared, fixed, and set up.

“Life is On” Globally with Schneider Electric

Schneider Electric is passionate about energy because “Life is On” when energy is on. The company’s primary goal is to ensure that energy stays on by making it safe, reliable, efficient, connected, and sustainable. Schneider Electric has over 160,000 employees in more than 100 countries, and its 2015 revenues totaled €26.6 billion. The company promotes itself as the global specialist in energy management with four integrated and synergetic business: Buildings & Partner (45%), Industry (21%), Infrastructure (20%), and IT (14%).

From In-Plant to In-Partner: An Evolution

Primarily serving the energy and infrastructure segment of the business, Schneider’s in-house print operation was formerly known as the Schneider Electric National Drawing Center. The center was a full-service copy center that provided compilation, production, and distribution of technical drawings and support literature for Schneider Electric. The copy center had also grown to become the U.S. hub for Schneider Electric’s internal print on demand team, largely due to its expansion into digital printing backed by several Canon production devices in 2010.

As the in-plant expanded beyond black & white printing and into digital color production printing, additional application offerings began to emerge as well. Investments in finishing equipment, thermal labels, high-volume digital media, and large format services soon followed. The in-plant’s mission was to provide low-cost, high-quality products such as copies, brochures, engineering prints, posters and banners, digital media, and stationery to the over 500 departments in North America, Europe, and the Asia-Pacific regions.

When the center first started offering print on demand services, it was typically serving the people within the Nashville facility. As word of mouth spread and people wanted to take advantage of the pricing and the services provided, the business grew rapidly. By 2016, the in-house print operation had nearly tripled from an average of 24 million pages annually in 2010 to over 60 million pages annually. With this growth also came an evolution for the in-plant. In 2011, under new management, the center’s name changed from the National Drawing Center to the Solutions Support Group (SSG). Kris Tanner, Manager of the SSG, elaborates, “As we grew with print on demand services and new offerings, we realized we weren’t just print and we weren’t just national. We were now providing



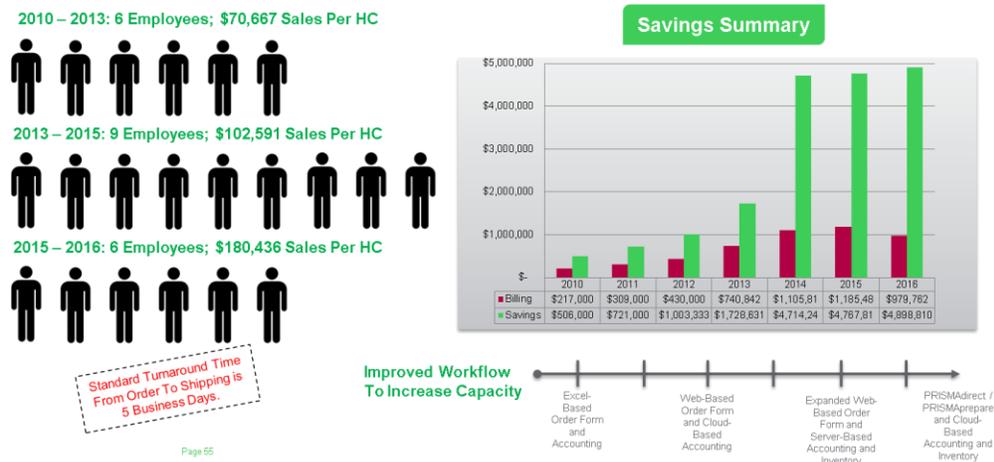
solutions, so we changed our name. Our goal is to offer the best print solutions by providing a simple engagement and digital alternatives in the quantity needed (not focusing on price breaks). We also coach our customers on paper types, print sizes, and print quality. And because it's our company too, we point out alternative paper options to help save money. We're not an in-plant anymore—we're an in-partner!"

Efficiency through Workflow

In terms of staffing, the print operation went from a handful of press operators to an organically grown staff of large format, digital media, and binding operators as demand dictated. Tanner continues, "What we realized was that we still had some slowdowns in our workflow... and they were mainly from processing and preparing the orders coming to us."

To realize the capacity that the company was demanding, Tanner made investments in workflow solutions including Canon's PRISMAdirect and PRISMAprepare. He explains, "With the addition of PRISMAdirect and PRISMAprepare our staff of six has the ability and capacity to handle almost double the business that we were handling with the same equipment just a few years ago."

Figure 2: Historical Comparison and an Improved Workflow



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Doing More with Less Using PRISMAdirect and PRISMAprepare

Realizing the need for a better workflow solution to increase the capacity in the machine utilization and efficiency, Tanner prepared an RFQ that went out to all the major vendors of workflow solutions within the industry. According to the request, the requirements for the new SSG solution included:

- User-Friendly
- Unlimited Capacity
- Self-Serve Order Submission
- Secure
- Reduced Touchpoints
- Eliminate Standalone Systems
- Integrate Into Existing Equipment

Tanner states, "Most importantly, we needed to engage the customer faster. We must be able to engage the customer with more accurate data and really put the ordering and the decision-making of the customer on the front-end. At the end of the day, Canon came back with the best solution using PRISMAdirect and PRISMAprepare platforms."

More Orders Are Processed Faster and Easier

With the PRISMAdirect Webshop, the SSG enables the customer to do more on the front-end of the order, reducing pre-press effort and scheduling time for the company. The order interface brings workflow consistency and a common platform for the scheduler and the operators, making it faster and easier to produce print jobs. Tanner continues, "PRISMAdirect brought a level of engagement and self-help for our customers. In addition to being open 24 hours a day, 7 days a week for people to work within, it also enables them to make smarter decisions. Because it allows them to see the pricing of what they're about to request before they ever place their order, PRISMAdirect enables the customer to explore different options and saves us the time of explaining it to them."



Furthermore, PRISMAprepare integrates with PRISMAdirect providing SSG with one workflow system to manipulate files and control its fleet of sheet-fed devices, bringing speed and simplicity to the operation. Relying on its quality sheet-fed Canon imagePRESS C800, three Canon varioPRINT 110's, a Canon IR9280, and other presses including its large format Canon iPF8400S, the SSG can efficiently fulfill over 90% of its orders without the need for offset equipment or outsourced partners. Tanner notes, "Having the PRISMA platform to integrate with our existing Canon equipment in the facility was a no-brainer. In addition to integrating very smoothly with our Canon equipment, it also integrates with 3rd party equipment."

Figure 3: Schneider Electric Solutions Support Group (SSG) Production Printing Fleet



Looking Forward

The growth and evolution of the business at the SSG is taking the facility to the next level. The in-house operation includes a new 6,000 sq. ft. purpose-built facility, a fleet upgrade to ALL Canon imagePRESS C10000VP digital color presses, new product offerings, and an expanded fulfillment center with various mailing options. Tanner concludes, "Ultimately, the new facility combined with our streamlined processes and evolved product offerings will enable us to expand our Schneider Electric overseas operations... all because of workflow efficiency and organically growing the business with digital color printing!"



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