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New Media Opportunities for Graphic Arts Firms

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The Future of the Graphic Arts

- Technology focus
- ◆ Manufacturing focus
- Quality focus
- Sales management focus
- Customer focus

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Rising costs...

- ♦ of production
- ♦ of paper
- of warehousing
- ♦ of distribution
- of out-of-date information

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Rising expectations...

- for shorter runs
- for better print
- ♦ for target marketing
- for faster turnaround "from brain to mouse to press"

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"Nobody wants more print."

- What the world needs is better print more effective publication—and these days that means ink-on-paper, toner-on-paper or pixels-on-screen.
- Industrial Age Batch Manufacturing vs Information Age Networking
- The Audience of One

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Three Forms of New Media

- Paper-based
 - selective binding, ink-jet customization, demand printing, fax publishing

♦ Telecom-based

- on-line services, network publishing, Internet World Wide Web
- Disk-based
 - floppy, CD-ROM, smart cards

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The Content Cliché

- Writing content
- Developing, assigning, editing, updating, designing, illustrating, producing, advertising, marketing, pricing, selling, disributing, fulfilling, billing, collecting
- Moby Disk

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Six Benefits of New Media

- Customization
- Timeliness
- Comprehensiveness
- Searchability
- Economy
- Transaction

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Every page delivered on demand, on-line, on disk is a page that is no longer produced on press.

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Paper-based new media

- Selective binding, ink-jet customization
- Databased "living documents"
- Demand printing
 - As needed: very short runWhere needed
- Fax publishing

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Disk-based new media

- Floppy, smart card
- CD-ROM
- Data
- Multimedia

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CD-ROM Basics

- Compact Disk, Read-Only Memory
- 676 megabytes (120,000 A4 pages)
- Mac, Windows MPC, Hybrid formats
- CD-I: Compact Disk Interactive
- CD-R: Compact Disk Recordable
- DVD: up to 11 gigabytes
 Digital Versatile Disk, CD-ROM x 17

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CD-ROM Statistics

- ◆ > 40 million CD-ROM drives
- ◆ > 5,000 commercial titles
- ◆ > 100 million CD-ROMs in print
- ◆ 500,000 units: mass market consumer
- ◆ 20,000 units: typical consumer title
- 100-1,000 units: business-to-business

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CD-ROM Authoring

- Developing the database
- Pre-mastering and testing
- CD-ROM pressing
 > 300 disks, < \$1.00 per disk
- Desktop CD-R publishing
 - \$2,000 disk drive, \$10 blanks

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CD-ROM Applications

- Archives
 - One Stop CD-ROM Shop
- Software
- Text and numeric databases
- Image databases
- Multimedia publications and catalogs
- Multimedia brochures and collateral

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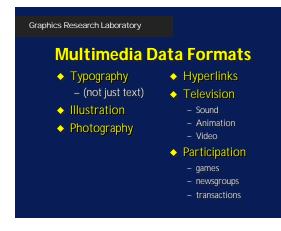
CD-ROM Product Evolution

- \$1,000 business-to-business database
- \$60 "coffee table book" sold through a software store
- \$30 trade book sold in a book store
- \$20 magazine sold on a newsstand
- Free magazine "onsert" or sampler
- Giveaway brochure, press kit, archive

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Multimedia Production

- DESIGN
- concept, authoring, illustration, layout, design
- ♦ PROGRAMMING
 - scripting, database work, applications, links
- PRODUCTION
 - keyboarding, scanning, editing, proofing



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Telecom-based new media

- Internet World Wide Web sites
 - 130,00 commercial domains
 - 200 new companies per week
- Internet Email letter shops
- 9 to 11 million users
 - > 5 hours per week
 - 2.5 million purchasers

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World Wide Web Opportunities

- Converting print to HTML
 Adobe Acrobat
- Designing and producing new pages
 New multimedia formats
- Web Presence Services
 - Production
 - Design
 - Editorial

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Multimedia Production

- ♦ DESIGN
 - concept, authoring, illustration, layout, design
- PROGRAMMING

 scripting, database work, applications, links
- ♦ PRODUCTION
 - keyboarding, scanning, editing, proofing

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Multimedia Data Formats

- Typography
 - (not just text)
 Television
- Illustration
- Photography
- Sound – Animation – Video

Hyperlinks

- Participation
 - games
 - newsgroups
 - transactions

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Graphic arts advantages

- Understanding of computers
- Understanding of digital formats
- Custom-service orientation
- Capable of complex individualized production of client design

Graphics arts advantages

Understanding of computers

- Used to constant obsolescence
- Able to wrestle new applications
- ◆ Telecommunications experience
- Network management experience

Graphics arts advantages

Understanding of digital formats

- Electronic text input, revision and conversion capabilities
- Electronic image processing capabilities
- Digital file management experience

Graphics arts advantages

Production of customer's design

- No two jobs are exactly alike
- Some jobs can live forever
- Catching mistakes
- Following complex design instructions
- Understanding the "spirit" of the work
- Customer's work must be integrated into the production process

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Graphic arts challenges

- Mac vs Windows perspective
- Little multimedia experience
- Managing dead documents
- Ink & paper vs communications perspective
- Talking to the wrong customers

Graphic arts challenges

Mac vs Windows perspective

- PC development environment
- Complex hardwware choices
- "Casual users" not skilled users

Graphic arts challenges

Little multimedia experience

- Used to high resolution overkill
- ♦ No capabilities in
- ...audio
- ...animation
- ...video
- No end-user programming experience

Graphic arts challenges

Managing dead documents

- The repro house has the files that are LEAST likely to ever be used again
- Creative vs production databases
 - Catalogs, reference work, repeating use
 - The database payoff is in the publisher's office
- Too many bits, too few images

Graphic arts challenges

Ink & paper vs communications

- ◆ The urge to print
- The focus on cost per impression, not cost of sale
- Perfect halftones instead of perfect magazines, brochures, advertising

Graphic arts challenges

Talking to the wrong customer

- The professional print buyer instead of
- Publishers
- Sales & marketing managers
- Catalog publishers & direct marketers
- Strategic communications professionals

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Where's the profit?

- DESIGN
 - concept, authoring, illustration, layout, design
- PROGRAMMING
 - scripting, database work, applications, links
- PRODUCTION
 - keyboarding, scanning, editing, proofing

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Strategic Goals

- Understand how to accept, manage and add value to the living document
- Develop new people and skills
 Interactive design talent
 - Database & programming skills
- Become part of the customer's information solution
- Price by value, not cost