

Foreword for Special Issue on Printing Solutions



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Following can be said regarding the situation of the market environment surrounding OKI Data, the OKI Group responsible for printer business.

- Drops are large in emerging markets but recovery is quick.
- Shifting from SFP (Single Function Printer) to MFP (Multi Function Printer).
- MPS (Managed Print Service) increasing and need for environmental responsiveness.

These are new business opportunities for OKI Data whose primary businesses have been in developed countries and SFP (especially color). In an effort to take advantage of the new opportunities, we are engaged in strengthening sales in emerging countries beginning with China, Russia and Latin America, developing technology for environmental responsiveness, and developing new products to meet customer demand.

OKI Data's Business Strategy and Product Competitiveness

To reach our objective of “changing business to a stable earnings structure”, key measures in the mid-2009 business plan included enhancement of MFP products, expanding sales in emerging markets, strengthening MPS business and improving cost competitiveness. However, basic strategy was to strengthen product competitiveness.

As the printer market expands, office printers have become a commodity making it difficult to appeal the difference in function and performance. Price competing has also become severe. In such a market, we are required to plan and develop products that are not only appealing in basic specifications such as print speed and print quality, but products that distinguish themselves from competitors by capturing the live needs of the target market and users.

Recently, in order to make the compact, low power consumption, stability, longevity, and high print quality

characteristics of LED head printers, which we have been developing for many years, more appealing in terms of customer value, we have been introducing our products to the market with a simple and clear concept of “eco-friendly, compact and high performance”.

In 2008, we launched in Japan the new “COREFIDO Series” designed with the office environment in mind. Emphasis was placed on usability, reliability and longevity, and a five-year warranty was provided to clearly separate our products from the competition.

Our efforts have traditionally been with color SFP that maximized the advantage of LED head. However, to enhance product assortment and respond to market change, attention has been shifted to strengthening our product line for the large monochrome printer market and the ever-growing MFP.

In order to provide customers with cost-effective and easy to use printers, we are diligently promoting platform-based parts and software, expanded utilization of new simulation techniques, concurrent design where engineering and manufacturing divisions work together from the early stages of product development.

MFP is expected to be our main product in the future. Although there is no big technical difference between the MFP and office copiers, as a latecomer, we are aiming toward MPS solutions through product creation and product line expansion from the printer perspective taking full advantage of the printer's excellent maintenance capabilities.

Compared with SFP, MFP has significantly higher proportion of software and many functions. As a result, not only can we provide user-friendly interfaces, but also systemization in an office environment will be simpler and future expansion will be easier. These features will be positioned in the product strategy as we buildup our product lineup.

In areas other than offices, our LED printers are achieving exceptional results as commercial and

professional printers for DTP, POP and graphic arts (GA) use. In these markets, we will enhance the brand utilizing the features of the LED head technology and create products with features worthy of a flagship line.

MPS (Managed Print Service)

Printer business has mainly grown under an outright-sales type business model in which the printer and consumable supplies are sold to customers. However, recently there is progression from just selling goods to providing more user-oriented services with focus on costs. A print/copy service, so-called MPS business, similar to that provided by office equipment business is becoming popular. In addition to providing product support, the MPS business model requires strength in system solutions, which includes monitoring and assessing the status of printer usage and consumables, and proposing/constructing business infrastructures for consumable provisioning, billing, and customer information managing.

We have been actively engaged in global projects for several years, but in 2010, a dedicated organization was set-up to expand work in incorporating MPS function/performance into products, assessing/integrating related software, and supporting the construction of a business infrastructure. Additionally, we will promote the sharing and lateral expansion of global performance, experience, and user needs.

Technical Development and Environmental Support

Printers are essentially products fixed together from mechanical parts including print head, ID (image drum), and fuser component and ASIC/software for image processing and control. However, big changes are taking place with the recent advancement in semiconductors, software technology, and new materials. The effects on product compactness, energy saving, power usage, longevity, and reliability are particularly noteworthy, and we are moving forward with development to make full use of the feature in our LED printers.

We have been committed to developing LED head technology for more than 30 years and have established ourselves as pioneers of LED printers. With our latest fourth-generation LED head, we were able to achieve a more highly dense array using “Epi Film Bonding (EFB) technology” and a compact LED current drive element. This resulted in printer heads that were considerably smaller and low cost compared with previous products.

The LED heads are already being manufactured at our new Takasaki LED plant that started operation in April and have been adopted in our A4 color and A4 monochrome SFPs that began shipping in June.

Since a LED head is composed of semiconductor components, it has always been, energy saving, low power, and highly reliable. However, new developments in control LSIs and power supplies have helped to greatly reduce power during waiting time enabling our printers to be one of the industry leaders in terms of power savings.

With regard to reuse and recycling of resources, in addition to collecting used toner cartridges, we have begun the processing of refilling the collected cartridges with toner for resale.

We will continue to contribute to providing eco-friendly products and reducing CO₂ emissions through the development of eco-technologies prolonging the life of IDs, drums, rollers and other parts, reducing energy use, and reducing noise during operation. In addition to the development of eco-friendly products, we have created manufacturing and SCM related projects to reform global operations, cost, and environmental protection. Our UK plant incorporates energy saving design and is powered completely by green energy. Both the China plant and Thailand plant are engaged in energy saving practices. Logistics have been reviewed to shorten transport routes and inventory spaces reduced. Green procurement is also being promoted.

Conclusion

Dramatic changes are taking place in the printer business environment. As offices increasingly become computerized and paperless, an evolution toward collaborating systems that promote efficient and sophisticated document management can be expected. Amidst the ever-changing demand and expectations on printers/MFPs, we would like to strengthen our product/service creation and the development of supporting technologies to better answer market changes and customer demands. ◆◆