

Putting 2004 into Perspective

The Document Systems Industry: Where we've been, and where we're going.

By Kevin Craine – For Digital Publishing Solutions Magazine

2004 has proved to be a tumultuous year for the document systems industry. Vendors, commercial printers and corporate in-plants have been forced to evolve through a changing climate. As we move into a new year let's take a look back at where we've been and sneak a peek toward the horizon of 2005.

To gain this viewpoint, *Digital Publishing Solutions* has enlisted the help of four well-known figures in the document systems industry. Keith Nickoloff is the president of PathForward, an independent professional services company now part of the Standard Register enterprise. Keith was a recipient of the POD Pioneer of the Millennium Award at the On Demand Conference in 2000 recognizing him as one of the ten most influential people in digital printing. Jeff Phillips is a senior analyst with Doculabs, a consulting firm whose ubiquitous presence in the document and information processing fields has placed it firmly as a trusted analytical force throughout the industry. Carl Joachim is the vice president of marketing for Océ, a chief provider of high volume production printing and workflow systems with thousands of customers worldwide. Finally, Bill Carroll is the president of Roll Systems, a principle provider of pre- and post-processing equipment. Bill also spent fourteen years with Digital Equipment Corporation, with six of those years being in international assignments in Hong Kong and Japan.

Where We've Been – Where We're Going

This has been a year of evolution in the industry, but it is also no surprise that the belt tightening of the new millennium has continued in 2004. Will we see the grip on pocketbooks loosen any time soon? According to two of our experts things are beginning to shake loose. "The economy shows clear signs of recovery," says Bill Carroll from Roll Systems. "This year we saw capital equipment budgets opening up again, generating a solid bump in revenues from prior years." Carl Joachim from Océ agrees with this encouraging news. "Customers are again looking to make investments in their operations," says Joachim. But according to Pathforward's Keith Nickoloff, this reinvestment does not come as easily as it once did a few years ago. "Customers continue to tell us their fundamental requirement is to cut costs related to internal communications, while maintaining or increasing their investment on customer communications." Joachim agrees: "The solutions that users are willing to invest in need to provide immediate value by being more flexible, more versatile, and more cost effective than ever before."

The climate has changed considerably for vendors and systems integrators and the result is a significant realignment of the provider segment of our industry. "2004 was clearly a year of continued consolidation of the vendor market," says Jeff Phillips of Doculabs. "We saw many vendor organizations racing to complete their 'suites' of product offerings through acquisition. The aim is to provide a more full range of solutions that address a wider range of content within an organization while being more tightly integrated at the data, application and interface levels."

What does this mean for customers? For those developing an enterprise document strategy, the news is both good and bad. According to Phillips, the move to standards-based architectures will simplify integration and interoperability between systems. "Most organizations today have a myriad of content residing in many places that, when brought together, can open the doors of opportunity." To take advantage of this opportunity, however, users will need to approach their document environment more holistically. "Customers face numerous strategic choices," says

