

A SUPPLIER'S Brave New World

BY JOHN S. ROSENBERG



R.D.P. presses are factory-tested prior to acceptance. According to R.D.P. Marathon President Eric Short, left, its products are designed for both traditional and non-traditional forms manufacturing. Photo courtesy R.D.P. Marathon Inc., Laval, Quebec, Canada.

“Our objective is to provide the forms producer with equipment systems solutions that are responsive to the changing nature of the product mix. We supply technical and custom engineering expertise, and creative ideas that enhance manufacturers’ productive capacity. That is our *raison d’être*: selling engineering technology and support, because no one in the industry is going to pay an equipment supplier just for a good piece of iron,” said Eric Short, founder and president of R.D.P. Marathon Inc., Laval, Quebec, Canada. Short’s philosophy defines the work of this innovative forms equipment manufacturer, which focuses on equipment designed for high value-added forms products.

Incorporated in June 1989, R.D.P. Marathon evolved under the direction of former managers of MAN Ashton Inc., St. Laurent, Quebec. MAN Ashton was a wholly-owned subsidiary of the large German press manufacturing company, MAN Roland AG, based in Augsburg. The subsidiary had been a major press supplier to the forms industry for more than 40 years and held a large share of the North American market for wide business forms presses. Its products were known for their rugged and durable construction.

“It is my understanding that MAN Ashton did not fit well with MAN Roland’s strategic

plans,” Short said, “leading to its decision to close the Ashton plant and exit the forms press manufacturing business.” When Short and his colleagues’ management buy-out offer fell through, R.D.P. emerged. “Having left immediately to launch an independent company to service the business forms industry, I was soon joined by three other engineers and senior managers from MAN Ashton.”

START-UP

Short’s previous experience eased the task of starting the forms equipment manufacturing company. He had a strong background with a degree in mechanical engineering from Memorial University, St. John’s, Newfoundland, a graduate business degree from Montreal’s prestigious McGill University and more than seven years’ experience with MAN Ashton as supervisor of product engineering and director of engineering.

The new firm began its activities with a lean management and employee structure. It is a strategy that Short has maintained during R.D.P. Marathon’s three years of operation.

“We have a total of 30 people in the company, including nine in the engineering division and four professional engineers,” Short said. “We have eliminated all layers of middle management ‘fat’ so that our decisions and new products are imple-

mented without delay. The tight structure enables us to focus on teamwork.”

Even with such outstanding internal operations, the prospect of beginning a new forms equipment manufacturing firm in such tough economic times was daunting. Short chose to begin operations in a modest fashion, drawing on the engineering expertise of the senior managers to provide capabilities to handle press modifications, enhancements and upgrades; and to increase operational efficiency of forms producers’ existing equipment.

“We evaluated direct mail and promotional press equipment for a number of forms producers and assessed how we could enhance the quality and speed of that equipment,” Short said. “We did the engineering and press modifications of changes relative to tension and sheet length control and special numbering modifications. In many cases, we have increased our customers’ press speeds from 50 to 100 percent. We also designed special coaters and die-cut units to go in-line to a variety of our customers’ existing presses.”

PRESSES

R.D.P. Marathon designs products geared to serve forms manufacturers’ needs in both traditional and non-traditional product areas, but with a sharp eye toward the future.

“Our presses are designed particularly for emerging areas of forms industry concentration—short run, variable-size presses and presses equipped with a number of options to add value to medium- and long-run products for promotional and direct mail applications,” Short said.

Thus, the most important step for the young company was the development and manufacture of R.D.P.’s own line of forms presses. “We knew that we had a couple of years to enter the market, and then we would have to move further into our own forms equipment products,” Short said. “We took a bit of a risk in our second year of operation by designing products which

were more than our forms producers asked of us.”

The risk seems worth it. Three basic product lines, the SR 200, the RDP 200 and the RDP 300 series, boast exceptional size and speed features. “The RDP 200 series is a 1,500-feet-per-minute press intended for the medium- to long-run market in high-end promotional and direct mail applications. It is the first 4-form roller commercial inker aimed specifically at the direct mail market.”

Enhancing the basic design of the 200 series, RDP introduced the 260 press model with a 26-inch width for the direct mail market in 1991. Short said, “This forms press has a 4-form roller, an automated ink fountain blade, centralized register control, auxiliary offset drive, bar code provision, a carbonless CB coater, a die-cut station, spiral folder, sheeter, re-insertion system and ultraviolet dryers.”

According to Short, the company’s other presses in the 200 series are for specific niche markets—short run and labels. “The SR (short run) 200 is strictly a variable-size press. It is oriented primarily toward the short- to medium-run markets—where makeready is a greater factor in overall efficiency. The 20-inch-wide LF or litho-flexo 200 press is designed for specialized products, such as promotional graphic and label products. Our RDP 300 series has the same technical features and inking system as the 200 series, but it has a 33-inch width for longer run applications.”

Dual capabilities are particularly important to R.D.P.’s marketing efforts. “Of course, we are marketing on an international level, particularly to Canadian and American forms producers. So we have to be well aware of the intense short-run focus of the Canadian market to serve the provinces of Ontario and Quebec, as well as the American forms producer’s involvement with value-added medium- and long-run products. It seems that the American forms producers have some room to experiment with entrepreneurial activities and new types of non-traditional products, whereas the Canadian producers tend to stay with basic short-run products because of a limited market base and stiff competition from several large producers,” Short said.

CHANGES

Short is quite candid in his assessment of the future direction of the forms manufac-

turing industry. “In just our few years of existence, we have seen a decided move away from the demand for forms equipment products that output only the traditional stock and continuous products. On the other hand, we see considerable interest in the demand for products that can output direct mail, promotional work and special label/form product combinations. In that area, we notice the forms producers wanting equipment that can apply special foils, plastics or other materials to the paper for promotions, direct mail and labels.”

Labels are drawing more attention from forms manufacturers. “Forms users are using labels of all types as vehicles for communication and information,” said Short. “From internal electronic data processing (EDP) labels to form/label combinations and from exterior pressure-sensitive labels equipped with bar coding to labels for pharmaceuticals, clothing and retail products, labels are used as identification vehicles and sales and marketing tools. As a result, forms producers are becoming heavily involved in label manufacturing.

“Their growing interest in label production is reflective of considerable attention to non-traditional markets and indicative of the blurring of the distinctions among various participants in the business communications marketplace. Forms and labels had been regarded as distinct niches for many years, but as continuous forms and other traditional products are being merged with value-added elements—such as labels in a form/label combination—we find it imperative to have equipment capabilities that combine the best elements of form and label production.”

To secure its involvement in label manufacturing equipment, R.D.P. Marathon affiliated with Beckwith Design Services, Cambridge, Ontario, Canada, one year ago and formed BDS Marathon Inc. Under terms of the arrangement, BDS continues to pursue its expertise in the design of specialized equipment for the tag and label market while R.D.P. Marathon has taken over the manufacture of fan folders, in-feed units and off-line folders.

“BDS has focused on the label and tag market; and with the new arrangement, we took over full manufacturing and support responsibility for the BDS product line while BDS continues to operate from Cambridge for all the engineering and marketing,” Short said. “The principal reason for the affiliation

was to bring needed technologies into our combined company. Already we have incorporated BDS technology into our presses in terms of in-feed design and die-cut units.”

TRENDS

Keenly aware of the changes in the forms manufacturing industry, Short expects the forms equipment industry to undergo significant alterations in the years ahead. “I envision a new generation of presses,” Short said. “No doubt, they will evolve from a merging and blending of traditional and non-traditional products, combining the best features of a forms press with a label press and incorporating some elements to output business information on different substrates, such as film, foil or Tyvek®. We can expect the presses to be equipped with features to output new types of security documents using specialized kinds of inks or bar coding applications.”

Short sees this brave new world of business communications as a tremendous opportunity for the forms equipment manufacturer and the forms producer. “We can satisfy the information and forms needs of forms users, because no one knows more about value-added elements—punching, cutting, perfining, scoring, sheeting, folding, gluing or attaching, than forms equipment producers and forms manufacturers,” Short said.

“There are going to be two dimensions to our involvement in the 1990s—the hard-copy side and the software side. The forms producer who wishes to remain on the cutting edge of technology will have the capabilities to handle the ink-on-paper forms applications and to provide the additional element of receiving, designing and storing the form digitally and electronically. Forms equipment, printers and collators on the plant floor and computers, printers and copiers that output hard copy in the forms user’s office environment certainly will play a role in the future, but the efficient forms manufacturer will integrate this hardware with optical, electronic and digital software systems solutions. In the future, forms will be only one element of a total system solution and our industry has to be ready to meet that challenge.” ■

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