

SMART CHANGE STARTS HERE.

CFC PRINT & MAIL

A transition from offset to production inkjet enhances competitiveness and furthers continued growth

Canon
CANON SOLUTIONS AMERICA

A CUSTOMER CASE STUDY

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CFC Print & Mail is a Texas-based national wholesale print provider for independent print distributors, brokers, and resellers, historically specializing in the financial documents marketplace. Established in 2009, CFC's primary focus is to help print distributors stretch their dollars by providing great value and world-class services, thereby making its customers more competitive and successful. Turnaround time has been one of CFC's primary competitive advantages. But several years ago, it realized that an offset-based print platform was a liability in continuing the year-over-year growth it had been enjoying.

After extensive research, CFC implemented an end-to-end white-paper-in/colored secure-document-out print solution using Canon ColorStream production inkjet presses from Canon Solutions America and integrated software to decrease turnaround times and expand business growth opportunities for the next 3-5 years.

THE CHALLENGES

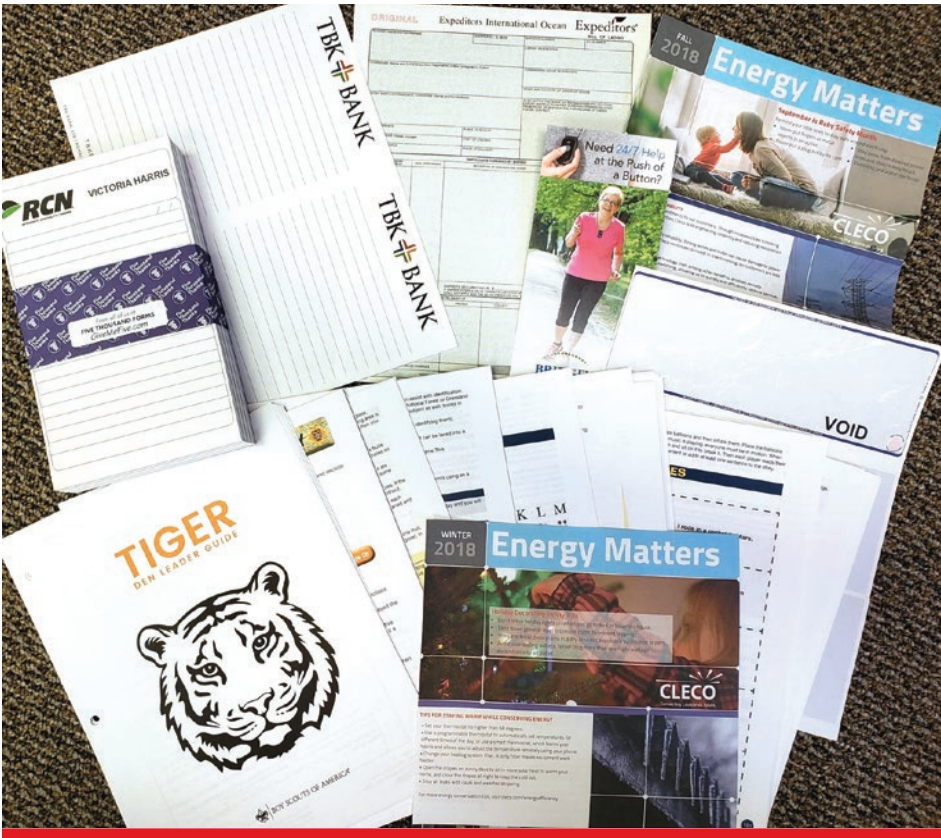
Known as an innovative and forward-thinking company, CFC grew for 11 consecutive years despite a general decline in the printing industry. Naturally, CFC wanted to continue to grow. However, it recognized that there were several challenges in order to achieve future success. An offset-centric print platform was limiting its capabilities to provide customers with new products and services. Also, as its offset printing equipment aged, finding parts and maintaining its four offset presses became harder. Additionally, finding qualified offset press operators was a concern. Younger workers didn't have the skill set required, and experienced workers were aging out of the workforce.

Tommy Gillis, Managing Member of CFC Print & Mail, spearheaded a search for a better solution. Production inkjet looked like an intriguing alternative, but he had difficulty finding a company that truly understood his business. "Suppliers struggled to understand check production and MICR (Magnetic Ink Character Recognition)," he said. Since commercial check printing accounted for 60% of CFC's business at the time, finding the right business partner was a mission-critical requirement.



*Tommy Gillis,
Managing Member
of CFC Print & Mail*

CFC also has a custom order management system, called Plantrol, that it wanted to continue to use and integrate with



In addition to production color inkjet printing of checks and other financial documents, CFC has leveraged its digital variable printing capability to provide turnkey mailing solutions.

whatever software was needed for the new technology. Its order management system covered everything from invoicing, sending advance shipment notifications, and order entry templates to paper requirements, ink requirements, and inventory control. Totally revamping that system was going to be cost prohibitive and too labor intensive to contemplate.

The production workflow that CFC was using involved multiple manufacturing steps that required many manual interventions. An offset plate would need to be made to print the colored background on the check stock. Next, those preprinted check shells would go to a sequencer for numbering, followed by a digital toner printer for adding the variable information like company logo, name, address, and MICR code lines. Finally, the checks would need to be cut, packaged, and shipped. Even with

the numerous manual touch points, turnaround time was relatively quick — 1.8 days on average from the time an order was received until it shipped. Some jobs shipped the same day, some in 24 to 72 hours, and some larger, more complicated orders could take up to five days. But CFC wanted to do better.

THE SOLUTION

Working with Canon Solutions America, CFC found a team of experts who understood its workflow and check printing requirements. Canon's Professional Services team offered a proven process designed to help its customers succeed in the deployment of digital production inkjet solutions. It started with a workflow assessment and needs analysis to identify existing pain points and opportunities for improvement. Canon also drew on its expertise in financial document printing

and conversions from offset to digital production inkjet.

The Canon team quickly determined that the multistep manufacturing process CFC had been using could be automated into a streamlined two-step process. The Canon team recommended two ColorStream production inkjet presses with Canon PRISMA production workflow software, Quadient Inspire Designer software on the front end for document composition, Arcis Solutions and EMT International ThermoChromatic process to add the required check security features needed for single pass check printing on the ColorStream presses. EMT International also provided inline perfing, cutting, stacking, and delivery of checks ready to be packaged and shipped.

The CFC Print & Mail IT department worked with Canon's Professional Services team to build a custom desktop application ("e-Job") that merged the Plantrol order information with user-provided parameters and graphics files into a file collection that Quadient Inspire software processes to create a single file with digital images for the ColorStream press. Each page includes the company logo, other variable information, check sequence numbers, MICR instructions, security background, and post-press finishing barcodes. The rich features of Inspire allowed the IT department to create a flexible script for automated processing without the CFC order management team writing scripts. After entering the information in e-Job, a print-ready file can be ready in as quickly as 10 seconds.

PRISMA automates the connection of these external software processes with the production management—minimizing manual steps, optimizing efficiencies, and driving the inkjet production devices from a single

point of control. Finally, the checks are perforated and cut to proper size inline, requiring only shrink wrapping and delivery. The result is a single streamlined workflow that begins with blank white paper as input and yields a full-color printed check or other financial document as output.

According to Tommy, “Combining our customer “e-Job” application with the Quadient Inspire software provided us an easy-to-use system to push our orders onto the ColorStream presses. There’s a lot of automation built in. By the time the file gets to the printer and it’s ready to print, all we’re doing is loading the substrate onto the press and hitting the button, and the product is coming out as completed product.”

During the testing of the ColorStream press, CFC and Canon worked with CFC’s security paper supplier, Appvion, to develop a security paper specifically for inkjet printing. The new Appvion security paper—called DocuCheck Basic® MOCR Inkjet—provided excellent image quality, runnability, and value.

To ensure a smooth transition from offset to inkjet, Canon’s Professional Services team provided a program called Canon TrueSupport. This comprehensive program covers pre-site preparation, installation and implementation, and post-installation application onboarding. Canon assigned a dedicated Project Manager and Technology Team to coordinate and monitor the entire process, establish timelines, assign resources, and worked with CFC’s staff for a smooth implementation. After the initial needs assessment, the team developed a plan of approach that described what Canon Solutions America was going to do, how they would do it, and when. Canon provided onsite training of CFC’s printer operators and production staff, including Applied



Two continuous feed ColorStream production inkjet presses, related workflow software, and inline finishing equipment give CFC a single streamlined process that begins with white paper as input and yields full-color finished documents as output.

Inkjet Color Training that focused on integrating CFC’s new inkjet presses into its workflow and color management process. Following installation of the new system, the Professional Services team continued with periodic reviews of the system and equipment performance and provided on-site activities with various specialists to build skills on color management, workflow, and business processes.

THE RESULTS

During the initial assessment process, it was determined that, on average, it took 100 minutes to produce 3,000 checks

using CFC’s multistep manufacturing process. After the implementation of the new streamlined workflow, process time was reduced by 93%, requiring only seven minutes on average to produce 3,000 checks! Overall turnaround time has been cut in half—from 1.8 days to less than one day. “Now, the turnaround time that we tout is one day or less. Give me the order today, and I’ll ship it today in most cases. Worst case scenario is that I will ship it tomorrow. One of the primary enhancements to our service level has been to ship our core product to market faster than anyone else in the country,” Tommy said.

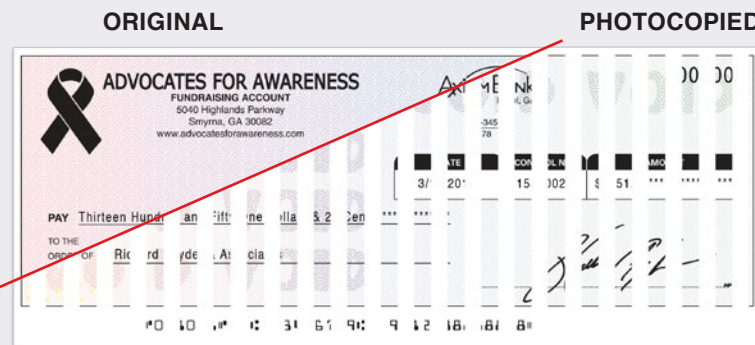
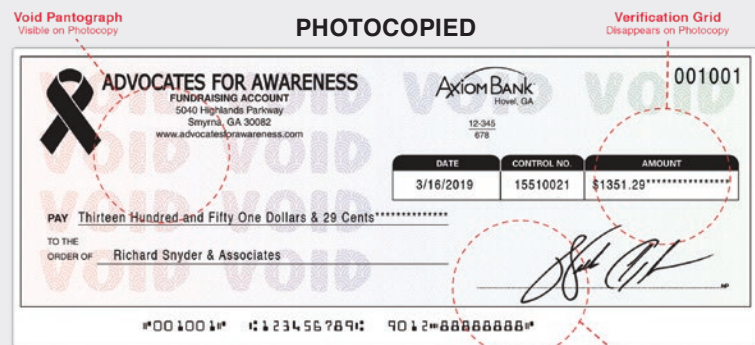
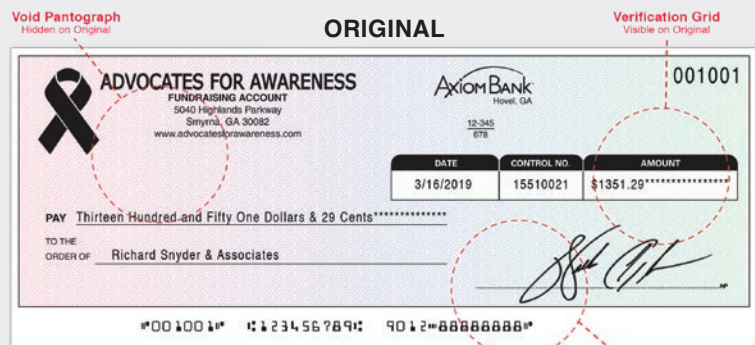
In 2018, CFC did 60 million billable impressions on the ColorStream printers. Its goal was to transition as much of its existing business from offset to inkjet, which was accomplished by the end of the year. Although some business remains on the offset equipment, such as envelopes and carbonless forms, 55% of CFC's entire business was moved onto the inkjet platform.

Other customer benefits include the ability to get product faster without paying a rush premium, new patented digital security features for financial documents, the ability to add a CMYK or four-color process printing of a customer's logo or name (previously CFC was providing only a spot color product), and an improvement in color consistency during a print run. With the patented digital Arcis Solutions, new security features include:

- The ability to add a Digital Void Pantograph, which causes invisible imbedded words and graphics to pop out when the original document is photocopied, thereby demonstrating that the document is a copy.
- A microprint signature line using microtext, which can be viewed as text under magnification. Copying the document will result in a line with gaps or it will blur the text into a line that cannot be read.
- VDot technology, which is designed to trigger the anticopy function on most copiers. This effect can range from totally blacking the page out or streaking white bars through the image.
- A hidden microprint number or word in the border of the check that corresponds to a control number.

“NOW, THE TURNAROUND TIME THAT WE TOUT IS ONE DAY OR LESS.”

—Tommy Gillis, CFC Print & Mail



VDot Technology
Triggers Anti-Copy Chip
Found in Most
Color Photocopiers

*Results shown are using a Canon copier, other brands may vary.

New customizable security features such as a Digital Void Pantograph, microprint signature line, verification grid, and VDot technology can be incorporated into CFC's production inkjet workflow for financial documents.

All of these check security features can be printed on plain paper with one single pass operation, and they are customizable to each order on-demand since the variable security features are incorporated with the other variable data. Also, there is no need for preprinted security stock and no need to match preprinted stocks with jobs.

Moving to a single streamlined workflow from a labor-intensive multistep process for a majority of its business did have an impact on CFC's workforce. The efficiency gains that resulted in the transition to production inkjet caused CFC to have a reduction in force of 11 employees, about 18% of total employment. CFC was very proactive in helping those employees transition into new roles within the industry. Through a combination of severance packages and introductions to other employers in the area, all 11 employees found work within 30 days. In fact, since CFC's business has grown after the transition to inkjet, it has been able to hire back three of the 11 employees to date.

In addition to greater efficiency and labor savings, CFC has realized many

other cost savings. They identified 20 to 30 areas of savings: less plate material, less raw material waste, less finished product waste, and less usage of supplies, to name a few. In total, CFC estimates that it is saving \$45,000 to \$48,000/month.

The transition to digital color inkjet provides CFC with one other very important benefit—the ability to grow its business by providing additional products and services. With digital variable printing capability thanks to the Quadient software, PRISMA workflow automation, and Canon production inkjet presses, CFC is expanding into direct mail applications. One of its reseller partners is a mailing company, and CFC has been printing shells and envelopes for that reseller's mailing projects for many years. It can now offer that customer and other resellers the ability to provide turnkey mailing solutions for invoices, statements, or many other variable data mailing projects. CFC has recently added Quadient bulk mailing

software to enable it to verify addresses and change of address as well as commingle addresses for the most cost-effective postal rates. By leveraging the investment it has made in its financial document printing platform, CFC has what it needs to offer additional products and services to current and prospective customers.

“WE THINK WE ARE POSITIONED WELL FOR THE FUTURE WITH CANON SOLUTIONS AMERICA AS OUR PARTNER. WE’LL BE ABLE TO LEVERAGE OUR NEW TECHNOLOGY AND EQUIPMENT TO CONTINUE OUR GROWTH FOR THE NEXT 3 TO 5 YEARS.”

—Tommy Gillis, CFC Print & Mail

ABOUT US

Canon Solutions America recommends forward-thinking strategies to help achieve the highest levels of information management efficiency for your unique business needs. Using superior technology and innovative services, we then design, implement, and track solutions that help improve information flow throughout your organization while considering the environment, helping to result in greater productivity and reduced costs.

Canon Solutions America Provides End-to-End Solutions Like These:

- Paper Program
- Media and Solutions Lab
- TrueSupport
- Training and Experience
- Escalation Procedures
- Preventive Maintenance
- Océ PRISMA Workflow Software
- Resource Center Website

As a company that is dedicated to your needs, we support our solutions with highly skilled professionals and advanced diagnostic systems to maintain peak performance. And with ongoing consultation, we can further your document management capabilities to help ensure the highest level of satisfaction and productivity.



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