

have access to the company's Innovation Hub (iHub) for their Disaster Recovery Service. But beyond that, every Midcomp PPU and PPUGRO customer has exclusive use of their Innovation Hub, which houses close to R15 million of equipment as well as fully trained operators for additional value added benefits.

PPU and PPUGRO customers have access to Excess Capacity or 'Overflow', whereby Midcomp helps their customers meet their deadlines by supplementing their own printing with iHub printing. PPUGRO customers have further access to 'Growth Promoters', whereby they can utilise, within reason, any of the range of R15 million worth of equipment, even if they do not own such equipment. That essentially means these customers should not need

to turn away work because they might not have the necessary equipment to perform the work. Midcomp's stated promise, (i.e. not the 'when', 'where' and 'how' of running a business but the 'why') is 'Catalyst for Growth'. This is Midcomp's contribution to helping their loyal customers to develop their business by leaning on the company's resources and increasing their footprint and credibility in the market as a can-do print provider.

This is the clever way to set yourself up for success. Know what your costs are, with no surprises, calculate your selling prices accordingly and focus on filling your printer with work. Midcomp takes care of the rest. Midcomp's iHub resources are there to back you up.



INTRODUCING PPU^{GRO}™

The programme enables companies to focus on making money from their printing systems while Midcomp focuses on enabling their customers' business with the best technology available. Instead of spending time focusing on the asset (printing system), users should rather focus on what profit the asset can generate for their business.

Midcomp first introduced their Pay Per Use (PPU) programme three years ago. Under this programme, they cover all HP Latex printer consumables* and service costs into a fixed cost per square metre. Under their PPU contract, it is one invoice per month and one payment per month, it is that simple. There are no purchase orders required per delivery of consumables* or service, it is all covered under the contract. In high print volume cases, they will issue consignment stock so that there is no lead time to receive consumables*. Accompanying the invoice is a detailed list of all the print jobs a user performed on the printer in the preceding month.

Midcomp customer feedback about the PPU programme:

'In the print industry, sometimes calculating the costs can be difficult, as sometimes you can get a print that is filled with ink, and sometimes there is hardly any ink used, but the PPU programme has made it simple for us to accurately work out costs. Due to my distance, Midcomp has allowed me to keep a set of inks and printheads, so my printer is never offline and can always continue printing. Midcomp truly has paid attention to all my needs,' said Mohammed Sheth, Director at Navii.

'The unique PPU option that we took when we bought the printer gives you such peace of mind that you do not have to worry about ink, service charges, repairs and parts,' said Print Corp owners Charlene and JP Pretorius. 'The biggest benefit (of the PPU system) will come when our machine needs to have its service maintenance intervals, as these are expensive. With PPU, these service maintenance kits are included in the square metre cost. This avoids large amounts of cash outlays, as you never know what situation you will be in. Cost per square metre is cheaper on the PPU than my cost per square metre on my previous generation of printers,' said Mathew Wilkinson, director at Mint Wrapworks. The biggest advantage of HP Latex printers that allows Midcomp to create such a predictable scenario is that the printhead is a consumables* item and changed on a regular basis by a printer operator, unlike competitive printers where the printhead is a very expensive spare part that needs a qualified engineer to install or change.

The printhead is the most crucial element in any digital printing system because its condition determines print quality. So three, four or five-year-old printers that have been on Midcomp's PPU programme will print like a brand new printer because Midcomp is contractually obliged to keep the printer in an 'as



new' condition. This programme is hugely popular because of the certainty of print cost, with no guess work on the cost of printing a job. There is no need to see the artwork before determining the print cost. The roll out of the PPU programme was an interesting journey for Midcomp and their customers. The majority of the early adopters of this programme were the company's, and their competitors', existing customers.

Why would this be? They were certainly vindicated in their beliefs early on in the programme as to just how disruptive it is for a print shop to be faced with an unexpected, poorly timed, and mostly inexplicably expensive breakdown of their printer.

- Unexpected because it always happens when a customer least expects it, Murphy makes sure of that.
- Poorly timed because it tends to happen when a customer is relying most on the printer to finish that super important client print job.
- Inexplicably expensive because most manufacturers today favour component assembly swap out rather than discreet component swap or repair. Not too many printer engineers move around with an oscilloscope to diagnose errors to the individual components. It is quicker and easier to change an entire component assembly and unfortunately the customer bears that cost.

First time HP Latex printer owners tended to see a different value chain in the PPU programme. Midcomp's Innovation Hub has an enviable array of equipment, including a range of 1.6m wide HP Latex printers and HP Latex print and cut solutions; 3.2m wide roll to roll printers; flatbed printers; dye sublimation printers and heat presses; pigment ink printers for cotton printing; an industrial digital Zünd cutter for cutting flexible and rigid media; laminating equipment and an object printer. This facility and the equipment therein is used primarily as a demonstration and testing environment but also acts as a disaster recovery and an excess capacity service to their PPU and PPUGRO customers. So an investment in an HP Latex printer on PPU or PPUGRO with Midcomp, or conversion of an existing HP Latex printer onto PPU, grants customers access to this R15 million facility.

When starting a new printing venture or deciding to in-source print work, it is comforting to know that a customer can start small and rely on Midcomp to plug the gap for them when they either incur machine downtime or they run out of capacity to finish the last minute rush jobs that tend to rule their lives.

*Excluding media.



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