

## Cool Vendors in Imaging and Print Services, 2010

Pete Basiliere, Sharon McNee, Cecile Drew, SJ Chae, Vishal Tripathi

"Print is dead. Long live print." Because electronic media, ranging from the Internet to mobile phones, are the primary means of communications for many enterprises, it would be easy to overlook print media. Our multinational Cool Vendors illustrate how print is changing and remaining a relevant form of communications.

### Key Findings

- 3D printing continues to gain traction in the market as traditional printer manufacturers begin offering new devices and more service bureaus spring up to capture market share.
- Cloud printing services shift the office print business model from ownership to shared access, enabling mobile and remote workers to print critical documents wherever they are, whenever they need them.
- Incremental improvements in office printing technologies by new technology providers are cutting costs, reducing the environmental impact and extending the value of printers and fax devices.

### Recommendations

- Pilot these emerging technologies where the business case supports a critical customer communication or offers an enterprise process improvement.
- With many enterprises cutting back on spending and not improving existing processes, there is an opportunity to leapfrog competitors with an investment in these Cool Vendors.

## ANALYSIS

---

*This research does not constitute an exhaustive list of vendors in any given technology area, but rather is designed to highlight interesting, new and innovative vendors, products and services. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.*

### What You Need to Know

Many people see the ashes of newspapers and magazines and proclaim that "print is dead." They argue that only electronic media will grow as the preferred means of communication. Such vision is short-sighted.

Digital print lives and, in some arenas, actually thrives. Hardware and software vendors are redefining print so it is not just "better, faster, cheaper" but also more versatile, personalized and relevant. Cloud printing service providers such as Cortado enable people to print what they want, where they want and when they want. Cloud printing shifts the paradigm from owning the printer to accessing one only when print is needed.

The office print evolution continues as providers such as Cartridge Junction, InkTec and Pulsar enable organizations to better manage print costs, improve productivity and create more-efficient business processes.

As if to prove the pundits wrong, the emerging 3D printing technology continues to grow. 3D printing has entered the mainstream with HP's recent decision to sell its brand of 3D printers, while portals such as CloudFab now enable anyone — consumers as well as engineers and marketers — to easily order 3D models and parts.

### Cartridge Junction

Mumbai, Maharashtra, India ([www.cartridgejunction.com](http://www.cartridgejunction.com))

*Analysis by Vishal Tripathi*

**Why Cool:** Cartridge Junction is different in the fragmented, unorganized remanufactured-printer-supplies industry in India. Cartridge Junction has taken an innovative approach to penetrate the market and invested in ink research and production processes. What further differentiates Cartridge Junction is its approach to the market as compared with other remanufacturers. The company has developed several IT solutions, including print tracking, e-procurement and toner tracking in printers, and combined them with remanufactured cartridges to bring down the cost, effort and time spent by enterprises on acquiring and managing print assets.

Cartridge Junction is the first remanufacturer in India, and in any geography as far as we know, that has moved into the space of MPS with a host of software solutions. It has several large clients in banking, insurance, retail and manufacturing where the total solution has been implemented. It has built the client base to 300 in the space of 15 months.

**Challenges:** Cartridge Junction focuses on small and midsize organizations. Cartridge Junction will have a difficult time penetrating large and very large organizations because printer technology providers have generally been successful in convincing them that remanufactured supplies are costly and low-quality. Due to the negative image of printer remanufacturers generally, Cartridge Junction will find it difficult to sell its MPS offering.

Also, Cartridge Junction has limitations due to its limited scale of coverage and level of services to remote sites. MPS providers must develop national and even global capabilities to secure the

business of large and very large organizations. Providers must also raise the level of services provided to remote sites, as many customers need wider geographical reach than in the past. Cartridge Junction will have to make significant investments in print devices (copiers, faxes, printers and multifunction products) to provide even a basic MPS offering.

**Who Should Care:** Cartridge Junction offers benefits for small and midsize organizations that find it difficult to meet the criteria warranting use of MPS offered by large print technology providers but are looking to cut costs and improve business processes. Also, technology providers facing motivated supplies and equipment remanufacturers that are making inroads into the OEMs' domain should study Cartridge Junction. Remanufacturers with MPS offerings are well-positioned to compete for small and midsize organizations' MPS business.

## CloudFab

Pittsburgh, Pennsylvania ([cloudfab.com](http://cloudfab.com))

*Analysis by Pete Basiliere*

**Why Cool:** CloudFab is an online marketplace that provides engineers, designers, marketers and early adopters with access to a network of service bureaus that provide 3D printing and prototyping services. Users upload 3D files in STL format along with various specifications and receive price quotes instantly. If desired, the order is placed through CloudFab, which holds the payment in escrow until the 3D parts are received and accepted by the purchaser. Sellers are notified of the order and the escrowed funds. Upon shipment, the seller provides the shipment tracking information to CloudFab. Escrowed funds are released to the seller five days after the 3D parts are received.

**Challenges:** Very-low-cost 3D printers are at the "Technology Trigger" stage of Gartner's "Hype Cycle for Emerging Technologies, 2009." As such, the market is composed of numerous providers, each trying to make its printer technology the dominant one. In the near term, cautious buyers can test the various 3D technologies without investing in a printer by using CloudFab's service. In the long term, the need for service bureaus will be reduced as prices drop to the point where managers can acquire 3D printers for in-house use with departmental funds. Ultimately, CloudFab will need to manage the transition from today's focus on engineers, designers and hobbyists to tomorrow's 3D print process automation for organizations and mass customization for consumers.

**Who Should Care:** Technology planners and business developers must stay abreast of the consumer 3D printing market, which is poised for explosive growth as prices drop into the \$10,000 range. Engineers, designers and marketers must consider 3D printer service bureaus and services such as CloudFab as a source for the rapid production of parts and prototypes.

## Cortado

Berlin, Germany ([www.cortado.com](http://www.cortado.com))

*Analysis by Sharon McNee*

**Why Cool:** Cortado is the independently acting division of ThinPrint that offers mobile business software solutions and professional hosting services. Cortado's latest development is Cortado Workplace, a free cloud printing service that enables users to print from laptops and PCs, as well as BlackBerry, iPhone and iPod Touch mobile devices, to any printer via a Wi-Fi network or via Bluetooth. Cortado Workplace provides users with free cloud printing functions, online services and desktop functionalities, such as remote directory and file management. The solution also includes 1 GB of free online storage. The service currently supports more than 6,000 printers with

the ability to add considerably more. Cortado is continually adding new drivers, and it expects that it will eventually have about 15,000 drivers supporting nearly every printer. In addition, Cortado Workplace is expected to support Apple iPad within the next two to three months.

**Challenges:** Cortado's Workplace is generating a lot of user interest. In one day alone at the CeBIT computer exposition, it had 700 downloads and was in second position behind CeBIT2go in the German iPhone App Store for business applications. The next challenges for Cortado will be to grow its customer base, upsell from entry-level free services to additional extended payable print services, and handle the threat from printer market giants poised to bring new competitive offerings to the cloud.

**Who Should Care:** The printer business model is changing from ownership of an asset to access to a commodity. More users are printing less and have only an occasional need for physical output. Printer technology providers must embrace cloud printing services and the opportunity they bring to breathe life into the ailing print market. Mobile and remote workers, too, must evaluate cloud print services as the means to secure the print they need, when and where they need it.

## InkTec

Ansan, Gyeonggi-do, South Korea ([www.inktec.com](http://www.inktec.com))

*Analysis by SJ Chae*

**Why Cool:** InkTec started its business with desktop printer ink in 1992 in South Korea. As an early ink provider in the refill ink market from the 1990s, InkTec successively expanded its business from desktop printer refill inks to large-format printer inks, such as ultraviolet curing ink. Also, it developed a silver conductive ink named Transparent Electronic Conductive with its accumulated experience and technology in 2005.

InkTec's silver conductive ink is the core of the emerging technology of printed electronics. Printed electronics can print specific patterns, such as electric circuits on thin layers for LCDs, light-emitting diode displays, radio frequency identification tags, solar cells, semiconductors and so on. Previously technology providers used light exposure, etching and plating technology to make patterns on layers for those products. Technical providers that manufacture LCDs, solar cells and IT parts believe that adopting direct printing technology using printed electronics will give them significant cost savings, reducing the number of steps in the manufacturing process by one-third to one-half and cutting waste gas and waste water by over 90%.

InkTec is one of the front runners in providing silver conductive inks for printed electronics in the world. In 2009, it won "Printed Electronics Europe Awards" from IDTechEx, and it was expected to provide its silver conductive ink to solar cell providers in 2010. Now the silver conductive ink providers include Dupont, Paralec, Xerox and a few others. InkTec had 300 employees and annual revenue of \$45 million in 2009, which could grow as the market accepts its silver conductive ink technology for use with printed electronics.

**Challenges:** As a player in an emerging market, InkTec must develop a compelling business proposition for major IT part providers like Hynix, LG and Samsung. InkTec has to develop a new marketing strategy to overcome its current brand awareness as a refill ink provider and succeed in the high-end printed-electronics industry. It may need to create a new brand name that can give the nuance of a technical specialty in the IT industry.

**Who Should Care:** Technology providers and investors must monitor InkTec's performance as a provider to the fast-growing printed electronics industry.

## Pulsar Technologies

Madrid, Spain ([www.pulsartec.com](http://www.pulsartec.com))

*Analysis by Cecile Drew*

**Why Cool:** Pulsar specializes in remote service, diagnostics and supplies management of printers. Its PxP software — a fleet management application — allows organizations to manage in an automated way thousands of Internet Protocol-connected print devices located anywhere on the globe, independently of their location and their manufacturer. Also, by adopting this application, printer manufacturers, system integrators, and IT resellers lacking a managed print services (MPS) or pay-per-use toolset can get started with addressing their customer needs for managed print.

PxP software can be hosted on a Pulsar server or in the customer's data center. The basic configuration allows the management of a printer fleet with up to 1,000 active printers. PxP software features several reporting modules. Organizations can check via a Web browser on the status of a printer and all of its consumables, their expected printer supplies replenish dates, shipment information, etc., so the organization knows exactly when any new consumables are expected to be shipped.

**Challenges:** Organizations are keen to better manage their print. Pulsar can help those organizations manage their fleets themselves, or they can partner with technology providers, system integrators and IT resellers looking for a fleet management tool to assist customers who are not prepared to manage their fleets themselves. As a small organization with a strong market opportunity, Pulsar is limited by its distribution channels and technical support staffing. Although its software supports all characters, it can currently guarantee international support in four languages: English, Spanish, German and French.

**Who Should Care:** Any individual who has volunteered or been appointed to take control of print in the organization should care, including IT support managers, IT asset managers, IT directors, CIOs and CFOs.

## Retarus

Munich, Germany ([www.retarus.com](http://www.retarus.com))

*Analysis by Sharon McNee*

**Why Cool:** Leading corporate messaging service provider Retarus has launched a cloud-based fax service, Faxolution for Exchange, that is the first integrated, professional managed fax service specifically tailored to the requirements of Microsoft Exchange users. The solution works as follows: (1) The user sends an e-mail to a fax number via Outlook; (2) Exchange transmits the e-mail via the "Connector to Retarus"; (3) the e-mail is converted to a fax and transmitted over the telephone network; and then (4) the fax is received by the recipient over the telephone line. Faxolution for Exchange replaces existing fax server solutions, and with Europe's largest fax data center at its core, it can meet heavy demands on throughput and availability. Retarus also offers SMS for Exchange, which works exactly as Faxolution for Exchange but sends short messages to mobile phones.

**Challenges:** Retarus needs to educate and create more awareness among its customers of the significant benefits gained by shifting over to a cloud fax service. It must outline and highlight the benefits to organizations, in terms of the savings associated with the hardware costs, service and maintenance costs, and phone line rental charges. Users who already know about cloud services have some concerns, particularly with regard to security and order prioritizing. In marketing

Faxolution for Exchange, Retarus needs to clearly highlight its transaction security and message confidentiality and how it deals with order prioritizing.

**Who Should Care:** By using cloud-based fax services, organizations can avoid owning and maintaining fax servers and can reduce long-distance costs by routing faxes over the Internet. If you are responsible for fax in your organization, then consider Faxolution for Exchange, as it offers a lifeline to enterprises struggling to unify messaging, integrate and manage e-mail, SMS, fax and cloud print traffic, and control fax and other communications costs.

## RECOMMENDED READING

---

"Emerging Technology Analysis: Cloud Printing Services"

"Emerging Technology Analysis: 3-D Printing"

"Emerging Technology Analysis: Enterprise-Level Cloud Fax Solutions"

"Emerging Technology Analysis: Printer/Copier Asset Management"

## REGIONAL HEADQUARTERS

---

### Corporate Headquarters

56 Top Gallant Road  
Stamford, CT 06902-7700  
U.S.A.  
+1 203 964 0096

### European Headquarters

Tamesis  
The Glanty  
Egham  
Surrey, TW20 9AW  
UNITED KINGDOM  
+44 1784 431611

### Asia/Pacific Headquarters

Gartner Australasia Pty. Ltd.  
Level 9, 141 Walker Street  
North Sydney  
New South Wales 2060  
AUSTRALIA  
+61 2 9459 4600

### Japan Headquarters

Gartner Japan Ltd.  
Aobadai Hills, 6F  
7-7, Aobadai, 4-chome  
Meguro-ku, Tokyo 153-0042  
JAPAN  
+81 3 3481 3670

### Latin America Headquarters

Gartner do Brazil  
Av. das Nações Unidas, 12551  
9º andar—World Trade Center  
04578-903—São Paulo SP  
BRAZIL  
+55 11 3443 1509