

# ORIGINAL CARTRIDGES

Is it all in the marketing?

With forecasters predicting that our print volumes will double every three years, we will be using more ink and toner than ever before. The growth in demand to print colour and the development of affordable colour laser technology is all contributing to a growing awareness generally about the cost of our consumables and our print costs.

In the past the OEMs (Original Equipment Manufacturers) have been able to quash the efforts of the compatibles suppliers based on poor quality and poor performance – it has been the case of having an easy life. Resellers too have traditionally stuck to what's 'safe' for fear of upsetting their customers.

Now however you could say that it's 'game on!'

There's fierce competition to win consumables business and a dealer's success in this category is having more influence over his ability to win the more traditional stationery business. Equally the margin opportunities for supplying most original consumables are awful and getting worse. Isn't it tempting to offer a good quality compatible?

At the end of the day it is all about choice and with the quality v price (value) proposition becoming high profile the original consumables market will be put under pressure. Today however, the original consumables

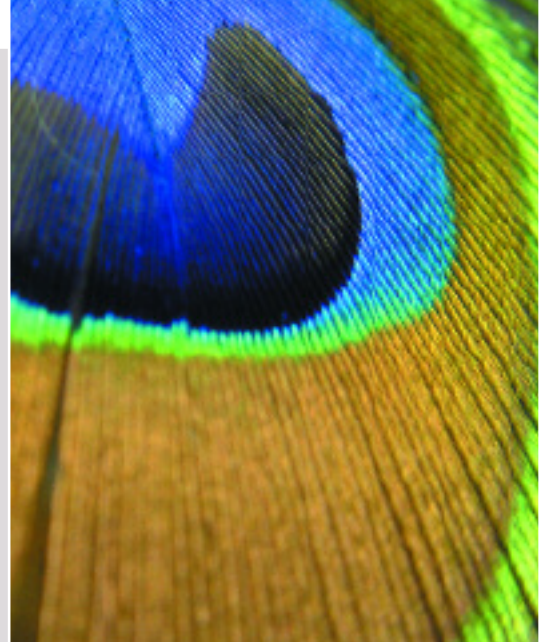
market share is still 80% by volume.

Speaking to a number of key players it seems that their focus is on new product development and innovative marketing programmes designed to reinforce their already high brand awareness and heritage in their brand values. They are also masters in range selling these days, strongly linking their printers and consumables with the message of optimum quality and value for money.

In terms of new product development we spoke to Ian Vallance, Business Manager for consumables at Epson UK who had this to say.

"Epson has very high brand awareness and a very good reputation for quality and performance. Our intensive marketing programmes have established us as being experts in colour. Our research and development is what has and will keep us ahead."

He went on to say that Epson are just launching a brand new ink DURArise. A 'next generation' ink provides a high quality, durable output whatever the media. To date it has been difficult to achieve high quality, smudge-proof colour print on plain and especially recycled paper. Epson have overcome this using patented technology where each ink colour and black pigment particle is encapsulated in a resin.



We also spoke to HP. Kerry Hogarth, UK Product Manager, Supplies told us that HP's Research and Development budget last year for inkjet printing alone was 575million Euro. Another indication of how serious HP is in maintaining its position. Hogarth also went on to tell us about their new, ground-breaking product. In layman's terms it can only be described as a black & white 'colour' cartridge. Called the 59 Grey Cartridge, it's a unique 6 ink system that can deliver fantastic quality black and white photo printing without the need to recalibrate your printer. Launched last month, the 59 Grey Cartridge is designed to offer the consumer a real choice in the way they output their images. 'Black & white printing for photographs and images is sometimes more appropriate and preferred by the end user than printing in colour' says Hogarth. 'Up until now manufacturers have been concentrating on perfecting the quality of colour and the consumer has not had the choice of a high quality black & white.'

With such innovation and high levels of activity in this very buoyant sector there is much to talk about and other OEMs such as OKI, Canon, Xerox and Lexmark, Samsung, Panasonic and Kyocera Mita will all have a lot to contribute. Watch out for our next feature on the OEM consumables market coming up in our January issue. ■

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