

Wide-Format Printers

Dealers say it's a niche worth pursuing

by: Brent Hoskins, Office Technology Magazine

Have you considered offering wide-format printers as another means to differentiate your dealership from the competition? Is it time to take another look? The following profiles of three BTA member dealerships highlight their experience with selling this niche product. Perhaps the comments they share will provide some welcome guidance.

Doing Better Business

Established in 1973, what was once Word Processing Services is now contemporarily named Doing Better Business Inc. (DBB), an Altoona, Pennsylvania-based dealership with nine locations across three states — Pennsylvania, Ohio and Maryland. Along the way, the company has grown, in part, through acquisitions. In fact, that has been a driving catalyst for the dealership's new emphasis on its wide-format business.

"We picked up KIP about a year-and-a-half ago when we bought a wide-format company; that's all they sold," says Brandi Noye, director of business development at DBB. "That's part of the reason we started focusing more on this product category, because we now have a lot more wide-format devices in the field. So, we have positioned ourselves to better sell the products and upgrade customers to newer models; we don't want to lose the MIF that we acquired."

KIP is only one contributor to DBB's wide-format lineup. The dealership sells Canon (also resulting from an acquisition) and Ricoh wide-format products, too. "In the past, if we 'bumped into' someone who needed wide format, we could sell it," Noye says, recalling the days when DBB had no proactive focus on the product category. "Today, there is a goal for each of our 20 sales reps to sell at least one wide-format product per year. This year we are on track to double the number of units placed last year. Next year we will continue to increase the number. It is definitely an area of focus for us."

Given that Ricoh only offers two models, Noye says DBB primarily places Canon inkjet wide format, followed by toner-based KIP products. She praises both companies for the level



of support they provide. "Canon has the most versatile lineup, from small to larger devices, and their support has been top-notch," she says. "When you reach out with a question, they get back to you within an hour. We just had a very good planning session with them to focus on the growth of our wide-format business and how we can utilize them more in a supportive way.

"KIP's level of support is great, too," Noye continues. "The difference is, because their machines are more expensive and fit best in larger companies with high volumes, we don't see a ton of those opportunities. It's a more specific market. But, because wide format is all KIP does, their support is very helpful."

Despite Canon's strengths in wide-format graphics environments with inkjet printing, such customers are less common for DBB than in the other prevalent wide-format sector — AEC (architecture, engineering and construction). "If you want any type of graphics, you definitely want a Canon product," Noye says. "They have anywhere from five inks to 11 inks for some of their higher-end graphics printers. However, selling to graphics people can be tricky because they are very particular; it's just a different sales tactic. So, the majority of our placements are in AEC environments. In fact, I would say about 90% are in the AEC sector."

As noted, all of DBB's reps sell wide format. "One of the things that has helped us tremendously is having our sales reps feel comfortable talking about the product, because they are not speaking to an office manager, but rather to an engineer, architect, etc.," Noye says. "I think this is where a lot of dealerships fall short; their reps don't feel comfortable. So, you need to educate them and work with them so they do feel comfortable. I think that has added to our success."

While DBB offers a broad range of wide-format products, "our average sale is around the \$10,000 to \$12,000 mark," Noye says. "The only low-volume models are around \$3,500; we don't typically go lower than that. With KIP, the revenue is greater per device. The last one I sold was around \$40,000. Toner-based models are always more expensive. However,

KIPs are designed to handle high volumes — 10,000 square feet per month. As with the pricing of MFPs as you move up the speed range, KIPs are more robust and handle more volumes.”

Stargel Office Solutions

At Stargel Office Solutions (SOS), based in Houston, Texas, second-generation leadership is solidly in place — brothers Slade Stargel and

Tyson Stargel serve as co-presidents. Their father, CEO Jack Stargel, established the dealership in 1987, initially selling typewriters, adding machines and analog copiers. Certainly, the dealership has evolved through the years.

Today, SOS has a comprehensive product and services portfolio, offering not only MFPs and single-function printers, but also managed IT services, managed print services, production print, document management software and digital signage. The dealership’s main MFP line is Toshiba. For single-function printers, it’s HP. The dealership also offers wide-format printers from HP, KIP and Océ/Canon.

“The models we offer range from the smaller desktops providing 24-inch-wide printing to floor-standing models with 64-inch-wide printing; so, we can do anything in between,” says Slade, regarding the wide-format lineup at SOS. “The MSRPs are anywhere from \$4,000 up to about \$70,000. We offer both inkjet [HP and Océ/Canon] and laser [KIP].”

At SOS, while the wide-format printers are sold by all reps, there is a specialist (who also sells other products for the dealership) available to guide and assist his fellow reps. “He’s been in that role for the 10 to 15 years that we’ve been selling the products,” Slade says. “He started out as an Océ wide-format specialist and has morphed into an HP and KIP wide-format specialist as well. He prepares the quotes and the pricing for the reps and will attend any customer meeting where a rep needs help.”

While SOS does offer wide-format products suited for graphic arts environments, “we predominantly sell to architectural, engineering and construction [AEC] companies,” Slade says. He cites, however, one area of opportunity for placements that was unexpected. “Houston has a large theater district, where we have sold a lot of units one or two at a time,” he says, noting that, in some cases, they are used to print stage props. Such placements have also opened doors to additional product opportunities. “We sold one of these theaters just one wide-format printer,” he says. “That eventually led to the replacement of all of their MFPs and an MPS

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Doing Better Business

agreement. We ended up with six times the revenue of just that one wide-format printer.”

Slade emphasizes that the word is “sold” when it comes to wide-format printers. “For whatever reason, customers normally purchase their wide-format printers and lease their MFPs,” he says. “Probably 90% of the time they purchase the products.”

With that interesting nugget in mind, what other insight

does Slade offer his fellow dealers only now pursuing the wide-format printing opportunity? “With the HP inkjet models, if the customer doesn’t use the ink regularly, the ink tubes dry up, resulting in the need for new printheads and ink,” he says. “That is very expensive. You have to do what we call a ‘run-up test print’ every two to three days to keep that ink from drying up in the tube [anytime the printer is being used infrequently].”

Slade offers some additional insight. Many of the maintenance agreements for wide-format printers sold by SOS are for parts and labor only, with the customer buying its own toner or ink and supplies, he says. “I would advise dealers just starting out to do the same, letting the customer buy the supplies and consumables as needed. That’s how you’re going to get into the least amount of trouble.”

Tyson points out that the margins are good on wide-format printers. “Because not everyone is going to have a need for wide-format printing, it’s a niche market,” he says. “So, you can charge more. Generally, on the wide formats, we do see better margins than we do on MFPs and MPS contracts.” Adds Slade: “And there is a low amount of service calls typically. They run pretty well if the end user is trained and knows what they are doing.”

Waltz Business Solutions

Not many dealers can say this. “We’ve been in the office technology business for more than 130 years,” says Brandon Meek, CEO of Waltz Business Solutions, based in Crestview Hills, Kentucky. “From 1892, when the company was established by Frank Waltz, to today, we have offered some type of office solution. At first it was typewriter sales and service.”

Fast forward to 2024. “Waltz’s products and services offerings encompass the entire document life cycle, from printing images all the way to document destruction,” Meek says. “We offer a full suite of shredding/scanning services, document management software, AI-based security systems and cameras, mailing solutions and MFPs. Our main imaging line is Kyocera, but we also carry Xerox for production.”

Wide-Format Education: Automation and Inks

Workflow Automation is on the Rise

14%

The number of wide-format PSPs* that have no automation has **dropped** in the last two years.



44% have at least some automation, which is up from 19%.



Many PSPs will never be fully automated, but **4%** are already and **13%** are mostly automated.

What to Know About Ink



Solvent is still the market share leader and continues to make placement gains thanks to more affordable devices from mainstream and Chinese vendors.



The migration to inks that cure immediately (UV, resin/latex) has risen 2% from last year's forecast, with most of the growth coming from UV (24%).

*PSPs = print service providers

Source: Keypoint Intelligence 2023-2028 Wide Format Print Forecast

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Stargel Office Solutions

Several years ago, Waltz added Epson inkjet wide-format printers to its lineup. "Our clients were requesting color wide-format units in a certain price range," Meek says. "We found that Epson could provide the color quality and the wide-format functionality at a price point that was right in line with our customer base. That's when we made the decision to make Epson our main line for wide format [previously, the dealership had solely concentrated on KIP products]."

In the past 12 months, "we've had some pretty significant growth" in Epson wide-format printer placements, Meek says. "Previously, we placed maybe one wide-format printer a quarter. Today, collectively, our sales reps are averaging one or two placements each month."

At Waltz, all sales reps sell the Epson devices with assistance, as needed, from a product specialist, most often in the non-graphics AEC sector, but also on the graphics side to churches and schools, Meek says, emphasizing that the color quality has been well received. "One company saw us print their drone footage of job sites in our showroom and purchased the machine on the spot based on the high-quality color," he says, noting that Waltz often displaces competitive products. "We have had great success replacing HP machines once the customer sees the Epson's increased quality, additional color options and faster print speed."

Regarding the wide-format-printer norm of products being purchased rather than leased, Waltz is working to address that, Meek says. "I think it comes down to a sales methodology on how you are positioning your company," he says. "In the past, more of these products were purchased. However, we are now seeing more and more of them being leased. You just need to train the sales team how to educate the client regarding the benefits of leasing."

Increasingly, Waltz is bundling wide-format printers into a single lease with other products, Meek says. "Maybe some of our competitors are leasing their copiers and printers, but then having the client spend \$12,000 to purchase a wide-format printer," he says. "At Waltz, we are pitching from day

one to bundle that Epson into a lease. So, when we upgrade the Kyocera fleet with a client, we don't have one or two of these standalone wide-format printers; we're refreshing the entire fleet."

Meek adds that Waltz does not adhere to that bundled model when it comes to including ink with the Epson products, given the unpredictable nature of ink coverage. He advises other dealers

to do the same. "I would say, try not to go down the path where you're including the ink," he says. "As long as you're selling the ink separately, you will be in good shape."

Might the client then purchase the ink from another source? "There is a way to safeguard against that," Meek says. "We don't have the issue of clients buying ink elsewhere because we include in the service contract a requirement that

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Waltz Business Solutions

the ink must be purchased from Waltz in order for the contract to remain valid."

Meek advises his fellow dealers to consider entering the wide-format printing space if they have not done so already. "You don't want to walk into any vertical where you are up against a competitor and you have no wide-format solution," he says. "If you are on the fence with wide format, you

should dive in from a competitive perspective. You want to be able to service your clients on all fronts." ■

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