



# High Velocity

## Konica Minolta dealer summit held Aug. 5-7

by: Brent Hoskins, Office Technology Magazine

On Aug. 5-7, Konica Minolta Business Solutions U.S.A. Inc. (Konica Minolta) hosted Midwest and West dealers in Chicago, Illinois, at its second High Velocity Dealer Summit of 2024. All of the dealers are participants in the company's Rev'd Up Dealer Performance Program. In February, the first summit was held for East dealers in Sarasota, Florida. The events' aim was to provide attendees with tools to help them optimize their dealerships in the industry's current changing climate. The summit in Chicago drew 80 people representing 50 dealerships.



Sam Errigo

In addition to presentations by Konica Minolta senior executives, the summit featured a product showcase featuring many of the company's cloud-based solutions for document print management, workflow and security solutions. Educational breakout session topics included digital transformation, marketing programs and enhancements to service delivery.

"This smaller format gives us the chance to engage with our dealers in a much more intimate setting where we not only have the opportunity to present new strategies and offerings, but can answer questions and continue conversations in order to give dealers the information they need to succeed," said Laura Blackmer, president of dealer sales, as the summit got underway. "We look forward to the invaluable one-on-one conversations we will have over the next couple of days."

In his presentation, Sam Errigo, president and CEO of Konica Minolta, emphasized, in part, the importance of dealers having a strategic plan for growth. "This is what I know about this business: If your MIF declines, if your volume goes down along with it, you are out of business," he said. "You have to grow. I don't care how you do it. You need growth in order to survive in this business."

Dealers need to add incremental units to make up for declines, Errigo said, further emphasizing his message. "You have to take market share — period," he said. "It's not more complex than that. It's actually a pretty easy business formula. If you do not have a growth mindset, if you are not taking share, you will not grow. For us, that's what we call a 'slow death' ... We need our dealer channel to grow. The dealer

channel still represents — unlike many other manufacturers — 50% of our business; 50% direct, 50% dealer."

Following his challenge to dealers to ensure they embrace a growth mindset, Errigo highlighted one opportunity in particular — production print. "It's still a growing area," he said. "We watch this business day in and day out. There's huge opportunity in the marketplace ... If you have a great service organization and you are in production, I would be just pounding that market."

In addition, to maintain growth, referencing the post-COVID supply chain issue, Errigo advised dealers to be vigilant about maintaining an ample inventory, in case the supply chain is once again interrupted. "There is a lot of unrest in the world," he said, citing, for example, the turmoil in the Middle East. "I watch it every single day. I would encourage you ... to place some orders, because you don't know, right? ... I'm not asking people to stretch, but as a prudent business owner, I would look at how you are positioned in the marketplace. Look at your pipeline. Make sure you are able to service your customers. [If you don't have products], people that have products are going to attack. Your customers aren't going to wait."

Among the other topics addressed by Errigo: Konica Minolta's relationship with FUJIFILM Business Innovation (Fuji). "What's going on? Konica Minolta did sign an MOU [memorandum of understanding]," he said, referencing an effort to determine the feasibility of a strategic alliance between the two companies involving MFPs, office printers and production print. "This is slow moving. The agreement between Fuji and Konica Minolta is in four parts."

Errigo highlighted the "procurement of parts and raw materials" part of the agreement. A lot of parts within the industry are still manufactured in China, which is "high risk," he said, noting that Konica Minolta has already moved all of its manufacturing for A3 products to Malaysia (Fuji still does some manufacturing in China). "We're almost out of China at this point, with the exception of parts ... We have to get out of China no matter what. So, the relationship between Fuji and Konica Minolta is now to go out and look for common parts, common materials that they can acquire [through coordinated procurement] outside of what I would call high-risk regions."

Errigo also addressed another of the four parts of the Konica Minolta/Fuji agreement: Toner development. "Fuji has one toner plant, we have two toner plants," he says. "We've

revamped our toner factories. There is, I think, good synergy between the toner components of the two companies ... There is a win-win in here for both companies. We would get better purchasing [power], because Fuji is bigger than Konica Minolta; they buy more parts. So, we'd be able to leverage their buying power. Fuji would have access to Konica Minolta's toner manufacturing with backup and redundancy."

Concluding his comments on the agreement between the two companies, "I can't tell you anything more than that, because there is nothing else to tell," Errigo said. "We'll see where the first phase goes ... We'll see what happens. If there is more information to share, certainly we'll share that on a go-forward basis."

Errigo concluded his presentation by commenting on the partnership between Konica Minolta and its dealers. "I appreciate you," he said. "We're trying to be the best partner in the industry, helping you grow your business, helping you remain profitable and viable. We look forward to helping you in FY 24 and beyond."

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During the summit, Konica Minolta also launched its new Intelligent Information Management (IIM) Dealer Program, an initiative expanding the company's IIM solutions to dealers, furthering its focus on cloud enablement. A company press release states, in part: "Konica Minolta's IIM offering begins with digitizing paper documents from filing cabinets and storage, then minimizing the processes that require paper moving forward. Data and documents are then easily accessible through centralized, online cloud access, increasing efficiency and productivity. The solution transforms information-intensive business workflows by using advanced AI capture software to gather key data, rename files automatically or integrate with line-of-business applications to reduce manual keystrokes." The company's primary partner for the offering is Square 9 Softworks. ■

*Brent Hoskins, executive director of the Business Technology Association, is editor of Office Technology magazine. He can be reached at (816) 303-4040 or [brent@bta.org](mailto:brent@bta.org).*