

## Production Digital Printing in Russia: A Multi-Client Report

### Report Fast Facts

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### Abstract

This study focuses on roll fed and cut sheet high-speed black & white digital printing equipment as well as all color digital equipment that is 60 pages per minute or faster. The study will help your company:

- Estimate and forecast the production digital printing market in Russia
- Understand how the market is currently segmented and how it will likely change
- Understand the trends impacting the market
- Support strategic planning for products and services
- Improve sales and marketing activities in key market segments in Russia
- Understand the purchasing process, buying plans, and preferences in Russia
- Understand customer perceptions, brand preferences, and requirements

This report will help subscribers gain awareness of the specific challenges faced by print service providers in the Russian market. By providing solutions to those problems and service that answers their needs, not only will you be able to generate new business, but you will also establish a solid base of repeat customers.

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**Headquarters:**  
97 Libbey Industrial Parkway  
Suite 300  
Weymouth, MA 02189  
United States  
+1 781 616 2100  
[info@infotrends.com](mailto:info@infotrends.com)

**Europe:**  
3<sup>rd</sup> Floor, Sceptre House  
7-9 Castle Street  
Luton, Bedfordshire  
United Kingdom, LU1 3AJ  
+44 1582 400120  
[euro.info@infotrends.com](mailto:euro.info@infotrends.com)

**Asia:**  
Hiroo Office Building  
1-3-18 Hiroo, Shibuya-ku  
Tokyo 150-0012  
Japan  
+81 3 5475 2663  
[info@infotrends.co.jp](mailto:info@infotrends.co.jp)

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## Introduction

From its overall research for this report, InfoTrends has uncovered a number of findings about the production digital printing market in Russia. For the sake of precision, InfoTrends defines production digital printing equipment as follows:

- Cut sheet color digital printers producing print speeds of at least 60 ppm
- Cut sheet monochrome digital printers with duty cycles of at least 1 million monthly impressions
- All continuous-feed digital printing systems

Color devices that qualify thusly include the Xerox DocuColor 260 through the Xerox DC 5000, Kodak's NexPress or Versamark, and the competing equipment from other vendors. The same wide range is true in monochrome, which includes a number of cut sheet devices producing about 100 ppm, as well as much higher speed roll-fed devices that are primarily used in data centers and similar environments. Note that while our definition includes a high share of equipment that is suitable for graphics printing, it does **not** include wide format inkjet printers.

In estimating the digital print market, the realities of the Russian market dictated that we use two parallel approaches:

- Estimating the production-level digital print market using the parameters as defined above in production environments (printing plants, in-plant print shops and statement operations, and central reprographics departments)
- Estimating the digital print market of the graphic arts environment only, which is mostly a subset of the first estimates but also includes light-production equipment that (strictly speaking) falls underneath the speed and duty cycle requirements set out above

The findings of the study address several basic questions:

- How big is the total printing market in Russia, and how fast is it growing?
- How big is the production digital printing market in Russia, and how fast is it growing?
- What kind of effect will the global economic crisis have on production digital printing?
- What are the top brands of production digital printing equipment in Russia?
- Who are the top distributors, and what is their role?
- What factors have helped various brands? What factors have hurt them?
- What is the role and prospect of production digital printing in the graphic arts environment?
- What is its role and prospect in transaction document printing? In direct mail?

## Methodology

InfoTrends used a mix of research methods to meet the objectives of this report. The primary methods were as follows:

- A structured survey of Russian print providers who have installed production digital printing equipment

- Personal interviews with selected Russian print providers, supplies vendors, and equipment vendors
- Personal interviews with manufacturers and distributors of production digital printing equipment
- Desk research on the size and dynamics of the Russian printing and digital printing industries

InfoTrends designed its survey in May 2008, translated it into Russian, and programmed it into a Web-based format. Beginning in June and lasting through the month of September 2008, this survey was administered by a team of teachers and students of Moscow State University of Printing Arts (MSUPA). The MSUPA team netted the 169 responses by (1) recruiting respondents to a Web-based version of the survey that was hosted by InfoTrends, and (2) conducting in the structured survey with individual respondents by telephone, then inputting the responses into the Web version.

The structured survey contained a total of 65 questions about all aspects of the production digital printing business. The number of questions asked of a respondent varied, depending on his or her answers. The average respondent was asked 40 to 50 questions. By the close of the survey, InfoTrends netted a total of 169 responses from Russian printing operations that operate at least one piece of production digital printing equipment.

Regarding personal interviews, most of these were conducted in Russian by a Russian-American partner of InfoTrends, Mr. Leonid Shakhmundes, the President of Inte Graph, Inc, a consulting firm that focuses on the printing industry in Russia and Eastern Europe. Mr. Shakhmundes has over 20 years of experience as a manager of major printing operations in Russia, and he has more recently been a top consultant to U.S. and other vendors selling to that industry. His interviews in support of this report were with representative print service providers in Russia, and also with the top suppliers and distributors of equipment there. InfoTrends' project team also conducted a few interviews with English-speaking Russians.

Regarding desk research, InfoTrends relied on a number of sources. InfoTrends gained general insight about the Russian digital printing industry from recent research conducted by MSUPA. InfoTrends also relied on insights from The Economist Business unit to describe the current Russian economy. InfoTrends conducted a small number of telephone interviews of its own, in Russia and Europe, with major equipment suppliers and distributors in Russia. Finally, InfoTrends obtained shipment data from several top OEMs about their Russian placements through the first half of 2008, and some estimates of installed bases as well.

All of these research elements contributed to the final report. In addition to tabulating and charting the results of its structured survey, InfoTrends weighed the results of personal interviews and all desk research to form this document's market overview, forecast, and recommendations sections.

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