

## **Pitney Bowes Enters High-Speed Production Printer Market**

**Pete Basiliere**

Developed with HP, the IntelliJet 30 Printing System is Pitney Bowes' entry into the high-speed production printer market. Its success will depend on Pitney Bowes' execution of marketing and sales.

## NEWS ANALYSIS

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### Event

On 10 September 2009, Pitney Bowes announced the availability of the Pitney Bowes IntelliJet 30 Printing System, the first in a new family of production color printing systems for high-volume transactional mailers developed in conjunction with HP.

Based on the HP T300 Color Inkjet Web Press, the IntelliJet prints 30-inch wide paper rolls at 400 feet per minute, or 1,309 8.5-inch by 11-inch sheets per minute, with 1,200 by 600 dots per inch print quality. Inkjet magnetic ink character recognition (MICR) technology is under development. The press will sell for about approximately \$4 million and will have color print costs of “under a penny” per impression. HP will be responsible for sales to the book, newspaper and direct mail markets.

### Analysis

Pitney Bowes is a leading provider of mail inserting systems and software. Its software and hardware enables customers to benefit from Gartner’s Automated Document Factory 2.0 (ADF 2.0) architecture. The T300 press will link to the company’s Production Intelligence suite of document composition and ADF 2.0 workflow tools.

Pitney Bowes will leverage its multinational maintenance organization to service the printers, enabling users with its inserters to benefit from tight integration of printer and inserter support.

The partnership means HP will not have to develop a marketing and sales organization to target the transactional printing market. While Pitney Bowes distributes light production printers in certain regions, until now it has not offered high-speed production printers. In the high-speed production printing market, Pitney Bowes will compete with established providers such as InfoPrint Solutions, Kodak, Océ and Xerox, which have significant installed bases as well as substantial market and mind share.

Pitney Bowes and HP spent two years laying the groundwork for the partnership that developed this printing system. During that time, Pitney Bowes created its marketing plans and began hiring and training sales personnel. Nevertheless, the sale of high-priced digital presses is quite different from mail inserting systems. Pitney Bowes’ success, and by extension HP’s success in the transaction market, will depend in large measure on Pitney Bowes’ ability to execute its marketing and sales programs.

## RECOMMENDATIONS

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- **Technology providers:** Counter Pitney Bowes’ marketing message regarding its end-to-end, integrated solution with a message that emphasizes your large installed base and the expertise derived from that experience, as well as your continuing printer technology developments.
- **Prospective and current Pitney Bowes customers:** Carefully calculate the total cost per page and, equally important, determine whether you have sustainable page volumes to fill the digital press’s capacity.

## RECOMMENDED READING

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- "User Survey Analysis: Production Print Buyers Prefer Digital Printing to Offset Printing" — A Gartner survey of production print buyers finds that offset printing's 50-year dominance has been superseded by digital printing's quality and value for the money.  
**By Pete Basiliere and Sharon McNee**
- "MarketScope for Automated Document Factory 2.0 Software" — Gartner's MarketScope provides insights into the market and ratings of the ADF 2.0 software providers. **By Pete Basiliere and Ken Weilerstein**

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