

Xerox is a global leader in document services. For more information about Xerox solutions, contact your local Xerox representative or call **1-800 ASK XEROX** in the U.S. or Canada. You can also visit us at www.xerox.com.

XEROX[®]

Technology | Document Management | Consulting Services

Case Study

Results
you can
measure.

The Xerox iGen3[®] Digital Production Press presented a business opportunity so compelling that digital printing pioneer John Lacagnina put his early-retirement sailing activities on hold to build a new company around the Xerox press. In its first year, ColorCentric attracted more than 130 customers and built monthly revenue to nearly a \$1 million annual run rate. Management expects to double its revenue annually for the foreseeable future.

“Quality is not an issue with the iGen3[®],” says John Lacagnina, ColorCentric founder. “That’s the final hurdle for full-color digital printing, and this is the first press to clear it. Its excellent color reproducibility is one of the most significant developments Xerox has brought to market.”

An automated shop-floor workflow integrates proprietary Cobra software with the Xerox DocuSP controller, Xerox VIPP[®] variable-information printing software, and other Xerox FreeFlow Digital Workflow Collection software to significantly reduce costs and keep the firm’s ultra-short runs profitable, while ensuring file and data integrity.

ColorCentric enables book publishers to capture incremental revenue that they would otherwise not have had by providing what some believe is the first full-color option that meets their quality and cost targets at short run lengths.

In several applications, ColorCentric is increasing profitability and lowering end-user costs by bypassing several steps in the supply chain to sell directly to consumers and popular retailers and e-tailers.

Digital printing pioneers at **ColorCentric** transform commercial printing and book publishing with the Xerox iGen3[®] Digital Production Press.



ColorCentric Corp.

ColorCentric Corp., founded in 2002 and based in Rochester, N.Y., has grown rapidly into a world-class digital full-color printing organization. Centering the business around Xerox's latest innovative product, the iGen3®, the company has developed unique full-color applications, including variable-data direct-mail pieces, business cards, short-run full-color published books, marketing literature and Web-based custom-print applications.

Web site:
www.colorcentriccorp.com



Contact: Andy Cooney, Director of Business Development, ColorCentric Corp.
585-288-1240, ext 227

The Challenge

1

“Xerox showed me the iGen3®, and I got excited. I saw the tip of the iceberg again, color on demand being where black and white was 10 years ago.”

John Lacagnina, Founder, President and Chief Executive Officer, ColorCentric



John Lacagnina literally pioneered print on demand. In the 1980s, his company, Entire, Inc., developed the first PostScript front-end RIPs for Xerox high-speed mainframe printers. In the early 1990s, he started another company, Electronic Demand Publishing, Inc. (EDP), which specialized in document manufacturing with Xerox DocuTech® for large software and computer companies, such as Microsoft, PeopleSoft and Sybase. In 1997, he sold EDP to Kinko's—and went on to indulge his passion for sailing while watching for new opportunities. The potential he saw in the Xerox iGen3® Digital Production Press for further transforming the businesses of printing and publishing inspired him to dock his ship and pioneer the next phase of print on demand.

The Solution

2

“He’s a visionary. He creates new markets while other people wonder what they’ll be. He takes the newest technology . . . as a tool to solve a problem that others haven’t.”

Frank Romano, Professor, School of Print Media, Rochester Institute of Technology



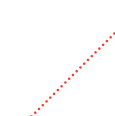
Lacagnina built ColorCentric from scratch beginning in September 2002. His team, including several former EDP employees, targeted two lucrative markets: color book publishing and marketing collaterals. Their strategy: market directly via the Web and through print brokers and partners who sell digital full-color printing to small offset-based businesses. To support this business, they built a PDF workflow integrating billing and financials with print queue management to automate production from the Web to paper and electronic output. The system integrates ColorCentric's proprietary Cobra software and several Xerox FreeFlow™ Digital Workflow Collection modules; e-commerce and e-procurement systems are outsourced from Four51, a leading e-solutions provider. In December 2002, ColorCentric installed a iGen3® with Xerox DocuSP® controller, and they were in business.

The Benefit

3

“I believe in hitting singles, and that’s how we’ve built our business. We prove what we can do, and it usually leads to more work—and to the occasional grand slam.”

John Lacagnina, Founder, President and Chief Executive Officer, ColorCentric



ColorCentric received its first order in January 2003. By the end of the year, the firm had more than 130 customers, generating monthly revenue at just under a \$1 million annual run rate. Nearly two-thirds of the revenue is from marketing communications work; 35 percent is from publishing. Book customers are mostly small-to medium-size publishers of children's and coffee table books who are capturing incremental revenue. The books ColorCentric produces on the iGen3® are the first that deliver the quality and affordability they require, and in short runs. A growing relationship as the exclusive digital full-color books manufacturer for a leading distributor is expected to fuel further book manufacturing growth at ColorCentric.