

[INTRODUCTION]

[0:00:00] DC: Today on The Print Report. Revisiting with Stefano from Meccanotecnica group and what's new in manufacturing of books?

Welcome to The Print Report with Deborah Corn and Pat McGrew, all the print that's fit for news.

[EPISODE]

[0:00:18] DC: Hey, everybody. Welcome to Podcasts From the Printerverse. This is Deborah Corn, your Intergalactic Ambassador. More specifically, we are here with The Print Report, which means I am here with Pat McGrew. Hello, Pat McGrew.

[0:00:31] PM: Hello, Deborah Corn.

[0:00:32] DC: How are you today or should I say buongiorno?

[0:00:36] PM: Oh, buongiorno. I am excellent. I am hoping that our guest, Stefano Formentini is also excellent.

[0:00:44] DC: Hopefully he is excellent. We will get to Stefano in one second. I wanted to mention that founded in 1964, Meccanotecnica Group is the world's largest manufacturer of automatic book sewing machines and lines from offset and digital printing for the industrial production of books. They have one of my favorite taglines, Pat. Book your future with Meccanotecnica.

[0:01:09] PM: It is my favorite as well.

[0:01:11] DC: Stefano, welcome to the program. Again, always lovely to see you. Buongiorno.

[0:01:16] SF: Buongiorno. Thank you. Thank you, Deborah. Thank you, Pat, for having me.

[0:01:22] DC: We want to start off this podcast by speaking to you about your experience at drupa as a whole. Also, what was going on in your fantastic booth.

[0:01:35] SF: Yeah. So, I would say drupa was a very energy-consuming event for us. We were busy all the 11 days in Dusseldorf. Luckily, we are pretty much satisfied with the outcome we had in terms of visitors and new prospects and orders as well. That was the main reason we wanted to attend drupa. We've seen it, meet people, and also try to push and market our new solutions in the portfolio.

[0:02:10] PM: Stefano, at the drupa stand, one of the things that really caught my eye is you had a complete book line there, so you were able to actually show people who came to the stand what it looks like to manufacture these books. But did you find that people who came to the stand, like they already understood the basics of book manufacturing and they're just looking for a new better solution or were you talking to people who were just now investigating getting into book production?

[0:02:41] SF: I would say both the categories of people you've just highlighted because we met several people that were very knowledgeable in terms of book production. They had a clear mind in terms of digital workflow, or at least how a digital workflow must be in order to be efficient and produce books in short-runs, or short-runs, but also we met people who were starting to investigate digital book finishing, because they realized that, I mean, it's about time for them to diversify their production capabilities and let's say start a digital transformation of their company.

In that regard, people were asking different questions compared to the first group of people that were already knowledgeable in digital print finishing. We had both of the categories and were very exciting. We also had people coming from countries where digital printing is far away from being mainstream, such as, for example, Africa. I mean, there are digital presses in Africa as we speak, but still, many of these presses are not producing books. They're used for other kind of applications like brochures, leaflets, labels, but very few are dedicated to book production.

In that regard, the conversation was completely different. I had to personally highlight the potential of investing in digital presses. I mean, digital book finishing to produce books, because it's a completely different market. They can open up new opportunities for them, such as becoming a B2C company instead of relying on B2B contacts with publishers. I mentioned the production of photobooks, for example, or year books in Africa. These two applications only are offering huge margins for our customers in the US, for example, or in Europe. I believe that this could be, let's say, a key point for them to understand that if they invest in digital printing and digital print finishing, they can also open up new opportunities and be, let's say, more profitable in certain segments of the market.

The interest of these kind of people were, what can I produce with your machines? How I can be more profitable in my market? What kind of books do your customer produce? Those were the questions. A wide range of conversations ranging from, I've already said that, but knowledgeable people to people who are wondering, what can I produce with your machines and be profitable?

[0:05:29] DC: I want to just circle back for one minute and just set the terminology that we're speaking about here. We mentioned in the beginning, you describe your company as serving the industrial production of books. Now, when I hear industrial, I'm thinking offset, and I'm thinking like you're printing for Amazon or a big giant publishing company, but you're speaking about digital printing now and digital finishing and that makes me think of something completely different. Can we just define what that is? Why are you focusing on digital printing?

[0:06:09] SF: In 1964, the company started targeting the segment of the market of companies that were producing books industrially. At that time, 100% of the books were printed in offset. But then sooner or later, we noticed that digital was becoming a thing. Now is, I mean, mainstream in Europe and US, and probably 10 or 15 years' time in the US will be, I mean, the dominant. It's a digital printing method. So, when we saw this trend, we started realizing that we had to add to our portfolio. Also, machines that could be able to produce books in digital as well.

Then, since our manufacturing standards were set to the offset environment, we wanted to realize digital finishing equipment that were heavy-duty equipment, that are heavy-duty equipment capable of working 24/7. Even if in a digital environment, our machines, the

positioning, that differentiate them to the others in terms of reliability and being capable of being used 24/7 for an extensive period of time. That's why we keep on using the industrial production term because even if you are producing book of one, our machines could be used all year, free shifts, 24/7 without any problem.

Yes, we have customers that are small companies that maybe have a low production of books. They don't need a machine that produced 24/7, but still, they can use our machines for 20 years, because they are not, let's say, stressing the machine so much. In your question, you helped me highlighting the fact that our manufacturing standard is this one and we don't want to change. I mean, that's one of the things we want to maintain to differentiate ourselves from the others.

[0:08:15] PM: I think Stefano, if I had to encapsulate it because I've had the pleasure of being in your manufacturing plant. The thing that impressed me the first time I came to visit, as well as the last time I came to visit, is that you really are building industrial-strength machines. For me, industrial means that it is capable of that level of robust production day in and day out. So, if you're an organization that has maybe come from offset and you're used to bit genes, the Meccanotecnica equipment feels very familiar, because it's metal. It's not plastic.

The other thing that I love about Meccanotecnica is that you manufacture all the parts. Not only are you designing the equipment, but you're actually manufacturing the equipment and machining the equipment so that it meets your very high standards for tolerances. So, it's not like a piece of equipment where it's assembled from pieces and parts bought from all over the world. That also means that people who buy your equipment, they're relying on you to keep the parts in stock and to be able to keep their machines up and running and you aren't waiting on some other supplier or a boat from Asia to bring parts in and hope that it arrives when your customer needs it.

Being the owner of the entire supply chain to your book finishing equipment to me is such a big part of that industrial book manufacturing story that it provides a level of security to someone who's going to jump. If you're in digital printing, it gives you comfort. If you're going to leap into digital book finishing from an offset understanding of industrial, it just gives you that additional comfort as well. I think that that's another piece of it that speaks to that industrial level.

The other thing though, is that your footprint is brilliant. One of the challenges of any shop, whether you're a giant shop with dozens of book manufacturing lines or you're a digital shop with one line, your equipment is built with an eye towards how much room it's going to take up on the floor and the power pole. So, you've got a great sustainability story as well. I think that's harder for those that are coming from offset to understand is that there's an opportunity to actually reduce the cost and the footprint involved in getting those books from print out the door, which is pretty cool.

[0:10:59] SF: Yeah. You're perfectly right. Thank you for a light in this aspect, Pat. Yes, one of the things that many, many visitors of drupa highlighted was the footprint of the line and the fact that we managed to keep things very, very compact. I mean, from a complex line, like the one we showed at drupa, it was a line, I believe, and correct me if I'm wrong, but I believe it was the only line at drupa that could produce books in short-runs with two binding methods.

Smite sewing and perfect binding, and in two finishing methods, books ready for their cover application and books finished with a soft cover. Everything was done in such a compact footprint. That was very useful to show. Many customers noticed that. We were successful, because there would be lines exactly, like the one we showed at drupa installed in autumn, this year. That's another signal of the market that we, I mean, we nailed it.

[0:12:05] PM: I think you did. I really do think you did. I think that one of the things that still confuses people is maybe terminology and we just get so used to it that we forget that not everybody is in our heads.

[MESSAGE]

[0:12:18] DC: Are you looking to elevate your game, take your bottom line, customer relationships, and events to the next level? Then I want to work with you. I'm Deborah Corn, the Intergalactic Ambassador to the Printerverse. I engage with a vast global audience of print and marketing professionals across all stages of their careers. They are seeking topical information and resources, new ways to serve their customers and connect with them, optimized processes for their communications and operations, and they need the products and services and partnership you offer to get to their next level.

Print Media Centr offers an array of unique opportunities that amplify your message and support your mission across the Printerverse. Let's work together, bring the right people together and move the industry forward together. Link in the show notes. Engage long and prosper.

[INTERVIEW CONTINUED]

[0:13:20] PM: In the traditional book manufacturing world. People would print on giant offset presses, then they would cut the sheets down, if it wasn't a sheet press or they would assemble. Then those pages would have to get assembled into the book folios. Then the books would go into a finishing line that would fold them, and crease them into folios, and would sew them, and then bring them all together.

When we talk about digital lines, one of the big changes in digital production was that now we're actually printing the book in page order, right? On presses that can print duplex, so the books are pre-imposed in the software ahead of time. They're assembled in the software. They're sent to the press, the press prints it, and now your digital finishing lines, your digital book manufacturing lines, now know how to read where a book begins, where a folio begins and how to assemble it into that book and get it sewn correctly or get it bound correctly and into the soft cover or hard cover rest of the line.

So, for those of you who haven't actually stood and watched book finishing lines, that drupa line was brilliant. If you get a chance to look at any of the video that we shot in this stand, it's just a fascinating process to watch a roll come in on one end and a book come out finished on the other end and nobody did anything. It was like the guys who built the press or the manufacturing line did a lot and the engineers did a lot, but it opens up the opportunity for people who realize that book manufacturing can be a labor-intensive of task if you don't move into a digital world.

I think it allows you to touch a lot of things. It's a more sustainable way of book manufacturing. It's a more efficient way of book manufacturing. It's less labor intensive. That stand to me, you're right. It's the only line I saw anywhere that was capable of producing both hardcover and soft cover from a single line. If you're in the book manufacturing business, you never know what your customers are going to order. You don't know if they're going to – even in yearbooks, right? I know you do a lot of yearbooks with your equipment. Today, it's just as likely that a smaller

school might ask for a soft cover yearbook as a sewn hardcover yearbook, right? You've got all of those options and that just really tickles me.

[0:15:57] SF: Yeah. You're right. Also, we managed to automate the line by designing, let's say a digital workflow that was driven by XML file. It was difficult to notice a drupa, because we had many visitors in our booth filling up all the spaces. But if we didn't have visitors, you just have noticed one operator refilling the soft cover or refilling the end sheets and downloading the finished books from the trimmer, and maybe one supervisor looking at the production cell and make sure that everything was in order.

That is something that you could have seen, but thanks for the many visitors, it was not so easy to understand, but every machine knew exactly what to do by just reading a barcode and retrieving an XML file that contained all the information that were automatically added in pre-press. Really, it makes a lot of sense. Also, in terms of ROI, the line is really, really efficient and effective. That was what was noticed by customers who decided to invest in that exactly line at drupa.

[0:17:11] PM: There's another group of potential book manufacturers that I'm seeing come online that are people who maybe came from direct mail or transaction. They're serving like big financial houses, organizations that have maybe traditionally done a lot of training materials or annual reports and things like that. Maybe they've gone to specialist companies to get that done, but as the people who've been serving their transaction and direct mail needs have started looking around to expand their businesses, being able to take that kind of work on isn't too hard for them from a workflow perspective.

They already know how to impose things. They already know how to drive things with barcodes. So, for anybody who's listening, who has the potential of maybe adding the binding of financial reports, the binding of pitch books, the binding of all that administrative book-length communication in your shop. You could do it with the Meccanotecnica equipment because the footprint is great. The ease of operator training and operator execution in book manufacturing, it's there. Stefano, am I wrong to say that you don't have to run this equipment 24 hours a day, seven days a week to get an ROI on it?

[0:18:32] SF: You're right, because I mean in digital, it depends on the application we're producing that if a printer is in B2C market, for example, producing a book allows the printer to have bigger margins that they're usually accustomed to by having to relate with the publishers and being touched with publishers, because the volume is different. The chain, I mean, the relationship chain is different.

The buying chain is different because the publishers have to sell then to the distributors and to their book shops, but when you do – when you are in B2C business, you are selling to the end user, so you retain more margins. Even if you don't use the line 24/7, you are still capable of justifying the investment and having an ROI that is short enough to be sustainable.

[0:19:27] PM: For everybody who's really excited about what they're hearing, I think we should explain that you operate under two different names and that could be a little bit confusing for someone who doesn't know the story. I know you as Meccanotecnica. I've known you as Meccanotecnica forever, but you also have an American company that it's Meccanotecnica. It's part of Meccanotecnica Group, but it's called Book Automation.

A lot of people in the North American market actually know Book Automation very well because you've been such a standard fixture in the offset book finishing market for so many years with the Aster products, which I think is the brand name that people know. So, one of the things we should remind everyone of is that from a brand perspective, if you are a book automation customer, everything that Stefano is talking about is in their wheelhouse.

This is – you can buy these same solutions, because the new products, the new product lines, including my favorite new one, the new Sirio's line for a perfect binding. This is also Book Automation, a part of Meccanotecnica Group, so all of these solutions are available there. If people want to learn more about the stories that you tell in North America, bookautomation.com is the place to go for that, but in the end, the case studies that are available on both the Meccanotecnica site and the Book Automation site, it's in the same funnel.

You have some great stories, Bible binding, religious book binding, yearbook binding, commercial – trade publishing binding. Anything anyone can think of that they might need to

bind and might be looking to bring that in-house instead of partnering with a trade bindery, there are people who can help in the US as well as all over the world.

[0:21:25] SF: You're correct. We have many stories that we collected by interviewing and meeting our customers. Then you are also right that can be confusing to some extent that the factory in Italy, the manufacturing unit is called Meccanotecnica, and our company in the US who sells our machines and service our machines, most importantly, is called Book Automation. This is something that was related to the past because, Meccanotecnica was founded in 1964 as we already said that, but Book Automation was founded in 1975.

Next year is going to be the 50th anniversary of the company. It goes a long way back, the decision of naming the company Book Automation. Now, that is well known in the market, at least among those customers who are producing – books and uses our machines. We have more than 300 installations in North America only. Many customers, many companies have an open relation and they are constantly in daily contact with our organization. This is something we must live with. Having a different name. But it's important to highlight. It's important to highlight that Book Automation and Meccanotecnica are part of the same group of companies.

[0:22:50] DC: I get emails from Book Automation all the time.

[0:22:52] PM: All the time. Did you? Because I can remember the first time you got one and you weren't sure what Book Automation was.

[0:22:58] DC: There was just a little Meccanotecnica logo all the way on the bottom, underneath it. I was like, “What's going on here?” I'm glad that we actually covered that. I just want to also mention that you have worldwide branch offices and you have a global network of representatives for distribution. I'm putting those links in the show notes so everybody can find you. Pat.

[MESSAGE]

[0:23:19] DC: If what you're doing isn't helping you grow, let McGrew Group help you fix that. Better sales talk tracks, more compelling print samples, and winning work flow strategies can be

yours. With decades of experience and transaction, direct mail, and commercial print, as well as years marketing expertise, we can help with business and production strategies, CCM advice, and develop your content. McGrew Group is ready to help you grow, expand, optimize, and thrive. Drop us a note on LinkedIn or at our website, mcgrewgroup.com.

[INTERVIEW CONTINUED]

[0:23:55] PM: I think the other thing to remind people of Stefano is that if you are a current customer of Book Automation and you're running the Aster equipment and of course we know you probably love it. It is robust equipment. It's still probably worth having a chat with your US team about what the possibilities are of adding digital solutions to your lines are.

It always amazes me that, when I talk to people who are in that offset print finishing business, that they think it's going to be hard to make that digital transformation. They keep saying, "Well, we're going to look at that as next year's strategy." Then you just ask them next year and next year they say, "We're going to look at it next year." Because they've convinced themselves that moving into digital book manufacturing is somehow going to be either bad for the other part of their business and it's probably not going to be, but they don't recognize it. It could be net new revenue to them if they set up the business correctly.

[0:24:56] SF: You are correct. I mean, by delaying the decision, they are missing a huge opportunity. This is very important, but second of all, entering a digital environment, digital printing environment and producing books in digital, I wouldn't say it's hard or it's difficult. I mean, the most important thing is that you have to adopt a completely different business model, because it's completely different than offset, but it's not more difficult than offset. To some extent, I would say it's easier. Of course, there are challenges. There are things that needs to be automated and it's not something that you can do in a short time, but there are experts.

I mean, one of the things that seems difficult is in position, the creation of the barcodes and the automation of the digital workflow, but also in that regard, we can help. We have a structure and best practices document that can help the customer make the right decision. Then there are experts like you, Pat, that can help the company really make the right decision and really speed up the creation of an automated digital workflow. Nothing is really easy, but nothing is

impossible. You just need to embrace the opportunity and the new technology and go for it. Otherwise, you are missing huge opportunities.

[0:26:19] DC: To that point, Stefano, as a print customer from advertising agencies for more than 25 years, I always remembered the first person that told me something. The first person that offered me a new opportunity. So, to your point, putting off embracing something that could offer new opportunities to your customers means that you will be circling back behind five other people who have already started this journey. No offense to those people, but I'm going to want to work with the people who have been testing it, and using it, and have a system going. I don't want to be a beta tester with my work, with somebody who's just starting.

This is not something new, but we are certainly in what I'm referring to as the event horizon moment for the printing industry, right? We either all have to agree that we have to move forward in this automation, robotic, AI space with less human touches, more getting things out, focused on sustainability in an energy way, not just a resources way of materials and things like that or you can do what you're doing and ride it out, but there will be a finite end to that at some point.

I'm not saying it's tomorrow. It could be 20 years from now, but if you're a family-owned business like many printers are, where are you actually creating the future for your business which was actually the theme of drupa. We create the future. Along those lines, maybe make a comment on the future of the industry in that sense. Pat, to you as well.

[0:28:12] PM: Yeah. So, let me jump in for one second, Stefano. A few of the case studies that you were able to bring to drupa highlighted startup companies. The company there was the – I don't know if I'm allowed to mention them, but there's people doing yearbooks. So, this is a company that didn't even exist five years ago. Guys sitting to get his master's degree is looking around. He writes his master's thesis on this idea of how to create a digital production facility. You guys are the manufacturing engine that he came to and built his business on.

If you were one of the traditional yearbook publishers who didn't think you needed to worry about getting digital anytime soon and you take a look at this case study, you might have a different opinion, because what he's been able to do is democratize the production of yearbooks

by putting all the power in the school's hands, in the students' hands to create and monetize their yearbooks, so he created a whole new business model for something that we thought was kind of a dead and dying business, yearbooks, right? Those are the things that happen when you start looking at the power of a digital transformation, but it might be a startup that comes up and bites you on the tail.

[0:29:37] SF: Exactly.

[0:29:38] PM: It might not be one of your existing competitors. It might be somebody you never heard of.

[0:29:43] SF: Yeah. They didn't even want to enter the printing business or the binding business. They were looking for partners to do the production, to do the printing and binding, but they didn't find anybody, anyone who were capable to produce the books they wanted with the level of quality or standard they wanted, so they decided to do it by themselves. That was really, I mean, mind-blowing in my opinion, because that didn't happen 50 years ago, that happened yesterday. Basically speaking. It's important –

[0:30:18] PM: That they went from zero to a massive amount of production. They're pushing through their plant.

[0:30:23] SF: It's a growing company as we speak. They keep on investing, growing, and they didn't have – I mean, they are not able to produce 100% of their orders, so they externalize the production. They keep on certain amount for them, for themselves, but since they are really growing fast, they cannot grow as fast as they order intake, so they externalize on some of the production. The idea was a winning idea.

[0:30:53] PM: But they weren't burdened by, this is the way we do things around here.

[0:30:57] SF: Exactly.

[0:30:58] DC: They had a chance to invent the way that they wanted to do things. By the way, I'm very disappointed that they couldn't find a printing partner. But I think that that is something that people should hear.

[0:31:10] PM: Deb, I think they could have found – their challenge was they were promising a certain level of turnaround and nobody wanted to commit to that turnaround.

[0:31:19] DC: Okay, that makes sense in the sense that, so if they took it on, if they needed to work 24 hours a day, then that's what they were going to do as supposed to putting somebody else in that situation.

[0:31:29] PM: Yeah.

[0:31:30] DC: However, they still had the freedom to make decisions about efficiency, quality, speed to market, energies, costs, all of that without being burdened by this is –

[0:31:45] PM: That's absolutely true.

[0:31:47] DC: We do things around here or I have to find something that fits this thing because I can't replace this thing at the moment, right? So, there's some of that in that too.

[MESSAGE]

[0:32:00] DC: Like what you hear? Leave us a comment. Click a few stars. Share this episode, and please subscribe to the show.

Are you interested in being a guest and sharing your information with our active and growing global audience? Podcasts are trending as a potent direct marketing and educational channel for brands and businesses who want to provide portable content for customers and consumers. Visit printmediacentr.com, click on podcasts, and request a partner package today. Share long and prosper.

[INTERVIEW CONTINUED]

[0:32:33] DC: We're going to wrap up this podcast. Stefano, going back to we create the future. What are you taking away from drupa as far as – I know it was just a month or so ago, so I'm not going to lock you into your future plans for new equipment or things like that, but in that sense, are there directions that you feel that the book finishing segment will be moving towards further?

[0:33:04] SF: Yeah. The insight we had that confirms our idea and our strategy for the future is that people are looking for more automation, and especially in digital, of course, but also in offset. But our strategy is focused on adding new equipment for digital print finishing, digital book finishing. I'm going to talk about that. Yes, if people want more automation, more digital workflows, less people on the production floor, not because they just want to get rid of people, but because they cannot find people that accept to work in a production environment. Because maybe they can find people that those are, let's say, willing to work for a few months, and then change completely, take a different direction in their lives.

More automation, machines that are very, very easy to be used. A low footprint or an acceptable footprint, being able to produce all kinds of finishing or, let's say, smite sewing, perfect binding in one line to hardcover preparation or softcover finishing and do the casing in. So, we had, let's say, a confirmation of that the strategy we are on as a company, it's the correct one. Of course, we had conversations with customers and prospects that the machines we want to add in our portfolio in the following years. There's another one coming in 2025 are the machines that the market needs to improve and to make a step forward in terms of productivity and efficiency.

[0:34:45] PM: Stefano, I think that this has been a really great tour of your experience and what people can actually do to help grow their businesses using digital book manufacturing technology. Don't forget that Meccanotecnica also supplies that offset production market as well. You'll still happily sell an Aster to someone without any problem at all, right, so you can meet everybody's needs. We want to thank you so much for taking the time to share your thoughts. drupa was a big show. It's going to have a long tail.

I think there's going to be a lot of insights. We'll continue to derive as we move through the rest of the year as people have a chance to go home and think about what they saw and what they

experienced. We're looking forward to talking to you again after the next series of shows and see what new learnings you have to take away from it. We can't wait to see the new insights and the new equipment that Meccanotecnica brings to the market.

[0:35:41] SF: I would love to. Thank you.

[0:35:42] DC: Thank you so much for joining us today. Everybody to book your future with Meccanotecnica, I put all the links you need in the show notes. Until next time, finish long and prosper.

[END OF EPISODE]

[0:35:55] DC: Thanks for listening to Podcasts From the Printerverse. Please subscribe, click some stars, and leave us a review. Connect with us through printmediacentr.com. We'd love to hear your feedback on our shows and topics that are of interest for future broadcasts. Until next time, thanks for joining us. Print long and prosper.

[END]

Mentioned in This Episode:

Stefano Formentini: <https://www.linkedin.com/in/stefanoformentini/>

Meccanotecnica: <https://www.meccanotecnicagroup.com/>

Book Automation (US & Canada): <https://bookautomation.com/>

Global Sales Network: <https://www.meccanotecnicagroup.com/meccatec/en/sales-network/>

Case Studies and Product Videos: <https://www.meccanotecnicagroup.com/meccatec/en/video/>

Assessment E-Book: <https://s.assessmentinabox.com/s/bookautomation>

drupa: <https://www.drupa.com/>

Pat McGrew: <https://www.linkedin.com/in/patmcgrew/>

McGrewGroup: <https://www.mcgrewgroup.com>

Deborah Corn: <https://www.linkedin.com/in/deborahcorn/>

Print Media Centr: <https://printmediacentr.com>

Partner with Print Media Centr: <https://printmediacentr.com/partnerships/>

The Print Report: drupa Part 2 — Book Your Future with
Stefano Formentini, Meccanotecina

Transcript

Subscribe to News From The Printerverse: <https://printmediacentr.com/subscribe-2>

Project Peacock: <https://ProjectPeacock.TV>

Girls Who Print: <https://girlswhoprint.net>