



Key Equipment Finance
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FINANCING PROVIDED FOR

Kodak

Equipment



Customer Success Story

DECKERS SNOECK

In the print industry, equipment leasing is becoming an increasingly attractive means of managing required technology.

Benefits of Leasing

- Tailored financial solutions
- Improved balance sheet management
- Improved cash flow
- Various tax advantages
- Flexible end-of-lease-term options
- Enhanced asset management
- Easy equipment upgrades

Leasing Drives Growth at One of Belgium's Leading Print Companies

The print industry today is fiercely competitive and becoming ever more so. Well-established in the United States, it is now ramping up for significant growth in Europe also.

Most printing companies today depend on the latest technology solutions to enhance workflow and reduce costs as a means of developing a competitive edge. In the print industry, equipment leasing is becoming an increasingly attractive means of managing required technology. Not only does it enable businesses to acquire start-of-the-art systems without straining capital resources, it also delivers many other business benefits.

Such benefits proved to be essential for Deckers Druk, one of Belgium's foremost commercial print companies, which was in the process of upgrading its printing equipment systems. Key Equipment Finance (KEF) worked with Kodak's Graphic Communications Group to structure an equipment finance deal for Deckers Druk, which maximised the many benefits of leasing. This case study focuses on why Deckers Druk opted for Key Equipment Finance's Key 2.0 product and the benefits the company has achieved since implementing it.

Building on Success

Deckers Druk owns an industrial print shop, complete with modern sheet-fed presses with capacity to work in up to ten colours, in addition to extensive departments for pre-press and finishing work. It has expanded rapidly in recent years. Current revenues are around €25 million and the company recently moved its 122 employees to larger premises near Antwerp.

To maintain its dynamic growth, the company relies upon the production of high-quality finished products and the continuous supply of consumables into its print shop. Since the relationship began, Kodak has built trust with Deckers Druk by showing that it had the products, solutions and technical expertise to meet the Belgian printer's business objectives. Kodak has been supplying cutting-edge platesetters such as the industry leading KODAK MAGNUS 800 Platesetter range to Deckers Druk for around four years now. These products are fully automated and have enabled Deckers Druk to boost efficiency and productivity as well as supporting a flexible computer-to-plate (CTP) workflow.



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Over time Deckers Druk realised that it needed a more flexible way of financing the acquisition both of hardware items such as platesetters, and consumables like the aluminium plates needed for printing.

KEF/Kodak Relationship Offers a Broad Range of Benefits for Clients

To meet its client's requirements, Kodak worked with Key Equipment Finance to create a new customised solution, known as Key 2.0 which is a pay-per-use equipment financing product.

In effect, Deckers Druk's monthly equipment lease payment is based not only on the basic equipment lease amount, but also on the actual use of consumables or media (principally the aluminium plates). Through the use of these plates, Deckers Druk effectively pays for the acquisition of other equipment and services from Kodak, as a surcharge on top of the basic consumables fee.

The Key 2.0 product enabled Deckers Druk to maximise the per hour production rate without incurring significant upfront capital expenditure. The Key 2.0 product supports this rate, critical to the pre-press process whereby consumables are also continuously supplied by Kodak, enabling Deckers Druk to maximise efficiency.

Putting the Transaction Together

For Deckers Druk, one of the great benefits of Key 2.0 is its customised structure that leverages the combined expertise of Kodak and Key Equipment Finance.

The latter has played a vital role in providing consultancy on Deckers Druk's financial and business strategy and in working with Kodak to communicate the benefits of the Key 2.0 package to Deckers Druk. The Belgian company also valued the efficiency of having a single point of contact, the main Kodak account manager, Mark Huisman, for all questions and queries it had on the transaction.

From Deckers Druk's perspective, the benefits of the finance transaction include the ability to have visibility of and control over

budgets. By implementing Key 2.0, Deckers Druk has been able to attribute a specific value to the cost of creating imaged plates. This has eliminated hidden costs and helped recapture lost revenue.

Additionally, the Belgian company has been able to better project its Total Cost of Ownership (TCO) based on the projected usage of consumables. As a result, it has monitored and controlled its operating expenses carefully and maximised efficiencies.

Deckers Druk was also impressed by the ability of the partners to consistently maintain its "state-of-the-art" equipment as the company's needs changed through technology refresh programs, principally to replace KODAK LOTEM 800 Platesetters with the latest state-of-the-art MAGNUS 800 Platesetter solutions and add-on programs to enhance the workflow of these systems and the performance of the MAGNUS 800 Platesetter in particular. Since the Key 2.0 lease contract was signed, Deckers Druk has utilised the technology refresh option on a total of three occasions. The structure of the Key 2.0 product has also enabled Kodak and Key Equipment Finance to strengthen their knowledge of Deckers Druk. This knowledge allows Kodak and Key Equipment Finance to quickly anticipate changes in Deckers Druk's business.

“We had considered leasing before, but we were uncertain of what it might involve. What impressed us most about the proposal from Key Equipment Finance and Kodak was the flexibility it provided.”

Joris Deckers
Chief Executive of Deckers Druk

According to Joris Deckers, "We are more than satisfied with our agreement with Kodak and KEF. Not only does the Key 2.0 program give us complete control of our prepress business process, it also provides us with competitive edge that enables us to produce print pieces whose quality is second to none in the industry."

A Strong Alliance

A key factor in the success of the Deckers Druk relationship has been the strength of the alliance between Kodak and Key Equipment Finance. For Kodak, establishing a vendor relationship with Key Equipment Finance represented an excellent way to expand the range of services and support that it offers its clients.

According to Ingmar Hermans, sales operations director, Kodak Graphic Communications Group EAMER, "Working with Key Equipment Finance to support the Deckers Druk relationship has enabled us to put together a flexible solution that supports the needs of our customers in a very unique way," he added.

For more information visit www.KEFonline.eu