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WHAT'S INSIDE?

**When the
roll dictates
the rules**

MEETING LEADERS

**ATP Color: The
“multinational in
a nutshell”**



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For over ten years, ATPColor has been one of the most visionary and innovative companies in Italy in textile printing for graphic art. And yet, it virtually only sells abroad

The “multinational in a nutshell” competing with the soft signage giants

by Elena Panciera // elena@densitymedia.com

There are companies on the market with cut-throat and aggressive sales and marketing policies, all jockeying for position; ones which flex their corporate muscles through large-scale marketing campaigns and impressively large stands at trade fairs. Companies that “make a lot of noise”. And then there are companies that choose to communicate quietly, relying on the quality of their products and word of mouth by their customers. ATPColor belongs to this second category and has turned understatement into its *raison d'être*. The company headquarters is a place that symbolises industrial archaeology; an old, partially converted kiln in the production centre in the Italian city of Senago. On the outside, it appears rather grey, compounded by the rainy day at the end of November. Once you get inside though, you are greeted by a riot of colour because, after all, ATPColor produces digital printers for soft signage. Saying that the colours printed on fabric with their machines are bright is something of an understatement.





Interview

with Roberto Martellono

Head of product development at ATPColor

“Being passionate about your work is essential: if you don’t have passion, there is bound to be someone who does and that person will be better than you”

A chemist on load to soft signage. What is your background?

I studied chemistry almost by default: my father and brother were chemists and when I was thirteen, it seemed almost an inevitable choice. Then I studied economics, and after various life and work experiences, I ended up in the graphic arts sector, followed by traditional textile printing and finally, soft signage. At this point, what started out as an almost casual choice turned into a passion. And I realised that loving your work is fundamental if you want to make a difference. Because, first and foremost, work is not a chore. Secondly, because if you aren’t passionate about what you do, sooner or later you will find yourself face to face with somebody who does and that person will undoubtedly and inevitably be better than you. Of course, now even chemistry, which I had all but abandoned, has proved its usefulness and comes in handy when I am discussing issues with the ink producers.

Where does your (hyper)specialisation in soft signage come from for which there was no inkling in the past?

It happened partly by chance, partly by exclusion and partly by need. From being just digital print machine distributors, we turned into integrators by improving some of the weak points of existing printers (which were consequently hard to sell). But, at the same time, we did not want to get into the traditional textile sector where there was too much competition. Also, the gap was too wide between low-cost analogue printers (and low margins) and digital systems constantly playing catch-up with them and stifled by the imbalance in technology. We may have limited the growth of the company, but we have made a conscious choice, one of quality of life. Of course, this year the results have been very good, even compared to previous years. The market is growing and we are growing with it. In soft signage, we glimpsed a sector with great potential at a time when nobody really believed in it. Now we are reaping the rewards of our work and the experience we have built up.

Why is soft signage so widespread in Northern Europe while in Italy it struggles to gain a foothold?

It is a mistake to boil everything down to a mere question of price, as often happens. It is true that printing on polyester is more expensive than printing on PVC. But I think the reasons go deeper. As provocative as it may sound, maybe in Northern Europe they have a different concept of beauty than we do: you can see this, for example, in architecture. It is important to remember that fabric is the only material that we allow to touch our body. In soft signage, fabric also communicates with our brain in a unique way. And so, a photograph printed on fabric gives a more realistic, vivid, natural and beautiful - yes beautiful - feeling than the flat surface of vinyl printed with different chemicals. Another reason for this “poor performance” of soft signage in Italy, in my opinion, is that agencies tend not to offer it. Italian printers, unlike those in Northern Europe, are on average small and rarely have direct contact with the end customer, so they almost always slip through their net. So, if the agency does not offer fabric, which is more expensive than plastic materials, customers will never know there is an alternative to PVC. An eco-friendly one, too. And much more attractive.

Where it all started: with a little bit of history and a little bit of chemistry

ATP, “adenosine triphosphate” to be more precise, is an extremely important chemical substance. Put simply, it is the “fuel” from which the muscles draw energy in order to move and work.

Founded in 2003 with the aim of “releasing energy into the world of digital printing”, ATPColor takes its name from this particular molecule. Its history, however, has not been straightforward and (as often happens) the present-day company is very different from the original one.

Let’s take a step back in time. In 2000, at the drupa trade fair, ColorSpan, a manufacturer of digital printers purchased by HP in 2008, launched FabriJet, one of the first wide format textile printers. At the time, Roberto Martellono was working for a ColorSpan distributor. To improve the performance of the FabriJet printers, he

came up with the idea of modifying them by inserting a screen-printed mat. To make it, he asked for help from a historic Bergamo-based manufacturer of machines for traditional textile printing. The first models were modified in an almost artisan way and sold successfully.

On the strength of this experience, Martellono became interested in the more technical and scientific aspects of digital printing, and realised that the textile market was a complex and fascinating world. A market where, however, inkjet printers made little headway for a variety of reasons (financial, logistical and above all, technological).

In 2003, ATPColor was founded, initially as a simple distributor of hardware technology produced by third-party companies. One of the most productive and enduring partnerships of the company with a leading plotter manufacturer for visual communication dates back to this period. Before long, the Senago-based company started engineering some of

their models specifically for the textile market. It became their OEM and the modified plotters were distributed worldwide by the same multinational company. Then, in September 2008, the partnership was dissolved when the partner announced that it wanted to produce its own textile machine. A year later, ATPColor produced its first digital textile printer which debuted in a market, still very much in its fledging stage, and very different to the one we know today, although it was already very promising. Soon, however, the Lombardy-based company decided to abandon the tradition textile sector and specialise in the production of machinery for soft signage. The latter was virtually a virgin industry in which Italian companies that were part of it could be counted on the fingers of one hand.

ATPColor immediately became an international reference point (it exports 95% of what it manufactures) and contributed towards shaping and defining the confines of a rapidly expanding sector. Most



of the major operators in this market dealt with the Senago offices: at a certain point, one of their OEMs made a purchase offer which was not, however, successful. A second multinational company also entered into negotiations to acquire the business, but on the condition of moving production to another continent: a choice that ATPColor, which considers the quality of life and respect for its employees to be of the utmost importance, was not willing to consider.

The philosophy of understatement with a focus on people

Fifteen: this is how many people work in ATPColor. They are an important asset for this “multinational in a nutshell”, as Roberto Martellono defines it, paraphrasing Shakespeare. The most important asset, to be precise. For this reason, growth is considered positive only if it is sustainable. In ATPColor, slowing down and even stopping if necessary, saying no and not “trumpeting” its presence to the market are sacrosanct values within the company. How to build relationships with customers based on mutual trust and on the declared intention not to make intensive use of resources, whatever they may be. Sacrifices have had to be made, often significant ones, in order to maintain these liberties. ATPColor has chosen to retain its independence. To limit its size and re-

main “sustainable”. To give up a share of its margin and delegate the direct relationship with the end customer, relying on a network of dealers. To outsource the production of machine components, given its access to one of the most vibrant manufacturing areas in Europe, namely the Po valley area, but relinquishing direct control of parts of the supply chain, managed by long-standing partners with shared values. These are sometimes difficult choices, which often imply giving up a part of potential earnings, but which positively affect the quality of life of the people working in ATPColor. Working through dealers, without interacting directly with end customers, requires a very high level of competence, but it is still possible to create long-lasting and mature relationships with them, speak the same language, and also minimise risks and responsibility. ATPColor trains all its dealers in-house; they must be able to dismantle and reassemble a printer from scratch, and independently manage the first and second level customer support (in the event of serious problems, the internal technicians take over). This management method has allowed ATPColor to remain, in a certain sense, “concealed” within the market, while still occupying a leading position from a technological point of view. As with sales, communication is largely left to the dealers. After all, there is no need for an aggressive communication policy because word of mouth alone - obviously positive - of

ATPColor: unique chemistry and technology

We have seen that the Senago-based company has chemistry in its name. And chemistry is a very important part of the solution that ATPColor proposes, which in fact, includes a unique ink formula. Early on, the technicians discarded the idea of using UV inks on textile supports, because they were not eco-friendly enough and had an unpleasant smell (which went against the company’s idea of “beautiful”). After various experiments, they came up with a water-based blend that mixes sublimation and disperse inks, exploiting the strengths of both, by combining them with another “exclusive” element: the integrated calender. Sublimation ink on its own, which “explodes” when it passes from a solid to a gaseous state (with no liquid state in between), does not offer the much sought-after precision. Disperse ink, on the other hand, offers excellent resistance to atmospheric agents and light fastness, but a lot of energy is required to fix it. So, the two have been mixed and a calender has been integrated, which has greater enthalpy than the oven, meaning it can transfer a greater amount of heat, thanks to direct contact with the material.

loyal customers is enough. It goes without saying that the loyalty rate is very high: once one ATPColor machine has been purchased, it is likely that a second (and maybe even a third one) will be bought too.

A business model rewarded by results

ATPColor's special and "sustainable" business model is based on solid technological skills, a shared vision and corporate values, plus a basic strategic concept: soft signage must be easy. "In the graphic arts sector - unlike other sectors, such as textiles or leather - there is not a widespread application culture. Even the market demands are lower: for example, the need for colour precision in the textile sector cannot be compared to that required in visual communication," explains Martellono. "On the other hand, there are profit margins to be had that are unthinkable in the traditional textile market. The market, however, is still small. So, we need to provide machines and solutions that are simple, lin-

ear and reliable, requiring little intervention by the operator". A winning strategy judging by ATPColor's figures: sixty machines produced on average per year and a 20% increase in the revenue forecast for 2016 compared to the previous year. An increase of such significant proportions can be explained by observing the entire soft signage sector which reflects it. Even the "sales geography" of ATPColor speaks volumes. It has evolved compared to a few years ago, when sales were concentrated in Northern Europe, Spain and Scandinavia (where over 300 machines of the Lombardy-based company are installed). The most buoyant markets are now in the USA, Australia and New Zealand, South Africa and Turkey; even the continental European market is growing. A sign of an increasingly mature market, more sensitive to themes such as beauty - in line with Martellono's theory - and environmental sustainability (polyester soft signage is completely recyclable). ATPColor can support its customers because it knows it has all the tools required to grow with them.



R&D: speed is essential for survival

Research is ongoing in ATPColor. In most cases, the company responds to specific requests and feedback from customers, reported by dealers. Thanks to a streamlined decision-making chain, if a suggestion or a proposal is deemed interesting and achievable, the three technicians immediately get to work to develop it. This speed is, and must be, the strength of a small company that includes EFI VUTEK and Durst among its main competitors. "We are the mosquito that disturb the giants' slumber. If we are fast enough, we

survive. And sometimes, we even win", is the effective metaphor used by Martellono. The modifications are designed not only to adapt to all printers, but also so they can be installed as an update on all previous models. This extreme intellectual and professional honesty by ATPColor, which does not force customers into buy a new machine to access new technology, consequently also becomes a powerful tool for building loyalty.