

The SeyboldSM REPORT

Print '05: A Closer Look Can an Upstart Compete with the Likes of EFI?

BY STEPHEN BEALS

EFI's Fiery controllers dominate the industry, but Erich Krauss and Jason Bletz are betting that their upstart company, LANgrafix, can make a dent in the market with a cheaper, faster, more full-featured controller. LANgrafix is releasing its own controllers and had two models on display in a small booth at Print '05 in Chicago.

LANgrafix, based in the Chicago area, has been repairing Fiery RIPs since 1997 and became a Fiery-Direct distributor in 1998. "We're the last Fiery-Direct organization left," Krauss said. Krauss said he has been keeping EFI posted about the company's new direction and so far has maintained amicable relations. "We'd like to remain in the Fiery-Direct program, and so far Fiery has actually been working with us," he said.

LANgrafix leveraged its years of experience repairing Fiery devices to gain insight into what makes a good RIP controller and what causes a good controller to go bad in the field. LANgrafix thinks it has come up with a system that will be more durable and faster for a significantly lower price. The company has also built in scanner controller features and software so it can turn the copiers they control into high-speed document capture devices. LANgrafix's controllers come with document feeder controllers and OCR (optical character recognition) software.

"We have simulated the capabilities of a \$12,000 Bowe Bell and Howell batch scanner," said Krause. "Most copier document feeders available today are pretty good, and as long as the IPU can access the document feeder, our unit can control it. We even have a font downloader, so the J-BEK can recognize the fonts and replace the scanned images with the correct fonts, keeping bold bold and italic italic. We can capture a pile of documents very quickly," he said.

Users can ignore or bitmap graphic images, and can create final files in several formats, including TIFF, EPS or PDF. With the scanner controller support, the J-BEK can be used to turn the copier into a virtual scanner for image input using standard twain drivers. You can scan into the J-BEK control station directly or use DTP applications, such as Photoshop. With a new fax-spooling feature and up to four modem ports, the J-BEK controller also can function as a high-speed fax generator or send the files as e-mail attachments.

Krauss and Bletz are so confident of their controller's durability that it comes with a three-year warranty. Because the machines

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Seybold Chicago

Revolutionary Workflow Management at Sears

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are custom configured, the return policy covers repair or exchange only.

Krauss said the company generated a significant number of leads and interest from a wide range of midrange software companies at Print '05. "Some of these companies are major players and are seriously considering building their products on top of our platform," he said. "We are even discussing a possible joint venture to counter some of the products EFI is offering for wide-format printers and CtP devices."

Krauss declined to publicly name any of the companies that LANgrafix is talking to. "Let's just say we are looking at areas where we think what we can do is better than what (the competition) is doing. Clearly our warranty, support level and ease of access for service are important parts of what we think we can do better," he said.

The J-BEK is currently available in two models. Both use a true Adobe RIP engine supporting "every industry standard file and print format," the company said. Client support includes Mac OS-X, Windows and WinXP. LANgrafix also provides Pantone license support to control color calibration. Of course, being able to access those libraries depends on copier support. ICM (Image Color Management) profiles are also standard. Both machines also include the font downloader product and a built-in font backup and restore system.

LANgrafix's own software handles color calibration; it calibrates off the copier's glass and is bundled free with the product. Although customers have been very happy with the calibration system, Krauss recognizes that the system "relies on how good your copier is." For more intensive calibration, the built-in software can interface with a spectrophotometer (they recommend an X-Rite Dtp41). Early versions of the J-BEK would not accept this interface, but it can be upgraded to interface with the X-Rite colorimeters.

The J-BEK LAN model uses a 2GHz Celeron processor, 512MB of RAM and a 40GB hard drive. The top of the line is the J-BEK Graphix, which includes a 3GHz Pentium processor, a gigabytes of RAM and an 80GB hard drive. Both come with a CD reader and use the Linux operating system. The machine is also scalable, so one controller can run multiple devices. The interface to the host computer is through any browser.

The clear plexiglass skin of the J-BEK is more than just a wink at the current trend to cool design. It also provides an easy way to monitor any possible dust accumulation, which is one of the worst enemies of controllers. The fans and vents on the J-BEK are uniquely designed to keep dust out.

The guts of the controller are easily accessible (Krauss said the motherboard is mounted on a drawer, and a technician only has to remove two screws to slide it out for service), and the aluminum

case and flip handle make it easy to move. The availability of six colors, however, is definitely a nod to consumers' desire for cool looks.

Krauss said his company is flexible enough to adapt to whatever level of success the product might enjoy. "We are seeing a lot of interest from office equipment dealers," he said. LANgrafix's current facility has room to grow. The company currently has six full-time employees, with a total staff of about 22, including subcontractors. Krauss said the company is beginning to approach some dealers directly about acting as resellers for the J-BEK.

Although he would like to keep refurbishing Fiery RIPs, Krauss realizes that EFI could cancel its Fiery-Direct agreement at any time. "I'd be lying if I didn't tell you that part of our motivation was EFI's ability to pull the plug at any time," said Krauss.

A week after the Print '05 show, Krauss said one of the difficulties is sorting out the variety of opportunities being presented to them. "There is a strong interest in developing hybrid workflows for commercial print and office machine environments and, of course, variable data," he said. Krauss said both of those areas are possible down the road.

Krauss is adamant in his belief that an external controller is the best way to run a printing device. "There has been a move recently to internal controllers as a way to cut costs," he said. "But a copier is an environment of high heat, electrostatic ionization and microscopic waste toner particles. A server grade device should not be subjected to an environment this harsh. Would you put your network server in such an environment?" Krauss said about 80% of his company's repairs are internal controllers in machines that would have been covered by LANgrafix's three year warranty.

Bletz is in charge of the software development for the J-BEK. "The GUI is multiplatform, with Linux Mandrake as the base. The quality control is just ridiculous. We don't want to have to release software patches. We want it right going out the door," he said.

The company said it is also expanding its product line to include wide-format software RIPs. "Our mission is to provide graphic houses with the ability to control all their printing needs via one easy-to-use and affordable interface," Bletz said.

Our Take

LANgrafix units are impressive in many respects: They are clean, portable, full-featured, powerful, well-supported and inexpensive. The user interface is elegant in its simplicity. Using a Linux OS might dismay a few people who are wary of anything that is "different," but it's a solid, stable OS that offers the requisite firepower, combined with the benefit of no licensing fee. Putting together a faster machine with more features at a lower price can only be done by people who are well-acquainted with what does and doesn't work in a controller.

Certainly few would argue that an internal controller on these machines makes sense beyond keeping the price down. Imagine if you could buy an external hard drive for less money than you had to pay for an internal drive. Who would opt for an internal drive?

While LANgrafix has already survived some growing pains in its eight-year history, this transition might be more difficult. With EFI, LANgrafix is up against a huge company that is likely to have limited tolerance for working with a company that is trying to snatch away its customers. EFI already has a few competitors in the controller business, including Colorbus (recently acquired by Scanvec Amiable), AHT (Advanced High Tech Systems) and Creo, however, and it is possible that EFI won't regard LANgrafix as a legitimate threat.

On the other hand, many other companies that serve both the same markets and parallel markets are already seeing the potential of the products LANgrafix has created. If they like what they see as much as we did, the threat of EFI pulling the plug on a long and heretofore quite happy relationship might hurt LANgrafix in the long run. A small company like LANgrafix will need some good partners to help it grow its business.

While the J-BEK products are priced significantly lower than the competition, we don't think they are underpriced. There's room for some decent profit margins, even though the manufacturer has opted for high-quality components. LANgrafix might discover that its three-year warranty is its strongest selling point. And with a sturdy, well-designed and well-built machine, it is not likely that the warranty will come back to haunt the company.



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