



PRESS INFORMATION

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Good news for the French wide format printing market as KIP acquires E2S

KIP, the first Japanese manufacturer of wide format printing systems, has purchased E2S, a XEROX distributor specialising in wide format printing solutions on 30th April 2009. This acquisition gives KIP the opportunity to take more than 30% market share in France and to position itself as an alternative in the French market. It also helps KIP to reinforce its European development.

E2S Background

E2S was created 25 years ago and was XEROX's subsidiary for the wide format printing activity until 2003. Today, E2S is a Wide Format Printing distributor of XEROX for laser products, and HP, Canon, Epson and Seiko for inkjet products, providing complete solutions for the aec and graphical arts markets.

Located in Paris, E2S has 80 employees among whom 40 technicians are spread all over the French territory. The company had a turnover of 16 million euros in 2008.

KIP Background

KIP is a Japanese company whose head office, Katsuragawa Electric CO. was founded in 1945 in Tokyo. In the beginning, KIP manufactured home electric appliances such as rice cookers. Soon after, the company started micro-electronics activity and in 1960, produced the first microfilm wide format printer. In 1968, KIP developed the Quantimatic for 3M. In 1992, KIP launched the first wide format digital copy/print machine, the KIP 3800. Later on, the KIP 3800 was sold by OCE under the name Océ 9500. In 1997, after OEM (Original Equipment Manufacturer) models to most of the companies in the wide format market (Océ, Xerox, Regma, Canon, Calcomp, 3M, Shacoh), KIP decided to reinforce its geographical presence in the world through its new subsidiaries: KIP USA, KIP Asia, KIP Japan and KIP Europe. KIP Europe established its head office in Paris and today comprises three entities: KIP UK, KIP Deutschland and KIP Italia. KIP has been selling wide format monochrome and colour printing systems under its own trademark ever since.

After further development in the United States, KIP became the leader of wide format laser printing on the US market with 37% market share. Adopting a similar strategy, at the end of 2008 KIP announced its intention to reinforce its presence in Europe, and this became effective with the acquisition of the E2S company on the 30th of April.

This purchase is a strategic alliance between KIP and E2S in order to penetrate the French and European markets with both companies having complementary activities.

For the French market, KIP brings the solid base of an innovative manufacturer with a complete range of products for engineers. E2S brings its commercial and technical structures and its experience in engineering and graphical arts.

For Europe, E2S's skills and versatility will allow KIP to reinforce its technical support, helping the development of its subsidiaries and distribution network in Europe in order to reach the goal of 20% market share.

KIP's growth will be driven by its revolutionary generation of laser colour printers, starting with the KIP Color 80. This product specifically addresses the ever growing need in large format printing for whom the inkjet solution is slower and much less profitable.

The official merger will take place in the next few months, both entities being based in the E2S Paris premises. Since the two companies have complementary activities, there will be no redundancies, which is crucial in this period of economic crisis.

Both companies will put customers' satisfaction at the centre of their strategy. They are currently working on a survey to measure the quality of their services.

The strategy of KIP's commercial development will remain the same: a balance between direct sales and sales through channel partners. The new commercial and technical services will be reorganised in order to help the growth and the channel network's follow up.

The large format market in France has been waiting for an alternative option from a manufacturer able to offer a full product range and nationwide after sales quality services. KIP and E2S will jointly offer the opportunities that may not have been within the remit of the separate companies.

ENDS

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Editors' notes:

KIP is the UK subsidiary of the Katsuragawa Corporation Japan, one of the reprographic industry's most renowned innovators in digital scanning and printing systems.

The UK company was formed in 1988 to specialise in the area of wide-format image capture, storage and retrieval solutions. The KIP product range now covers everything from low volume budget priced analogue copiers through to fully integrated and networked digital scan-to-file and print systems, in both mono and full colour. The latest product addition is the world's fastest wide format, toner based colour printer.

KIP is the only major supplier of digital reprographics systems in the UK dedicated entirely to the wide format market. This gives them a unique focus on wide format technology.