

For immediate release

## Fuji Xerox Helps Japanese Customer Expand Business Overseas by Matching With a Partner in the Digital Package Printing Market

### Supports Kyoshin Paper & Package Co. Advance into South Korea

TOKYO, July 12, 2017 – Utilizing Fuji Xerox's global sales network, Fuji Xerox Co., Ltd. is supporting Kyoshin Paper & Package Co., Ltd., a leading paper container and package printing and manufacturing company based in Kobe, Japan, to expand its business into overseas markets. Digital package printing is a growing<sup>\*1</sup> market and through this support for Kyoshin Paper & Package, Fuji Xerox aims to promote further expansion of the digital printing market as a whole.

Fuji Xerox supported one of its Premier Partners<sup>\*2</sup>, Kyoshin Paper & Package, to find a local printing firm from among Fuji Xerox's overseas Premier Partner network that are interested in expanding business in package printing. By serving as an intermediate in negotiations between Kyoshin Paper & Package and an overseas printing firm as well as supporting the process until contracts are signed between the two, in addition to providing linguistic and other overall assistance, Fuji Xerox intends to increase the number of companies that enter the digital package printing market using Fuji Xerox's production printers, with the aim of vitalizing the market. After contracts are signed, Fuji Xerox's local sales companies will assist in smooth communication between Kyoshin Paper & Package and local printing firms as well as in matters concerning printing itself.

Kyoshin Paper & Package will quickly expand its business overseas by utilizing Fuji Xerox's global sales network, providing local printing firms with consulting services concerning the production and sales of paper containers and packages while also granting the firms a franchise for the localized version of *Hacoplay*, an online package printing service site with proven popularity in Japan, which is equipped with an online price quotation system. Kyoshin Paper & Package aims to advance into five countries within two years through support from Fuji Xerox.

While this collaboration will enable Kyoshin Paper & Package to accelerate its overseas expansion, it will also allow Fuji Xerox to accumulate knowhow concerning package printing by introducing the *Hacoplay* business to local printing firms that use Fuji Xerox's production printers. Fuji Xerox also aims to expand the print-on-demand package printing market in the Asia-Pacific region. Through this collaboration, both companies will share each other's ideas and knowhow with a view to establishing a long-term partnership, including joint development of a new printing system.

As product variety is becoming increasingly diversified and product cycles are being shortened, the printing industry is under need to quickly develop services that meet the growing demand of the market for small-lot and short-lead-time package production. In addition, amid the sluggish overall printing market in Japan, printing companies are seeking to expand their business overseas, but many of them are hesitating to make such an investment by themselves and are being confronted with the challenge of how to minimize risks while offering services that keep abreast with changing market needs.

## Advancing into South Korea

As the first step of its overseas expansion, Kyoshin Paper & Package has teamed up with DPLUS Co., Ltd., a South Korean printing company who is also a Premier Partner<sup>\*2</sup> using Xerox iGen 5 150 Press and other Fuji Xerox production printers. Kyoshin Paper & Package will provide consulting services concerning the production and sales of paper containers and packages, and grant the Korean partner with a franchise for the localized *Hacoplay* system. DPLUS will commence *Hacoplay* services in South Korea on August 28.

In the South Korean market, where online ordering and print-on-demand package printing services have not taken hold as strongly as in Japan, DPLUS is seeking to launch the new business efficiently by utilizing the *Hacoplay* system and knowhow of Kyoshin Paper & Package as well as assistance from Fuji Xerox Korea, Fuji Xerox's local sales company. DPLUS aims to generate sales of 1.5 billion won (about 1.3 million USD)<sup>\*3</sup> over the next two years.

Note 1: According to the market report "The Future of Digital Print for Packaging to 2020" published by Smithers Pira, the size of the digital folding carton printing market in Asia (including India) is forecast to grow at a compound average growth rate of 36.9 percent (2015–2020) to reach about 1.08 billion US dollars by 2020.

Note 2: A global network of Xerox/Fuji Xerox customers, comprised with the objective of developing business opportunities centered on digital printing

Note 3: Sales from *Hacoplay* services alone in the South Korean market

## About Kyoshin Paper & Package Co., Ltd.

Kyoshin Paper & Package launched its *Hacoplay* business in 2011 to offer an online ordering system for small-lot production and printing of fancy boxes and other paper packaging boxes. Any shape, size, and design can be designated through a Web browser, and packages are printed using Fuji Xerox's Xerox iGen 4 digital press, Fujifilm's Jet Press 720S B2 sheet-fed digital inkjet press, and others. Annual sales from the *Hacoplay* business exceeded 500 million yen within about three and a half years after commencement of the services, and the company's target is to achieve annual sales of more than 2 billion yen within five years, by 2022.

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