

Interview

Didier Gombert CEO of Objectif Lune

By Noel Ward, Executive Editor

January 19, 2005 -- In November, Objectif Lune, a successful provider of the PlanetPress 4 suite of print production software tools acquired Atlas Software, maker of PrintShop Mail. PSM makes it easy for users --especially graphic designers--to create variable content documents while using application programs they are already familiar with. Adding such capabilities to Objectif Lune's already comprehensive offerings--which include support for complex variable data makes a lot of sense for both firms. ODJ talked with Didier Gombert, CEO of Objectif Lune, to get some perspective on the deal and what it may mean for the company and the marketplace.

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ODJ: What are your objectives for the acquisition?

DG: Objectif Lune has grown organically 40-50 percent for the last two years, but it's hard to keep that growth curve organically. The acquisition gives us a boost for growth next year and puts us well inside the top ten in the market space.

Objectif Lune is a profitable company investing heavily in the future, and I don't necessarily mean investing in a financial sense. We are building up our knowledge base, and a lot of our ideas will now have the resources to be developed. I think you'll see that our next cycle of products will definitely surpass what the two companies would be able to do singly. As I've said before, one plus one equals three in this case.

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Realistically, we don't have a huge experience in acquisition and integration, so we are going to be very, very careful to do it right. I'm not a trial and error guy. I like logic and structure. Short term, we cannot afford to have too much disruption. We must maintain our equity. The two companies already have good market penetration on each side, so that gives us a lot on which to build. It will be business as usual as far as customers and partners are concerned, but we will try to improve and gain synergy right away.

ODJ: How will this affect your current product strategy?

DG: This move gives us two product tracks that allow us to go to market with a much broader solution portfolio, one of the largest product offerings in the segment, in fact.

People get overwhelmed by the concept of variable data, but VDP and personalization are not always complex applications. Atlas's PrintShop Mail is a simple product, and it fills the gap for a certain type of customer just needing the basics, and there are many of those. And as these customers grow, and their personalization and document needs get more complex, they can stick with one vendor. The integration of the two product lines creates an easier migration path from one platform to another, and we can cross-pollinate to improve both lines. Objectif Lune becomes a 'one-stop shop' for all variable data software applications needs, whether they are for small business or worldwide organizations.

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Both Atlas and Objectif Lune are also very close to printer manufacturers, and these relationships will only get stronger because we now have more combined resources to devote to our partners. One difference in our channels is that PrintShop Mail has many more VARs and resellers in Europe, where they help them bring more value add to niche markets. Atlas has a lot of good contacts in Europe that Objectif Lune will now be able to leverage.

ODJ: What are your thoughts on the state of the VDP market today?

DG: Overall, there is a lot of competition in the VDP market, but competition is good. It encourages openness and helps the industry move forward. One of the positive outcomes of the growth and popularity of the VDP market is that people can make more out of their communications. Instead of sending a basic or generic invoice, you can make it stand out and make the real estate work harder. VDP tools leverage document space for promotional opportunities driven by customer data. Businesses can now combine personalized communications by using their customer purchasing habits data to push forward targeted messages calling to a customer's preferences, such as adding promotional coupons based on the clients' purchasing history. We are

also seeing applications that merge promotional data with transactional. People want to look good, and they want vendors to make it easier.

That said, amazingly, most people are still printing on pre-printed forms. Think about it -- the only reason many people use pre-printed forms is to have multiple copies. Why is that? This is 2004, yet many impact printers are still being sold. The first thing people do with a pre-printed form is to separate the various copies. One goes to the customer, and one might go to accounting. The only time the copies are used together is if someone needs to sign it. Don't they realize they can do two copies on a laser printer and even do the second one later, maybe even to a different printer at a different location entirely? Printers today allow users to staple, sign and keep a copy, but people are not going that way, because they think it is hard, and people expect easier migration from old ways to new ways, or else they don't want to do it.

Another trend in today's VDP market is that people want to modernize the look of their documents based on legacy data, but without having to modify the actual data. This is something we recognize and support in our product strategy. By being printer-centric, our approach is not intruding on anything. You don't need to put anything on the host or processor or accounting package, although you can if you want to for workflow purposes. Send your old data from the impact dinosaur to us for graphics, color and pie charts with no change in the legacy data. People are looking for this, but they are not going to do it unless someone shows them how and at a reasonable price.

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ODJ: What is your focus for success?

DG: People make the difference, and this has always been our differentiator. The sales organization, the support team, the dedication of engineering makes a big difference, and they have made it easy for customers and partners to do business with us. Obviously it's good technology, but that is not what makes us unique. The proof is in our customer's loyalty being kept happy by our people.

ODJ: What do you think lies ahead for color?

DG: It's obvious that business is going that way, that is, to high-end production color. Printer manufacturers have designed the technology, and now they are looking for a market. Cost per page of color is continuously coming down, putting it on a collision path with black and white. In three to five years, you'll see no difference.

When color really gets going in the transaction world, and big users start doing color invoices, this is going to bring real volume to the market. There is a demographic ready to pay 30 cents per page, such as for certain mutual fund or stock portfolio or insurance documents.

You will always have some premium of color over black and white, but if there is volume, buying the engine is nothing; it is running the engine. There's no difference in the chemistry of color and black and white toner.

Please offer your feedback to Noel. He can be reached at noel@ondemandpublishing.com.

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Noel Ward is a consultant, speaker and writer focusing on digital printing strategies and content development for print and electronic media. He conducts technology audits, market research, and competitive analyses to build strategies companies use to optimize their document creation, production and distribution processes.

One of the best-known writers in the industry, Noel creates and produces white papers, case studies, speeches, presentations, marketing materials, and electronic newsletters for several industry-leading companies. He is editor and publisher of the electronic newsletter Digital Asset Directions, Executive Editor of OnDemandJournal.com, Director of RealTime Trade Show Coverage for WhatTheyThink.com, and Editor of The LeadINg Edge, the newsletter of the Imaging Network Group.

A believer in using technology to gain efficiencies and competitive advantages, Noel's business motto is "If you're not the lead sled dog, the view doesn't change."

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