

Headquarters

97 Libbey Industrial Parkway
Suite 300
Weymouth, MA 02189
Phone: 781-616-2100
Fax: 781-616-2121
Email: info@capv.com
www.capv.com

Europe

3rd Floor, Sceptre House
7-9 Castle Street
Luton, Bedfordshire,
United Kingdom LU1 3AJ
Phone: +44 1582 400120
Fax: +44 1582 411001
Email: euro.info@capv.com

Japan

Hiroo Office Building
1-3-18 Hiroo Shibuya-ku
Tokyo 150-0012 Japan
Phone: +81 3 5475 2663
Fax: +81 3 5475 2710
E-mail: yoshida@gsm.to
www.gsm.to

About Us

InfoTrends/CAP Ventures is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industries. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses. Learn more about our company, visit www.capv.com.

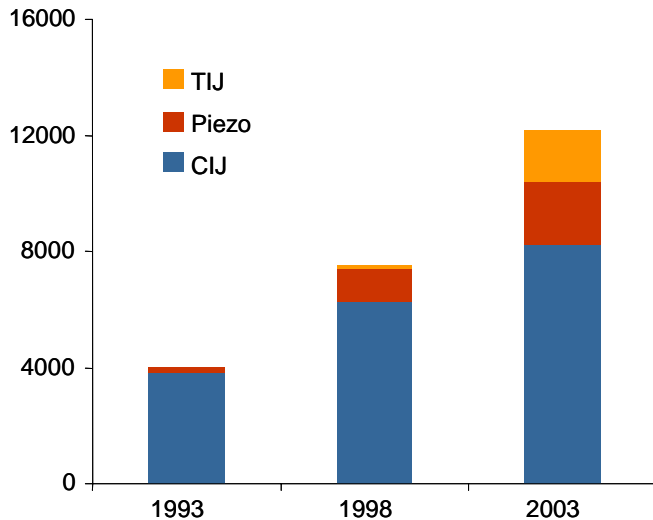
Ink Jet Addressing and Personalization: Overview and Outlook 2004

- Market Segmentation
- Market Size and Forecast
- Print Provider Insights
- Print Customer Insights

Introduction

Ink jet is long established as a key digital printing technology for addressing and personalization, especially in North America, the world's single biggest direct mail market. North American companies with addressing as a primary or secondary part of their businesses spent about \$50 million in 2003 on continuous ink jet, piezoelectric, and thermal ink jet equipment. Addressing and mail-related personalization encompass not only these ink jet technologies and companies but also a broadly based end-user marketplace, from businesses and publications that must communicate with the consumers by mail, to small enterprises, schools, and even churches that post envelopes and newsletters in bulk.

Estimated Worldwide Installed Bases of Production Level Addressing Systems, 1993-2003



Improvements in speed, print quality, and operating costs have all contributed to growth in ink jet addressing systems and supplies, but so too has the business world's reliance on targeted mail. How big is this ink jet equipment and supplies market? What do equipment purchasers want that they don't now have? What do their print customers say that they want? To answer these and other questions, CAP Ventures has prepared a detailed

Over the roughly 20 year history of ink jet in addressing and personalization, the last five years have seen some of the greatest changes, such as:

- The establishment of thermal ink jet (TIJ) systems first as tabletop alternatives, then as console-based competitors to some piezoelectric and continuous ink jet (CIJ) equipment
- The growth of commercial printing as a product focus at Videojet, Domino, and Imaje, CIJ coder vendors for whom mail applications have grown in importance
- The strategic response of market leader Kodak Versamark*, to include a piezoelectric competitor to TIJ and also a CIJ system capable of jetting solvent inks
- Advances in laser printing, with an attendant rise in the usefulness of high-speed, toner based systems in addressing and personalization
- Improvements in the print quality of ink jet systems of all types

Meanwhile, the volume of direct mail has continued to grow, spurred by businesses' ability to mine lists, and to closely figure ROI for this type of marketing communication. Ink jet addressing equipment vendors have benefited as a result. To describe this important market and to predict its future, CAP Ventures offers *Ink Jet Addressing and Personalization: Overview and Outlook, 2004*. Scheduled for publication in July 2004, the report is designed to help manufacturers of addressing and personalization equipment and supplies to understand the market and its prospects.

*Kodak Versamark, Inc., a wholly owned subsidiary of Eastman Kodak Company, was formed after the asset sale of Scitex Digital Printing, Inc. to Kodak in January 2004

Report Objectives

The main goals of this report are to (1) estimate the size of the market in the U.S. and Canada for continuous ink jet, piezoelectric, and thermal ink jet addressing and personalization systems, for the years 2003 to 2008 and (2) distill insights into the thinking and preferences of businesses that buy ink jet equipment and also of businesses that buy addressing and personalization services. A secondary goal of this report is to make similar but less detailed market estimates for Europe and Rest of World for the same period.

This report is designed to help technology vendors and distributors understand and gain insights into the future for the high-speed addressing and personalization market. This study will help you:

- Segment the market by continuous, piezoelectric, and thermal ink jet technologies
- Size and forecast the market for shipments and installed base, and by annuities revenues and technology
- Understand print customers' usage of ink jet and other print technology for high-speed addressing and personalization, and their preferences for new services
- Understand print-for-pay providers' usage of ink jet and other print technology for high-speed addressing and personalization, and their preferences for new products
- Understand the impact of e-mail, Web, and other alternative strategies

While the focus of *Ink jet Addressing and Personalization: Overview and Outlook, 2004* is the North American market, CAP Ventures understands that ink jet markets outside this region are also of interest to clients. As a result, the study will make estimates of addressing equipment placements and installed base in Europe and Rest of World. These estimates will be segmented by major technology type, but will be less detailed than the study's main estimates for North America.

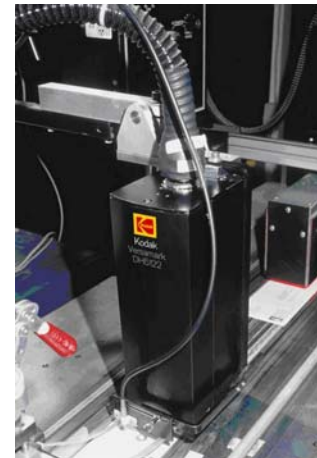


Photo of continuous ink jet equipment, the Kodak Versamark DS5122 printing system, courtesy of Kodak Versamark

Key Features of This Report

Ink jet Addressing and Personalization: Overview and Outlook, 2004 will provide insights and forecasts for the market for ink jet equipment to address or personalize envelopes, cards, catalogs, magazines, statements and related items.

The report will distill the opinions of U.S. print providers about their current experience with ink jet addressing and personalization. It will also survey companies that buy addressing and personalization services from these print providers, in particular about their level of satisfaction with existing services, and what improvements they most want. Finally, the report will discuss the key trends that have shaped the market recently and that will affect it in the years ahead.

For North America, the report estimates the following, by technology type (continuous, piezoelectric, and thermal ink jet), for the 2003-2008 forecast period:

- System placements, in units
- Average selling prices, in dollars
- Annual equipment revenues, in millions of dollars
- Year end installed base, in units
- Average fluids expenditure per system, in dollars
- Annual fluids revenues, in millions of dollars

The estimate of CIJ systems will focus on narrow format systems that are mainly used for addressing and personalization. The report will not estimate the markets for CIJ printers that are primarily designed for page printing, ticket printing, and other commercial printing uses.

Categories of ink jet addressing systems that are covered include:

- Continuous ink jet (CIJ) systems
- Piezoelectric systems
- Thermal ink jet (TIJ) tabletop systems
- Thermal ink jet console systems

For Europe and Rest of World (ROW), CAP Ventures will make summary estimates, to include estimated narrow format systems placements and installed base by major technology type.



Photo of thermal ink jet equipment, the Bryce OEM Industrial Print System, courtesy of Pitney Bowes/Bryce

Main Benefits of This Report

Ink Jet Addressing and Personalization: Overview and Outlook, 2004 will help managers involved in the addressing equipment and supplies markets to understand the status and prospects of markets for all the major types of ink jet addressing systems. The report also describes key factors in the North American market, such as:

- The impact of systems based on thermal ink jet on CIJ and piezoelectric
- The growing role of systems based on piezoelectric heads
- The role of independent ink suppliers to the whole market
- The size and prospect of major mail categories
- The approximate roles of ink jet and laser in the total addressing market
- Print customers' perspectives on addressing and personalization including applications and future requirements
- Print providers' use of addressing and personalization printing equipment, their perceptions of key brands, and their plans for future purchases

Ink Jet Addressing and Personalization: Overview and Outlook, 2004 ultimately provides managers with a way to gauge the role of their own companies in the coding world, and to know more about how that world will change in the years ahead.

Market Research

Research methods supported include primary and secondary research. CAP Ventures will interview managers of ink jet addressing equipment companies, equipment distributors, and end-users to gain insights of various types for this report.

CAP Ventures will conduct structured surveys with at least 100 ink jet addressing and personalization print providers and also 100 print customers to better understand the market perceptions, attitudes, behavior, and plans for addressing and personalization.

For print providers, CAP Ventures will survey the owners or key managers of lettershops, direct mail printers, and other sites that use ink jet equipment for addressing and personalization as a key part of

their business. For print customers, CAP Ventures will survey marketing and other managers at medium to large companies. The survey will focus on customer applications, unmet needs, and preferences for future services.

Early subscribers to this research will be able to view the planned questions in each structured survey, and to advise on the nature and wording of questions. The initial questions for each survey are described in an attachment to this brochure.

Secondary research methods will include examination of product literature, trade press, annual reports, press releases, and conference presentations of equipment vendors or their parent companies.

CAP Ventures will examine a range of existing market information on key applications, market segments, competitors, and product categories. CAP Ventures has used a variety of sources that include:

Contacts with OEM managers	OEM exhibits at MailCom, other shows
Contacts with ink suppliers Vendor	Web sites, press releases
Trade associations such as MFSA	Contacts with equipment users
Vendor conference presentations	Contacts with equipment distributors

By weighing insights gathered in these ways and from these sources, and by comparing them to past estimates and forecasts by CAP Ventures, we will develop the market estimate and forecast and will describe important trends and factors affecting demand.

Report Deliverables

Clients will receive a hard copy report and presentation materials for internal use at their companies, as well as a spreadsheet detailing all market assumptions, estimates, and forecasts. The material will include:

- An executive summary that addresses key issues, findings, and overall recommendations
- A detailed written report based on at least 100 annotated PowerPoint slides, with text, charts, and graphs addressing the objectives of the study
- An electronic copy of all slides, for internal communication of the research results
- An electronic copy of all Excel worksheets for internal use
- A set of data tabulations from the two structured surveys

Report Schedule

CAP Ventures will complete its research for *Ink Jet Addressing and Personalization: Overview and Outlook, 2004* by June 31, 2004. We intend to publish the final report and supporting material by July 31, 2004.

Report Fee, Early Subscriber Discount

For companies that subscribe to this report by May 15, 2004, a reduced fee of \$9,995 applies. For companies subscribing after that date, the report fee will be \$10,995. The fee enables the purchaser to use the report and its presentation materials internally at his or her company. Nevertheless, clients may purchase additional copies of *Ink Jet Addressing and Personalization: Overview and Outlook, 2004* for distribution to other parties at a reduced rate.