



Forces Impacting the Print Industry During Covid-19

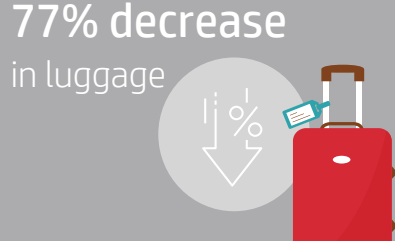
Digital transformation in the printing industry has been in progress way before COVID-19, but the pandemic has proven to be a forceful catalyst for change. The current storm has led many print service providers to take a hard look at the new normal.

For many, it is wake-up call that is leading them to realize that the recipe for a healthy future will be the fusion of agility, productivity and innovation.

COVID-19 Marketing Trends

Fast-changing DEMANDS REQUIRE Agility & Versatility

Print vendors need to be able to **quickly adjust** their offerings to address changing needs of customers especially in **TIMES OF CRISIS**.



Community in TIMES of CRISIS

During **COVID-19** isolation, there has never been a more important time to **connect** with peers from around the world and **learn from each other**.

HP Indigo

HP Indigo Customers Quickly Adapt

INFO LABEL "Our HP 6x00 and 8000 presses were pivotal in allowing us to adapt to the many changes that have been brought on due to COVID-19. One of our customers was having trouble sourcing bottles for hand sanitizer labels and was forced to use 3 different bottles. This required them to order smaller quantities of different sized labels. Our HP presses made the lower order quantities affordable and there was no need to charge 3X for plates to print flexographically." *Jordan Sherman, Info Label*

"As a digital plant during COVID-19 we were able to produce even more labels than in Q1 as we offset the volume reduction in some markets by increased volume in others." *Ton Reichardt, Vila Etiketken Breda*



dscope

The Dscope Users group helps PSPs collaborate and exchange ideas HP Indigo Printers Mobilize Globally to Support Public Health

Dscope members have come together to share how the pandemic has affected their businesses and openly shared insights on how to stay safe and agile, while also prepare for the future.



Baker Labels donated **3 MILLION LABELS** for the "SALUTE THE NHS" campaign, providing a million meals to National Health Service staff in the UK

SUSTAINABILITY still important

There is a renewed belief that climate change and **sustainability** are in our **control**

Worldwide CO₂ emissions are predicted to **FALL** by **8% in 2020**

75% of Millennials said they would change their purchasing habits to reduce their own environmental impact*

Source: *www.carbonbrief.org/analysis-coronavirus-set-to-cause-largest-ever-annual-fall-in-co2-emissions **The Conference Board Global Consumer Confidence Survey

HP INDIGO is a Sustainability LEADER and a Trusted Partner

HP Indigo ElectroInks can be used in a wide range of packaging applications in compliance with global food safety regulations

Energy Reduction HP Indigo EPM reduces energy consumption by **25%**. ElectroInk Premium White reduces energy consumption by **15%**

Reuse & Recycle HP Indigo's Take-back program reuses and recycles many parts, avoiding hundreds of tons of metal and plastic from ending up in a landfill

"Why do we love HP? Because it gives us a standing on the world stage and it gives us sustainable packaging for the future." *Transcend Packaging*

Label PRINTING ON THE RISE during Covid-19

During the Covid crisis, many **HP INDIGO LABEL CONVERTERS** experienced higher than normal volumes.

Even before Covid, label printing has grown about **+12%** a year *however* label converters owning an **HP Indigo 8000 press** typically grow their volumes by **+38%** per year.

HP INDIGO CUSTOMERS Experience Surge in Demand



Between beer can labels and hand sanitizers, Quality Tape and Label (QTL) has been as busy as ever, running two shifts a day to keep up with growing demand.



"We saw a higher demand in labels for the paint industry. People apparently used their time to re-decorate their homes and HP Indigo technology is the ideal technology to print with high color accuracy."

- Cees Schouten, Operations Director Geostick Group



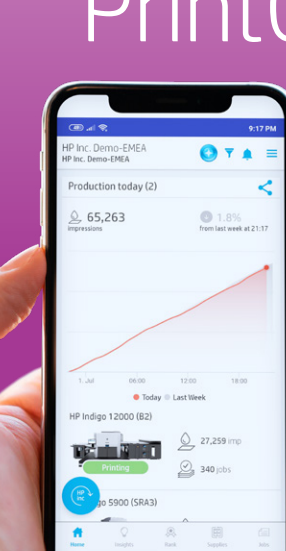
Cloud-based Monitoring on the Rise

With businesses telling employees to work from home or distance physically on the print shop floor, there has been increased use of remote management and monitoring tools. Remote monitoring solutions enable intelligent real-time decisions in a speedy and cost-effective manner



Source: World Economic Forum: 10 technology trends to watch in the COVID-19 pandemic, Apr 2020

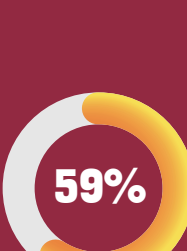
HP Indigo customers growing exponentially leveraging PrintOS^x capabilities



"With **PrintOS Site Flow**, **Inkworks** goal is to grow from 1000 orders a month to **>1000** orders a DAY" *- John Jensen, Owner, InkWorks Printing*

Accelerating INDUSTRY 4.0

More than half of business executives surveyed indicated that **Industry 4.0** will have "significant impact" on their industries and businesses in the next five years

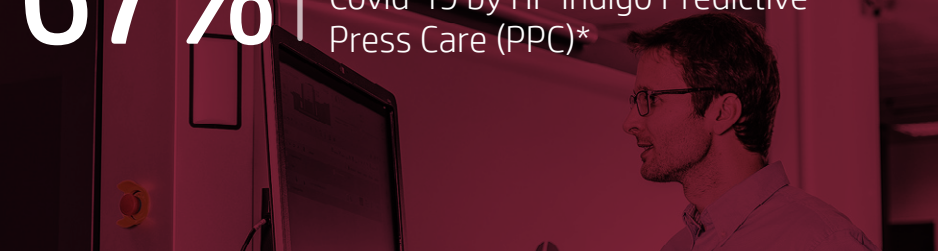


Source: MPI 2020 Industry 4.0 Study

HP Indigo customers Automate their Production Floor

AI-driven, **PrintOS Predictive Press Care** monitors and detects problems even before they arise to keep operations running smoothly.

67% Increase in cases resolved during Covid-19 by HP Indigo Predictive Press Care (PPC)*



*Source: HP Indigo internal data

Supply Chain Concerns

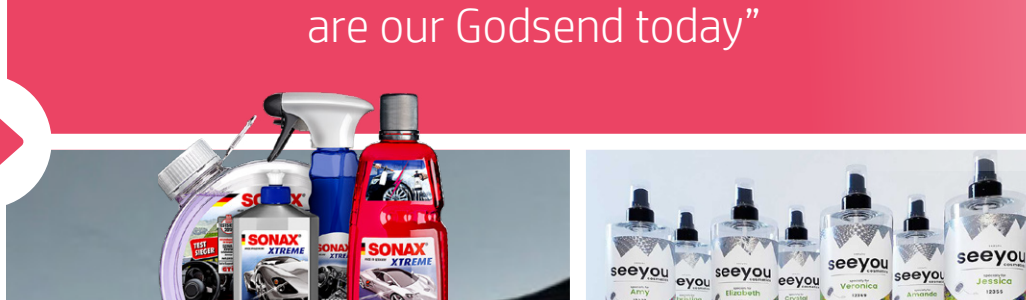
The coronavirus crisis has revealed the fragility of the modern supply chain and many are resorting to near-shore products and services.

Near-shore brings production closer to the point of use.



Printing short runs LOCALLY

"Our **HP Indigo** machines are our Godsend today"



Aniflex Sonax goes 100% HP Indigo Digital! ~4000 skus, 100 countries, multiple languages. Achieve consistent color across all products

Blue Ocean STRATEGY Create vs Compete

"Shift from competing to creating a new market space, hence making the competition irrelevant"*

Uber Brings new value to the taxi world without taxis. **NETFLIX** World's large movie supplier owns no cinemas.



* Source: Blue Ocean Strategy, Harvard Business Review, W. Chan Kim, Renée Mauborgne 2004

Diversifying to become a One-Stop-Shop



"We have a customer for whom we started producing labels. Now we do their shrink sleeves and their flexible packaging." *-Rob Daniels, President, QTL*

DRIVING BRAND INNOVATION



Multi-Color Australia and New Zealand (MCC) help craft distillery **Archie Rose** drive brand innovation with beautiful limited editions.



An Opportunity for Innovation



79% of print industry leaders surveyed believe **COVID-19** presents an opportunity to drive new product and service innovation.

* Source: computerweekly.com. The impact of COVID-19 on the print industry.

American label

SINCE 1967

generates **new** opportunities with **SECURITY PRINTING**

To tackle increase in counterfeiting of medical marijuana packaging, American label was asked come up with a secure solution.

"We met on Wednesday and by Monday we had redone all the medicinal marijuana packaging to include an invisible yellow ink watermark to deter the counterfeiting"

"What the HP Indigo invisible yellow ink allowed us to do was to take an existing customer of ours and use the security ink to open the floodgates on the HP Indigo 8000"

- Rob Bullen, American Label -