

# ESP Colour Hub:

“Forever Chasing Margins”—and Always Catching Them

“We’re forever chasing margins in the printing industry,” says Anthony Thirlby, managing director at ESP Colour Hub in Swindon, UK. He notes that while some shops measure profit margins over days and hours, ESP Colour Hub prefers to think in terms of minutes and seconds. Because pressure on pricing never ceases, he says, the only way to protect margins is through continuous monitoring and adjustment of operating costs.

Thrice-daily cost recovery reports and weekly costing rate revisions let him be certain that the pricing model always is “adjusting to facilitate the recovery we need.” In this way, he can keep tabs on gross margin per hour per product, making whatever process modifications are needed to keep the numbers in line.

The methodology is dynamic, and because of the global way in which it’s calculated, individual jobs rarely show positive margins. The strategy is to produce jobs in batches so that ESP Colour Hub can apply separate press makeready and postpress setup charges while it saves time and cost in gang runs. “Our profit is generated through product profile and efficiency gains against estimate,” Thirlby says. “It’s all about product recovery on batch manufacturing.”

## Optimized and Ready

Much depends on standardizing production to a point where it’s difficult for costs to fluctuate in the first place. To the extent possible, the pressroom runs with a prescribed set of sheet sizes, press formats, and stock types. Sticking to proven ink sets and ink-water balances means, says Thirlby, that “we’ve always got the press in optimized condition,” ready to run without the tweaking that slows down output in environments where the variables are less rigidly controlled.

Just how much efficiency can be gained through these best practices is seen in the

astonishingly high numbers of makereadies and impressions that ESP Colour Hub has achieved in high-speed runs on its three Heidelberg XL-series Speedmaster presses.

In November 2012, for example, the pressroom set a record of 498 makereadies and more than 2 million impressions on the Speedmaster XL 105 in one 168-hour week. The press ran at more than 17,000 net impressions per hour, and makereadies took just three minutes and 54 seconds.

But, the record would fall six months later when the same press turned around 697 makereadies in 162 hours, this time with a net running speed of 17,103 iph and 13 seconds shaved from the earlier makeready average.

Averaging about 4,000 copies per run, the three Speedmaster XLs together produce more than 180 million impressions annually as they depreciate to \$0 value on a five year, straight line basis—a race to payback that only the most disciplined approach to production planning can win.

And if run lengths continue to drop, there’ll be no cause for alarm in the offset pressroom. There, says Thirlby, the routine is so cost effective that a job’s run length would have to be 148 sheets or less before printing on one of the plant’s digital presses would be considered.

## What Makes 4 > 10

At some printing companies, beefing up capacity means adding cylinders—but not at ESP Colour Hub, where the emphasis is on getting maximum output from a limited number of high-performance printing units kept constantly busy. This explains why the company opted to replace a 10-color perfecter with a straight-printing Speedmaster XL 105 in just four colors: a press that, despite its simpler configuration, better meets the demand for rapid-fire makereadies, top-speed runs, and cost efficiency in smaller quantities.

By making ready nearly twice as fast as the long perfecter with about one quarter of the waste sheets, the Speedmaster XL 105 yields five extra minutes of productive time



Anthony Thirlby,  
ESP Colour Hub

per hour, according to Thirlby. Four cylinders vs. 10 means much less time spent in wash-up, while built-in double dryers let the press make quick work of two-sided jobs.

## It’s Doable—So Do It

In Thirlby’s opinion, holding many printers back from the results they could be achieving are poor practices such as taking too much time in job changeovers; running work that isn’t suitable for the press being used; and, above all, continuously changing ink sets to accommodate too many different kinds of substrate. “That’s ludicrous,” he says.

Thirlby knows as well as any other printer that print markets are changing, that pressure on pricing is relentless, and the norms of production aren’t what they used to be. He believes, nevertheless, that “a lot of scaremongering is going on” and that instead of succumbing to fear, printers should be embracing shorter run lengths and other disruptions that in fact create opportunities.

He insists that there’s nothing being done at ESP Colour Hub that couldn’t be done by other printers willing to make the same commitment to meticulous process management and unrelenting cost control.

“All it is is mindset,” Thirlby says.