



INTERQUEST Releases Second Study of Digital Printing in the Government Market

New Study Focuses on Buyers & Print Providers

Charlottesville, VA (April 17, 2008)—INTERQUEST, a leading market and technology research and consulting firm serving the digital printing and publishing industry, today announced the release of *Digital Printing in Government: Perspectives of Federal Print Buyers & Third-Party Providers*. The study is based on extensive, in-depth interviews with 60 large government agencies and service providers. It complements a 2007 report which primarily focused on in-house printing at the state, local, and federal levels.

According to Toby Cobrin, Director at INTERQUEST, “Very little research into the role of digital printing in this important marketplace has been done, but we believe these two reports go a long way to correct that situation. Last year we looked into in-house operations, and this year we wanted to round out the picture with the views and trends reported by buyers and commercial providers serving federal government.”

Digital Printing in Government: Perspectives of Federal Print Buyers & Third-Party Providers focuses on three primary areas: the government procurement process, including an in-depth look into the Government Printing Office (GPO) practices and trends; government print buyers, including overall practices and trends in procuring print; and the use of digital printing technologies among leading providers to the federal government. Issues and topics related to digital printing include:

- The use of monochrome, highlight, and full-color digital printing in the federal government market
- Key applications and volume trends for digital output
- The use of leading edge techniques enabled by digital printing such as variable data
- The impact of electronic media on digital and conventional hardcopy printing



According to Cobrin, “This is truly a unique marketplace. Although a lot of the challenges faced by print providers in the private sector are actually magnified in the government market, we also find a number of challenges which are probably unique to this environment. And the important factor is that the market is changing as the GPO changes in the face of its unique role in government.”

The study finds that the GPO satisfied about 80% of federal government printing requirements using private sector firms in 2006. The procurement process used by the GPO has changed, and the organization is signing fewer multiple award contracts and fostering longer, multi-year arrangements.

Life is changing for government print buyers as well, and most have welcomed the increased flexibility the GPO has given them by raising the maximum value of Simplified Purchase Agreement (SPA) contracts, which lets them deal directly with pre-approved suppliers of printing. The study also documents a continuing decline in offset printing at agency in-plants. Overall, buyers purchase well over 90% of their offset printing from outside firms.

Suppliers of printing to the government market have a somewhat different view of the market than the buyers they serve, insisting that price is far and away the most important criteria used by buyers in awarding contracts. The study finds that most of the digital work commercial providers perform for government agencies is monochrome, as full-color digital printing has yet to find a firm foothold in this market.

Digital Printing in Government: Perspectives of Federal Print Buyers & Third-Party Providers, (\$345) as well as *Digital Printing in Government: Market Analysis*, (\$595) which focuses on government in-house printing, are available for immediate order from www.inter-quest.com, or by calling 434-979-9945.



About INTERQUEST

Founded in 1989, INTERQUEST is a market and technology research and consulting firm in the field of digital printing and publishing. Over the past 13 years through its relationship with Xplor international, INTERQUEST has conducted numerous studies related to transactional and corporate printing markets. INTERQUEST has also conducted landmark studies in commercial printing markets for the Graphic Arts Marketing Information Services (GAMIS)—now PRIMIR—and for the Printing Industries of America (PIA)'s Digital Printing Council. INTERQUEST can be reached by calling (434) 979-9945, by fax at (434) 979-9959, or at www.inter-quest.com.