

Going the Extra Mile

By adding new communications technologies to its core document base, **Ricoh** offers global companies total solutions.

LAST OCTOBER, TOKYO HOSTED THE 67th annual meeting of the International Monetary Fund and World Bank Group. The government was looking for an ideal supplier that could not only do the job but also highlight the best in Japanese technology. Based on its performance at previous conference venues in Japan and its innovative approach, Ricoh was the obvious frontrunner.

“Our ‘three-sided’ package—documents, IT services, and communications—gave us the winning edge,” says president and CEO Zenji Miura. In addition to some 750 digital multifunction devices and printers, Ricoh provided digital signage that delivered real-time information on the time and location of meetings, and virtual help desks based on video communication systems. “We provided a total platform. It’s a great showcase of how we mean to grow,” Miura adds.

To better support the needs of international institutions and companies, Ricoh has steadily expanded its global base for decades. Miura himself, who took over the reins this April, embodies the firm’s international reach. With multiple stints abroad, including France, the Netherlands, and the U.K., he has been a key factor in pivotal moments in the company’s development. He was in charge of post-merger integration after Ricoh’s 1995 acquisition of Gestetner, a U.K.-based office machine distributor. Supported by a 12,000-person-strong worldwide sales network, Gestetner served as the base for Ricoh’s transformation into a global business. “Before the Gestetner acquisition, global sales accounted for roughly 25% of revenues,” Miura says. “That figure now is around the 60% mark.”

One of Miura’s last responsibilities before being named CEO was head of Ricoh Americas Holdings, which now generates a full quarter of the company’s revenues. “I took over in the U.S. after the global financial crisis. Those were tough times, but my job was to turn things around. And that’s my mission now too,” Miura declares.

Sure enough, this year saw Ricoh swing back into the black, generating operating income of



ZENJI MIURA
President
and CEO
Ricoh

\$675 million (¥63.4 billion) on net sales of \$20.5 billion (¥1.92 trillion). “Our restructuring and growth program is not a one-off. It is an ongoing initiative and key to achieving maximum efficiency,” Miura says. “I believe in maintaining our forward momentum now that we’ve turned the corner.”

HISAKOSHI OSAWA

STRATEGIES FOR GROWTH

Miura’s growth strategy is twofold: In developed markets, he will push forward with Ricoh’s transformation from a hardware-centric to a services-led business model; in fast-growing emerging economies, he means to invest and expand aggressively.

This summer the company unveiled a multi-function printer lineup that was adapted to fit into smart device-enabled work styles. The new printers feature a big control panel operated by multi-touch, Wi-Fi printing, and the lowest typical electricity consumption (TEC) across their respective classes thanks to Ricoh’s innovations in image development and toner technologies. “With this upgrade, I’m confident we’ll expand our market share this year,” declares Miura.

While strengthening traditional businesses, the firm is also moving into new ones. Miura points to the 2007 acquisition of IBM’s production printing business by way of illustration. “The production printing business is challenging traditional offset printing, a huge market worth over \$500 billion, far more than the office printing market,” Miura says. “Offset printing can offer low prices for big print runs, but it’s not cut out for small volumes. With production printing we can offer small print runs as well as variable printing by customer, handy for things like customized credit card statements or catalogues. We’re ready to take advantage of the epochal shift from offset to digital printing and increase total document volume in the process.”

A “new business” when acquired six years ago, production printing is now a core business. “I want over 25% of our revenues to come from new businesses every year,” Miura declares. One way to achieve this ambitious target is by moving into new communication technologies like the ones showcased at the Tokyo IMF conference. They include the Unified Communication System, a portable video communication system for video, audio, and image share; and an innovative ultra-short-throw projector.

NEW TECHNOLOGIES, NEW MARKETS

Also among the new technologies is Conference Center, a system that enables a presenter to control not just his own slides but also the same slides on audience members’ iPads. Offered originally as freeware called Smart Presenter in Apple’s app store, it has been improved based on customer feedback, scaled up to link up to 350 devices, and launched commercially. Says Miura:

“New technologies like these will enable us to win a bigger share of customer wallet.”

Miura’s confidence in Ricoh’s future is underpinned by the company’s huge global sales network, which takes a highly distinctive approach to its work. Sales staff start out by performing an in-depth analysis of their clients’ worldwide workplaces to explore how to reduce total cost of ownership, boost workflow efficiency, and curb environmental impact. Proposed solutions are carefully tailored to individual client’s needs in a process Ricoh people call “going the last mile.” This consultative approach is best exemplified by Ricoh’s Managed Document Services for global clients, and helps explain why major research companies like Gartner, IDC, and Forrester ranked Ricoh as a leading global provider of managed print services in 2012.

In the world’s fast-growing developing markets, Ricoh is enjoying explosive growth. The company is pushing its traditional hardware-centric model, while standing ready to respond to the technological leapfrogging often seen in emerging countries. Case in point: Ricoh Innovations Private Limited, established in Bangalore, India, and charged with finding ways to respond to rapidly changing needs. “We’re investing for growth,” Miura says. “In Southeast Asia, besides opening an office in Vietnam in 2011, we’re also expanding Thailand as a hub for promising markets like neighboring Laos and Myanmar.”

Amid all this expansion and innovation, Miura’s message for *Fortune* 500 companies is typically direct: “We offer efficient print and electronic document solutions that will help you cut costs and boost productivity while freeing you to focus on your main business.” ●

A PJ WX4130N ultra-short-throw projector was one of the innovative technologies Ricoh provided to the IMF/World Bank meeting in Tokyo last year.



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