SHARP

Sharp Dealer Meeting; Las Vegas, Nevada – March, 2011

On March 14 - 17, I trekked (again) to that mecca of vendor dealer meetings, Las Vegas, Nevada – this time for the annual Sharp gathering. The theme this year was "UI" signifying both the company's new user interface, incorporated into three new A3 products, as well as Sharp's focus on the "U"ser. Some 900 attendees from 280 dealerships along with resellers and direct branches came to hear what Sharp had to "show and tell."

As has been the case for all offshore companies in the last month, Sharp, through president Ed McLaughlin, announced that the company's factories were largely unaffected by the earthquake/tsunami/nuclear disasters in Japan. Subsequently, most companies have reported interrupted relationships. That is, their own factories may be alright, but parts availability and power outages are causing collateral issues.

That aside, Sharp characteristically stepped up to the plate by donating $1.2 million to the relief efforts in Japan. That's not the first time they've reached into their corporate pockets to help out. This would include a sizeable dona-

tion for an endowment fund in memory of Richard Norton. Simply said, the company knows what's right and does it. I think that says more about the type of dealer partner they represent than any products, technology or programs they could have shown.

But there *was* hardware. The company announced their new Renaissance product family consisting of the MX-2610N (26PPM), MX-3110N (31 PPM) and MX-3610N (36 PPM) – all A3 color MFPs targeted at the workgroup. These models bring unprecedented interactivity, ease-of-use and customization to the document management experience. Operating in a manner similar to today's most advanced smart phones, Sharp's new user interface provides easy access to

Ed McLaughlin kicks off dealer meeting.

The new Renaissance product

all MFP features, each of which are viewed as familiar icons. Users can perform all tasks using "flick," "tap," "slide," and "drag" gestures on a large 10.1" color Sharp LCD touch screen. Of course, given Sharp's expertise in display technology, this launch (ahead of everyone else) is hardly surprising.

Icons perform the tasks the user intuitively expects them to, and the system smartly guides the user based on the previous command to help them quickly execute the desired function, while a full-size retractable keyboard provides easy data entry. In addition, these models are highly customizable and offer users the ability to personal-

New UI

ize the home screen by adding custom backgrounds, icons or language.

"The new Sharp MFP user interface will forever change the way users perceive a copier," said Mike Marusic, newly promoted to Senior VP, BSG, Sharp Imaging and Information Company of America. "The focus was to make a product so intuitive to use that businesses would be able to fully maximize the technology in which they invested. With the ability to easily navigate as well as customize and personalize the interface for each individual user, we have provided our customers with a valuable business tool."

Mike Murasic discusses new UI

Dealers were effusive in their support of the new UI. In fact, they applauded the demo. That had to be the first time I've heard dealers applaud a UI! But, in the words of Monk, one of my favorite detectives, the new display is "a blessing … and a curse." One of Sharp's competitive advantages has been the fact that their previous generation of touch screen (still one of the best) was common across their entire fleet of MFPs. This common look and feel greatly increased productivity since to know one device was to know them all. The new UI is only available on the new Renaissance products.

Sharp also announced the next generation of the Open System Architecture (OSA 4.0). Previous versions were extremely popular since they, as the name

implies, were completely open, in contrast to systems from vendors including Canon and Xerox that are based upon a proprietary language that limits the willingness of software companies to "play." Sharp's latest version adds cloud communication to provide a way for enterprises to increase capacity and add capabilities quickly without investing in new infrastructure, training new personnel or licensing new software.

With the Sharp OSA technology version 4.0, applications deployed in the cloud can be integrated with any Sharp OSA SDK version 4.0 enabled MFP. By delivering applications to the MFP directly from the cloud, enterprises gain the ability to quickly scale MFP functionality without the need to purchase server hardware and software. In addition, the deployment time is significantly reduced by avoiding the lengthy capital approval process often used for IT projects.

Finally, the company announced new features relating to the "hot" topic of MFP security – an area where Sharp has generally led. They are now making both data encryption and overwrite features standard on the company's latest MX color series MFPs. For additional security, the company is also adding password lock and introducing an "End of Lease" option that deletes all data on a leased machine before it is returned. Data that resides on copiers that have been re-sold after lease has been identified as a major privacy and security threat.

The product expo was generally busy throughout the meeting combining Sharp staff with 34 OSA partners. The company also stressed their new thin bezel 60" display technology hoping dealers would add these products to their offerings. Dealers, while impressed, where not clear about the potential for after sale revenue flow as is the case for their traditional imaging products. I was clear, however, on how that display would look in my family room!

Kozo Takahashoi, CEO, Sharp Electronics

Overall, I came away feeling that Sharp's management continues to be open and accessible. Ed McLaughlin continues his informal conversational style in the general session and is completely open in face to face meetings. Even Sharp's new CEO (Sharp Elec-

tronics), Kozo Takahashi spoke without benefit prompters or notes, peppering his presentations with, "How much time do I have?"

The company continues to stress the value add they bring to their MFPs: security, built in keyboard, touch display, Cloud interface, OSA, true multitasking, 24 on board languages and more. On the downside, company spokespeople indicated that light production color (a market that continues to grow) would not be available until next year. Production monochrome, while displayed in the expo area, was not mentioned in the general session. Finally, A4 placements continue to disappoint, given the range of Sharp's products.

Well, it's just not a perfect world. Most dealers with whom we spoke thought the strengths outweighed any limitations. We tend to agree.

HP Global Analyst Meeting; San Francisco, CA – March 2011

We follow the print world and every now and then we get the opportunity to see outside the box (sorry, I couldn't pass at up) by attending their summit. While I liked what former CEO Mark Hurd did financially with HP, I love the fact that new CEO Léo Apotheker has not only started talking to analysts again, but he became the first CEO to address the analysts at an event like this since I began following HP over 16 years ago.

We know HP is the leader in print. Not "a" leader; "The" leader. They are the brand everyone else strives to be. They're the benchmark. Customers love and demand them for a reason. Not all customers, but they are the number one brand in print. They simply get it. They understand the trends and they adjust to them and often make them.

Today we saw some excellent presentations on webOS and cloud services. HP will be a major provider of cloud services to all markets – enterprise, consumer and SMB. At the moment, HP ships two printers and two PCs every second. Think about that for a second. While you were thinking, HP just shipped two more printers. Every HP printer sold ($99 or more) is web equipped and cloud accessible. If I understood correctly, four out of five cloud servers are on now HP servers. HP is shipping 100 million connectable devices per year. Everything is beginning to tie together and HP contends that nobody will tie it together as well as they will.

This isn't just another printer manufacturer trying to figure out how they're going to grab their share. They're not pitching MPS as the Holy Grail, it's just another $7B piece of the puzzle. Most vendors we follow are working with