

Not a print broker but rather a modern graphic design company "new style".



Yamagata Europe: Belgian example of BPO

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Yamagata Europe in Ghent is a service provider specialised in manuals and translation work for large companies. The Yamagata Group is a Japanese printing company and an important player in the BPO sector. The company was confronted with delocalisation of its clients at an early stage. Yamagata was prepared to adapt and has grown to become an international company with 2,200 employees.

Place "Business Process Outsourcing" high on the list!

Some time ago in *Grafisch Nieuws* we published a story from our columnist Andrew Tribute about Williams Lea, a world leader in BPO. BPO is the acronym for Business Process Outsourcing. Tribute places the focus on the importance of this

business model. Companies that are active in the BPO sector manage information for third parties. Tribute: "Williams Lea does indeed manage printing, but that is only a small fraction of its activities. Many printers, which improperly assess the company's activities, consider the company to be a serious competitor that squeezes between them and their clients or potential clients." One of his

conclusions is that printers must offer their clients more added value. Otherwise, in the future, they will no longer be able to maintain direct contact with their clients. I tell you all this to ensure that you place the story of Yamagata Europe of Ghent in the correct context. Yamagata Europe does not produce any printed matter itself. Instead, it manages electronic and printed documents for international clients that outsource this work. Yamagata Europe is not a print broker but rather a modern graphic design company, "new style".

The expansion of Yamagata

We sit on the ninth floor in the offices of Yamagata Europe in Sint-Denijs-Westrem. We are

in conversation with Geert Benoit, Managing Director. Geert Benoit receives a call and answers in Japanese. Thanks in part to his knowledge of languages, Benoit is the only non-Japanese to manage an important office for the Yamagata Group. Geert Benoit studied Sinology and spent 2 1/2 years in Japan thereafter. His story of the history of the 100-year-old Japanese family company describes how the company had the courage to follow its clients throughout the world and profit from doing so.

Geert Benoit: "In the beginning of the twentieth century Japan began to focus its attention on the West. Within several years it had shifted its economy, transforming from a tea exporting country to an exporter of

textile products. In Europe there was also interest in Japan. Leopold II, for example, was responsible for the decision to build the Japanese Tower in 1904.”

“Against this background of economic change, there was a young man from Sukagawa in the north of Japan who was convinced that he had been born in the wrong place. Heiji Yamagata wanted to become active in the harbour city of Yokohama, the centre of contact between the West and Japan. He was just 25 when he travelled alone to Yokohama to learn more about the newest printing technologies. Heiji, however, did not want to be an ordinary Japanese printer that imported information from the West, translated it to Japanese and produced it in print. Instead, he invested in western typesetting machines and fonts. Yamagata Printing Co. was established in 1906 and specialised in non-

Japanese printing (commercial printing, import and export forms, etc.) for which there was a great need in a harbour city such as Yokohama.”

Beginning in the 1950s, Yamagata Printing would begin concentrating on the production of technical manuals. New clients were secured, including Sony, Honda and NTT (the Japanese telephone company). The Japanese economic wonder developed. Yamagata’s clients grew explosively in the world market and established production locations outside Japan. Geert Benoit: “In the 1980s the realisation developed that we had to follow the production of our clients and obtain a greater presence at a higher level within their value chain. The Yamagata Group (current name) now has companies (including 9 printing companies) in Japan, Malaysia, Thailand, Singapore, China, the U.S. and Europe. The machinery employed by the printing operations is primarily oriented

towards technical manuals and the associated logistical processing.

European headquarters in Ghent

Geert Benoit established the European headquarters in December 1998. Prior to that time Benoit was an employee of Yamagata Printing and a consultant for Belgian and Japanese companies that were interested in doing business in each other’s market. “In 1995 Yamagata Printing had asked me to establish partnerships with printers and translation agencies in Europe and to take responsibility for the client relation management. Yamagata Printing eventually established its own European headquarters to guarantee more engagement with its clients. Our entire internal structure and our procedures are adapted to the quality requirements and standards

of our clients.”

Yamagata Europe has three departments: a printing department with 5 graphical design specialists who coordinate the production of (primarily) technical documentation sets; a translation department with 15 linguists who maintain our clients’ databases of technical documents and prepare, assign and coordinate the new translation work; and a DTP department with 4 people who do layout work themselves or assign it to external suppliers. The Yamagata Group has much of its layout work done in Eastern Europe, Malaysia and China.

The quality of the service makes the difference

Clients can entrust the entire process (from creation to distribution) or fragmented services to Yamagata Europe. If desired, Yamagata Europe provides an



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extranet for a seamless connection of its own backoffice to the backoffice of the client. The entire process of ordering, order management, translation, printing, and administrative and logistic handling can be monitored on both sides.

A constant factor is the value that is placed on the quality of the work. An example: “We work for clients that are very actively involved in maintaining high standards of quality. The guarantee of quality is part of the business model. While the quality of printed matter can be assessed objectively, that is more difficult for translation work because the existing evaluation criteria are often subjective. Furthermore, it is very labour intensive to compare the source and target text in search of inaccuracies, especially in languages we have not thoroughly mastered. Therefore we have developed a software application that can automatically detect mistakes in translations. The program not only generates a report containing the detected inconsistencies, incomplete translations,

terminology problems, incorrect values and so forth, but it also makes it possible to quickly and easily correct them. Furthermore, QA Distiller is seamlessly integrated with our translation tools (Trados) and other quality procedures.”

“We were the first user of QA Distiller. The first external client for QA Distiller was the International Accounting Standards Board, an international organisation with headquarters in London. The IASB writes the rules for preparing good, transparent and internationally comparable accounting reports and publishes them in 26 languages.”

Yamagata Europe’s clients include Sony, Nikon, Honda, Hitachi, Ricoh, Canon and well-known European companies. “The client determines the standards and our manner of cooperation. Sony, for instance, has the Green Partner Program, an environmental tracking programme that specifies requirements all partners must be able to satisfy. Yamagata Europe

must provide Sony with a guarantee that the provided printed matter contains no substances that the Japanese manufacturer has categorised as harmful. The electronics manufacturer sees the technical manual as a component just like any other. We have our printed matter analysed in a Belgian laboratory. Sony also performs spot checks. There was one incident in which the ink on a sticker contained too much lead. In that case the delivery is not accepted. A large portion of the printing, for both print and press, is subcontracted to printing companies in the Ghent and Bruges area.”

Services can be easily delocalised

The story of the Yamagata Group has taught me that services can also be delocalised. When manufacturers or their suppliers transfer their industrial production locations to other countries it is a disappointing development for existing suppliers. Valued service providers that can provide considerable extra value and have the

courage to follow their clients can profit from the situation and enjoy continued economic growth. When Dell moved its production from Malaysia to China, Yamagata moved with them. A joint venture enterprise formed by Yamagata and a Chinese company now provide printing services for the American computer giant.

Large brand-name owners have their devices and machines produced in low-wage countries. They ship their products to regional logistical hubs that serve multiple countries. It is a new trend to add the technical literature sets to the products in the logistical hubs rather than at the factory locations. Belgian, Dutch and German suppliers can only hope that the old logistical hubs in their countries continue to remain there and are not moved to Eastern Europe. Only companies that are firmly rooted in the philosophy and operating processes of their clients can feel confident of their future.