

Rebadging the way to go in converging environment, says upbeat Itec

Posted: Fri, 01 Dec 2006 11:36 | © Moneyweb Holdings Limited, 1997-2006

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December 1st, 2006 -* Digital imaging solutions provider Itec says its strategy of rebadging Konica Minolta multifunctional devices, and marketing them locally under its own brand, is part of a burgeoning global trend towards providing complete office solutions rather than individually branded products.

In fact, says Itec CEO Jacques Duyver, the largest and two fastest growing office automation companies in South Africa rebadge their product ranges, saying that it has become "a strategic disadvantage" to trade under a product name if you don't own the brand.

"The keys to success in the document solutions market are in matching high product quality with aggressive price and high levels of local service and support. Our ability to supply the full Konica Minolta range under the Itec brand puts us in a much stronger position to deliver in all three areas," said Duyver.

Konica Minolta Japan last week announced that it had signed up an agreement over the next several years with Itec to supply the Konica Minolta product under the Itec name, and that Itec would receive all products on the same pricing, terms and conditions as any other distributor of Konica Minolta product in South Africa.

Duyver said recent claims by Konica Minolta SA, (a local distributor that trades with the Konica Minolta name but is not owned by Konica Minolta in Japan), that it was the principal and exclusive distributor of Konica Minolta's bizhub range of multifunctional products and that they are the "brand custodians" was "patently misleading" as there are several other distributors of the company's products in South Africa.

"Konica Minolta leads the market in colour MFP's (digital copier/printer systems), but no single manufacturer can provide the range of technology needed to meet the document management demands of today's corporate clients," said Duyver.

Itec recently concluded a deal with Konica Minolta Japan to rebadge its range of multifunctional printing equipment, which Duyver says is "by far the best brand and the best product set in the market."

Itec is currently South Africa's third largest supplier of local office equipment, with an estimated 11% market share. The company was formerly the distributor of Konica products in South Africa before the integration of Konica and Minolta three years ago. Since Itec moved away from trading under a product name to its own name in 2004, it has seen its biggest growth ever, making it also the fastest growing office automation company in the country, with an annual turnover of over a R1 billion.