

4696 COLOR INK JET PRINTER

4696S COLOR GRAPHICS OUTPUT SYSTEM

CX4696S IBM-COMPATIBLE COLOR GRAPHICS OUTPUT SYSTEM



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NEW PRODUCT ACTION PLAN

4696 COLOR INK-JET PRINTER

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## I. PRODUCT DESCRIPTIONS

### A. General Description

#### 4696

The 4696 Color Ink-Jet Printer is a low-cost, eight-color (cyan, magenta, yellow, black, red, blue, green, and white) printer. It is a replacement product to the 4695 that is also OEMd from Sharp. The 4696 is a plug-compatible replacement featuring the following enhancements:

- nearly twice the print speed (half the copy time)
- double the ink capacity (approx. 100 copies)
- improved reliability (with new purge capability)
- easier installation and maintenance.

Image quality is similar to the 4695, except lightfastness and line quality are improved. The 4696 is intended to be the printer of choice for the lower end of the 410X terminals.

The paper and transparency sheets are the same as the 4695. The inks have been reformulated and are in new packages, so they can not be retrofit into the 4695.

#### 4696S

The 4696S Color Output System is a system bundling of the 4696 and the 4510A Color Graphics Rasterizer.

#### CX4696S

The CX4696S IBM 3270 Compatible Color Output System is a system bundling of the 4696 and the CX4510A IBM-Compatible Color Graphics Rasterizer.

## 4696 SPECIFICATIONS

Print Speed (Graphics)	0.47 square inches per second
(Text)	35 characters per second
Copy Time	<3 minutes for A-size sheet (depends on image density)
Addressability	120 x 120 dots per inch, horizontal and vertical
Ink Volume	5.0 cc per cartridge
Dimensions	
Width	19.90" (506 mm)
Height	6.00" (153 mm)
Depth	13.50" (343 mm)
Weight	29 lb (13 kg)

### B. Compatibility

The 4696 is a plug-compatible replacement to the 4695. Existing firmware drivers and interfaces written for the 4695 should function identically with the 4696.

A list of compatible terminals for the 4696 follows:

<u>Terminal/Host</u>	<u>Required option/configuration</u>
4404/5/6	
4105/7/9A	
4104A/5A/6A/7A/9A	
4111/CX4111	
CX4106A/7A/9A	
4113B/15B	Option 19
4125/8/9	Option 19
4510A/CX4510	
6130	"4695" hardware and software option

### C. New Features

The 4696 has implemented some firmware enhancements. New drivers being written may want to incorporate these features, however existing 4695 drivers will still function without these features.

- downloadable characters--allows the user to develop customized/special characters
- 7-bit ASCII commands--allows more flexible use of the printer. Can create files on a host for pass-through (410X feature) to the printer.
- page length definition in micro-line-feed increments (1/30 inch)--allows users to define any length page (i.e. metric lengths)

These features are in addition to standard 4695 features:

- ink-level sensing--LEDs indicate when ink is low. When refilled with ink, the copier can resume printing without losing data.
- transparency media mode--scan is reduced to mono-directional for maximum image quality, so copy time is twice as long as paper.

## II. MARKETING STRATEGY

### A. Product Positioning

#### Screen Copier

The 4696 printer is targeted toward the same application segments as the 4695: Business Presentations and Graphics, Technical Data Analysis, low-end CAD, Cartography, and Graphic Arts.

The 4696 is positioned as the low-cost, desktop, personal printer for working copy and presentation output when combined with drivers in terminals. It is the intended printer solution for low-end 410X and CX410X terminals.

#### Plotter

The 4696S output system provides enhanced resolution, and expanded color palette, and improved copying productivity for final quality output. The 4696S is targeted for use with middle and higher-end 410X and CX410X terminals. The CX4696S provides the improved performance of the 4696S and is targeted for use in IBM 3270 host environments.

### B. PC Applications and Alternate Distribution

With the introduction of the 4696 the 4696 Opt. 1 (4695P01, Opt. 1), IBM PC Screen Copier Software, will no longer be available. The 4695 Limited Supply MSR will announce a Last Time Buy for the Opt. 1. Although PC interface solutions do not currently exist for the 4696, the entire PC environment is being investigated. This investigation is in two principal areas: 1) Determination of the customer's criteria for a value based 4696 hard copy solution, and 2) The most effective and efficient method of marketing delivery.

Specific areas under investigation include:

1. Application software support: Chartmaster (Decision Resources) and PC Paintbrush (Z Soft) are both compatible with the 4695. GSS on the other hand, is updating their GSS\*CGI Computer Graphics Interface for 4695 compatibility. These packages should be compatible with the 4696 (although validation will be required). In addition, other popular packages are being identified and driver support being investigated.
2. Full Resolution "Rasterizer" based solutions are being investigated, i.e., "Rasterizer-on-a-board."
3. Low cost RGB solutions: Items 1 and 2 will most likely be based on third party vendors and include alternate distribution, i.e., VARs and/or distributors.

As possible solutions are developed, they will be tested for viability and the distribution alternatives will be reviewed and/or developed with sales management participation prior to implementation.

In the interim, OEMs represent some of our best volume and expanded distribution alternatives.



### Application Compatibility

A prototype 4696 has been verified to be compatible with the SAS/RTERM product. SAS/RTERM is a PC-based terminal emulator that supports the 4695 and/or the HP Plotters.

Compatibility was verified with ISSCO's VAX/VRC (Vector to Raster Conversion Software) which supports the 469X products.

### C. Competition--Captive

#### 4692

For our captive customers and current OEMs, the only competition is from the 4692. The 4696 will be the printer of choice for most low-end terminal users and price-sensitive customers. Customers with high-end terminals and workstations will prefer the standalone, shared resource capability of the 4692.

Some customers may prefer monochrome solutions, such as the 4632/34. These copiers currently provide quicker copies.

### D. Competition--Non-captive

#### Other Ink-jets

In pursuing new non-captive OEM business, competition will be from three sources: IBM Color Jetprinter (3852 Model 2), Xerox 4020, and Sharp JX-720. The IBM Jetprinter is attractive only to the most price-sensitive customers where image quality is not important. The performance of the IBM, in both image quality and speed, is a step-function below that of the 4696.

The Xerox and Sharp products are versions of the 4696 base printer mechanism. Both products are announced. Sharp has been shipping products to customers in Japan for several months. Xerox received their first shipment of products in April and will soon begin shipments to customers.

#### Sharp JX-720

The Sharp product is similar to ours. They intend to market the product directly in the U.S., but limited service capability is an obstacle they must overcome. The firmware set is different from the 4696. Graphic commands are the same, but dialog character printing will not produce same results as the 4696. Price is \$1495. Sharp is targetting their product toward OEMs.

#### Xerox 4020

Xerox also has a weak service reputation, but they have implemented some additional features that may help their competitive position. They have an additional set of nozzles for the black head which allows them to print black text twice as fast. They also have the ability to offset the printhead by 1/240 inch to achieve twice the vertical resolution, or a pseudo-resolution of 240 x 120 dots per inch for improved text and graphics resolution. We have not implemented these features in the 4696. The firmware set is completely different, Xerox 4020 will not work with Tek terminals. Price is \$1495 plus \$175 for Supplies startup kit. Xerox is targetting toward PC applications, particularly OEMs.

#### Other Technologies

Competition will also be from dot matrix and pen plotter units. The 4696 has greater color capabilities, quiet operation, and excellent graphics capabilities that will make it win over these technologies.

#### CalComp ColorMaster

At 200 x 200 dpi and \$4495, it competes with the 4696S. However, it has only seven colors.

#### E. Future Strategy

Future plans are to develop a roll transparency as an unique media offering. This will provide us a definite competitive edge in our applications. Feedback from 4695 customers invariably includes comments about the inconvenience of feeding the sheet transparencies. Having a roll transparency would alleviate this inconvenience and provide our customers a capability that is unmatched by Xerox and Sharp. This will be an important product offering, especially for customers doing presentation graphics.

Future plans are also to develop our own ink formulation to achieve competitive advantages. Our own ink formulation would be developed to be more 4692-like, i.e., enhanced image quality.

#### F. Key Selling Points

The key selling points for the 4696, 4696S, and CX4696S are:

- Plug-compatibility with the 4695
- Increased performance (speed and reliability) for a good value
- Tek system solutions: 410X with 4696/S  
CX410X with 4696/CX4696S
- Tek service and quality
- Driver Support: Graphics Printing & Imaging Division will help OEMs write their own drivers. There is also technical support in the Field for this effort. Device Driver information is included in the 4696 Users Manual.

4696	IBM Jetprinter
- 120 x 120 dots/inch addressability	- 100 x 96 pels/inch addressability
- 85 characters/line	- 132 characters/line
- 35 characters/sec 0.47 sq in/sec print speed	- 20, 33, 50 characters/sec 0.18 sq in/sec print speed
- <3 min for A-size paper (image dependent) copy time	- 3.5 - 8 min copy time

Comparison by specs only can be misleading. In a side-by-side comparison of similar images, the 4696 is much faster and the image quality is clearly superior.

The specifications of the Sharp JX-720 and the Xerox 4020 are identical to the 4696, except the Xerox features:

- twice the print speed for black text
- near letter quality text at same print speed (black only)
- pseudo-resolution of 240 x 120 dpi (graphics mode)

### III. INTRODUCTION PLAN

The 4696 is a direct replacement for the 4695. Therefore the key strategy for introduction of the 4696 is careful management of the 4695 inventory. The goal is to minimize any scrap costs by depleting the 4695 inventory before the 4696 is orderable. Orders for the 4695 will continue to be accepted as long as inventory lasts.

Shipments of 4696 will be received from the vendor simultaneously in Wilsonville and in Heerenveen in approximately 701. European subsidiaries should place 4696 orders through Heerenveen, as quantities of 220V products available through Wilsonville will be limited. Other international and U.S. orders should be placed through Wilsonville. First 4696 shipments will be demos and are expected to begin the last week in 701, late June. First customer shipments should begin in early 702, July.

Until the 4696 arrives in June, Wilsonville is still accepting orders for and shipping 4695's. The 4695 inventory status is:

- As of April 8, there are less than 70 international (220V) units left to accept orders against. When those units are depleted, remaining orders for 4695 will begin to be converted to 4696. If any orders are converted, the International Sales Manager will be notified.

- As of April 8, there are approximately 200 standard (110V) units left to accept orders against, in addition to 50 units which have been reserved for GSA customers. There are also 138 units in Reconditioned inventory and demos. With the price of \$795 and the \$100 bonus commission, these units offer good value for the customer and the sales force. DSMS should push these units.

No orders for standard (110V) 4695 will be converted.

Standard Terms and Conditions for rescheduling and cancellations will be enforced.

#### A. OEM Notification

A letter was sent to District Sales Managers and International Sales Managers in 611.4 outlining the 4696 specs and features along with sample hardcopy for this activity.

## B. Demo Units

Demo allocations are: 100 for U.S., 21 for Europe, and 11 for AMPAC. The demos for Europe should be ordered through Heerenveen when the 4696 is placed on the PAL, probably in early 701. Clark Kashmaier is planning U.S. demo allocations now. He will load the initial demo orders when the 4696 is on the PAL.

## C. Training

In depth sales training is not required. Familiarity with 4695 functionality is adequate. It is preferable that PSAs and SAs have time to familiarize themselves with 4696 improvements and enhancements as soon as demo units are available in the Field. Three B-phase demos were used for PSA evaluation of 4696 performance, compatibility, and reliability. These PSAs are now quite familiar with the 4696 and could be consulted for technical questions. They are: Bill Lowery in Newport News, Tim Kellogg in Dallas, and Stan Jensen in Santa Clara.

An SE/SA Workbook will be distributed to SEs and SAs after Announcement, in late 613.

## D. Sales Tools

Demo units will be the primary sales tool initially, in conjunction with sample hardcopy. The 4696 has improved portability and movability, which means that you can now take color hard copy to a demo.

The Color Copier Notebook will be updated with 4696/S images and data sheets for the 4696, 4696S, and CX4696S.

An SE/SA Workbook will be developed that emphasizes the key improvements of the 4696 over the 4695. A complete matrix of competitive products and features will also be included.

## E. Tentative Sales Programs

1. 4695 Trade-in/Trade-up Program for 4695 customers to trade in 4695s for a discount off 4696s.
2. Offering the 4696 as an option on Terminals Division Products (4105A/7A/9A and 4111) at a reduced price.
3. S-systems (4696S and CX4696S) pricing is discounted from that of the individual products.
4. The 4696 will NOT be included in the NPEL (New Product Evaluation Lease) program, as contrasted with the 4692. However, the 4696S and CX4696S Output Systems will be included in the NPEL program. The 4696, 4696S, and CX4696S will be included on the 30-day lease program.

5. We are petitioning GSA to put the 4696 and S-systems on a temporary program. We would offer the 4696 to GSA customers at the reduced price of \$1,595 until October 1.

F. Promotion

Public Announcement of the 4696 is scheduled for the National Computer Graphics Association (NCGA) trade show, the week of May 12. Press kits will be sent to key editors and industry influentials just prior to this date to attain media attention and coverage.

The June issue of On-Line will feature the 4696. Articles will also appear in Tekniques, TekView and Softalk.

#### IV. TENTATIVE SCHEDULE

4696 NPAP	612.1	4/11/86
4695 Limited Supply MSR	613.1	5/2/86
4696 MSR	613.1	5/2/86
Data Sheet	613.1	5/7/86
Announcement	613.2	5/12/86
4696 on Corporate PAL	701.1	6/2/86
Product Ship Release	701.3	6/20/86
Demo Shipments Start	701.4	6/23/86
Customer Shipments Start	701.4	6/23/86

## V. PRICING, AVAILABILITY, AND ORDERING INFORMATION

### A. Tentative Pricing

		<u>USDC</u>	<u>OEM</u>
<u>4696</u>	Color Ink Jet Printer	\$1,795	\$1,195
49	Property of Tektronix Tag	N/C	N/A
A1-A5	Power Cords	N/C	N/C
NO	Onsite Product Installation & Setup	125	N/A
N1	Service Plan + 9 Months	340	N/A
N3	Service Plan + 12 Months	455	455
N4	OEM Installation	N/A	125
<u>4696S</u>	Color Graphics Output System	6,995	5,250
32	4510A Opt 32 (2mb mem)	+1,995	+1,495
49	Property of Tektronix Tag	N/C	N/A
A1-A5	Power Cords	N/C	N/C
NO	Onsite Product Installation & Setup	125	N/A
N1	Service Plan + 9 Months	430	N/A
N3	Service Plan + 12 Months	570	570
N4	OEM Installation	N/A	125
<u>CX4696S</u>	IBM-Compatible Color Graphics	8,995	6,750
1A	41P76 Opt 1A, GSI-MVS	+1,995	N/A
1C	41P76 OPT 1C, GSI-VM	+1,995	N/A
32	4510A Opt 32 (2mb mem)	+1,995	+1,495
49	Property of Tektronix Tag	N/C	N/A
A1-A5	Power Cords	N/C	N/C
NO	Onsite Product Installation & Setup	125	N/A
N1	Service Plan + 9 Months	470	N/A
N3	Service Plan + 12 Months	630	630
N4	OEM Installation	N/A	125
N9	1 YR S/W Updates for Opt. 1A & 1C	N/C	N/C
<u>4696 Supplies</u>			
016-0739-00	A-Size Sheet Paper (500 Sheets)	35	
016-0740-00	A4-Size Sheet Paper (500 Sheets)	35	
016-0743-00	Roll Paper (Box of 6)	75	
016-0480-00	Transparency Film	85	
016-0838-00	Maintenance Liquid Cartridge	14	
016-0839-00	Black Ink	8	
016-0840-00	Cyan Ink	8	
016-0841-00	Magenta Ink	8	
016-0842-00	Yellow Ink	8	



Using the April 1, 1986 price of the 4695 as a baseline (\$1,595 end user and \$1,195 OEM), the 4696 pricing is:

Increased \$200 for end users

The same for OEMs

Some of the reasons for this pricing strategy are:

1. 4696 product has more value (increased performance and reliability)
2. The value of the yen has increased so much that the cost of goods purchased from Japan has gone up. The price increase is needed to maintain margins. This pricing is consistent with other goods purchased from Japan; the price of memory chips has stopped declining.
3. Xerox and Sharp have both increased their prices. Xerox has increased their price from \$1,295 to \$1,670 for end users including \$175 for startup supplies). We do not compete for the same end users as Xerox and Sharp, but this indicates relative changes in the marketplace.
4. Built-in driver support in Tektronix terminals for the 4696 is an important value.

We are maintaining our OEM price to facilitate maintaining our OEM business and to meet the competition.

B. Tentative Availability--Heerenveen Plant

Delivery Quote

4696, Opt. A1	4 weeks
4696, Opt. A2	4 weeks
4696, Opt. A5	4 weeks

C. Tentative Availability--Wilsonville Plant

Initial Delivery Quote

PAL Target

4696	8 weeks	4 Weeks
4696, Opt. A1	12 weeks	4 Weeks
4696, Opt. A2	12 weeks	4 Weeks
4696, Opt. A3	4 weeks	4 Weeks
4696, Opt. A4	4 weeks	4 Weeks
4696, Opt. A5	12 weeks	4 Weeks
4696S	6 weeks	4 - 6 Weeks
CX4696S	8 weeks	4 - 6 Weeks

