

The Magazine of the Business Technology Association

DECEMBER 2021

2022 Industry Forecast

Manufacturers look to the year ahead

























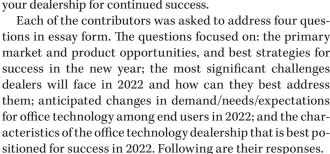
Question the Status Quo Religious Exemptions Inbound Leads BTA Refres

2022 Industry Forecast

Manufacturers look to the year ahead

Compiled by: Brent Hoskins, Office Technology Magazine

he COVID-19 pandemic and its collateral damage will forever be viewed as the cause of unparalleled challenges for many within the office technology industry. Certainly, some of the challenges will continue in 2022, but the new year will arrive with opportunities as well. What will be the greatest opportunities in the year ahead? To find the answers, Office Technology magazine asked 12 MFP and printer manufacturers to share their expectations for 2022. Perhaps the insight shared in this year's industry forecast will help you better position your dealership for continued success.





Sharp Imaging and Information Company of America (SIICA) Mike Marusic, President & CEO

Last year I had the opportunity to participate in the 2021 industry forecast and I opened with: "What a year! I think I speak for everyone with the wish that whatever comes in 2021, we

hope it is nothing like 2020." And then it was a repeat with an added twist! Somehow, we managed to continue with all of the COVID-19 and remote work challenges and layered in supply chain issues. But we are still here!

As we move toward 2022, the resiliency of the dealer community will again be tested, but I have complete confidence



in our dealers' abilities to come through the year stronger than ever. Tomorrow's office technology dealership will be a true technology provider with the ability to cross multiple hardware and software offerings to solve its customers' technology needs, and Sharp intends to be central to that offering.

Both dealers and the OEMs have been talking about the need to "diversify" to offset the changes in the print landscape. Sharp is already one of the most diversified companies in this field, but it is the diversification within the office that will set Sharp and our dealers apart. Our investments in

the purchases of the Toshiba laptop business (now called Dynabook) and the NEC display business shows our commitment to the office technology space. Our goal is to surround the office with our technology and help dealers leverage what they already do best — supporting and installing networked products.

During this past year, we have seen more and more of our dealers expanding within their customers by offering Sharp displays and Dynabook laptops, adding millions of dollars in revenue that helped offset lower print volumes. The ability to offer additional hardware to complement a managed IT business is helping the Sharp dealer community keep competitive MSPs and VARs out of their customers. By offering a broad lineup of complementary products, Sharp dealers can gain entry into new accounts that they can later leverage to obtain print business. We have seen many dealers become exceptionally successful with this strategy.

However, there is a new challenge hanging over the industry, and that is the supply chain. With both a shortage of chips/sensors and a logistics system at overcapacity, there are additional headwinds for the industry. Sharp has been fortunate on the first challenge and we have been able to maintain our production of A3 products by taking several steps to ensure a steady supply. In fact, from July through October, we shipped more A3 products than we

did in 2019. We anticipate the overall shortage to continue through at least the first half of 2022 — and maybe longer. There simply is more demand than supply and it will take a while to catch up. The second challenge is one that is outside the control of all of the OEMs, and that is shipping delays and port congestion. This, too, will continue through the first half of 2022, but hopefully the worst part will be over as we move past the holiday season.

So, what can be done? Communicate and diversify.

Communication of inventory positions from the OEM to the dealer is critical. We have been very open with our dealers with a two-month, model-by-model "heat map" that can help dealers plan where to focus quotes and new opportunities. On the flip side, dealers need to communicate their forecasts and opportunities with their OEMs to help plan future production. We need to work together with honest and open discussions as to what the situation really is and how we can work through it.

The supply chain issue is also an opportunity, as many of your customers cannot obtain technology products from their traditional suppliers. This is your opportunity to step in. Diversifying your product offering can help you

Finally, do what you do best — be an entrepreneur. When you see an opportunity, grab it, be flexible, and be open to new ideas and new products. gain new customers or become broader with existing customers. Our Dynabook laptops have also had a steady supply and our document channel revenue in that area doubled last fiscal year as other brands were facing some shortages. Jump in and grab that business. It is additional value you can provide your customers.

Finally, do what you do best — be an entrepreneur. When you see an op-

portunity, grab it, be flexible, and be open to new ideas and new products. However, you do not have to stray from your strength and drop big investments in diverse fields or the "next shiny new business." Your strength is your service and support of customers in maintaining their technology hardware. Leverage the team you have by layering in new offerings that fit that profile and build on the trust you have with your customers.

Most of all, be aggressive in 2022. With so much uncertainty, there is a vacuum that you can fill. Go for it! ■

Brent Hoskins, executive director of the Business Technology Association, is editor of Office Technology magazine. He can be reached at brent@bta.org or (816) 303-4040.

