



We are happy to announce that in December 2015 "Smilkov" Ltd signed a contract for receiving of a subsidy based on the project "Improvement of production capacity in "SMILKOV" EOOD", financed by the Operational Programme "Innovation and Competitiveness" 2014-2020, cofinanced by the European Union through the European Regional Development Fund. The total project cost is 1298671.12 BGN, out of which 496741.70 BGN are financed by the EU and 87660.30 BGN are financed by the national government.

Short Description of the project:

"SMILKOV" EOOD is a company established in 2006 and at the moment is the largest printing house specialized in sheet-fed offset printing in the District of Blagoevgrad. The main stages of the production process cover pre-press; exposure and imposition; printing and finishing processes. The company constantly invests in improving the production process in order to meet the current production trends in the industry and the dynamics and development of consumer demands and requirements. In light of this, the implementation of this project has the main objective of increasing production capacity and the export potential of "Smilkov" EOOD.

The eligible activities included in the execution of the project are:

- 1) improvement of production processes;
- 2) adding new features or improving features of existing products and services;
- 3) diversification of the product and service range;
- 4) implementation of new technologies and improvement of resource consumption efficiency and effectiveness in the production process via a long term investment in tangible assets - a specialized full color offset printing press - 1 piece, which is going to widen the current business facility capacity.

All project activities and their corresponding results will contribute to the successful overcoming of the problems, which prevent the further development of the company: the insufficient production capacity, use of outdated technologies and high production costs, as well as the lower quality of manufactured products and inability to expand the product range.

The project also falls within the priorities of this procedure related to the thematic priorities, sustainable development and participation in OPC's procedures.

Goals:

The main objective of the current project is: "to increase the production capacity and to higher the export potential of Smilkov EOOD"

The main goal of the project is directly connected to the objective of this procedure and the specific goal of Investment priority 2.2. "Capacity for growth of SME", part of the OP "Innovations and competitiveness" 2014-2020 for an increase in the production capacity and improvement of export potential of bulgarian small and medium enterprises. The specific goals of the project are:

Specific goal 1: Improving the production process and increasing the productivity of the enterprise in accordance to market demand, as well as creating better conditions for further market position enhancement.

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Specific goal 2: Providing the necessary conditions for implementation of new product characteristics and improving the current products and services in accordance with the increasing market demands.

Specific goal 3: Diversifying the current product and service range in accordance with the current trends in print product market needs.

Specific goal 4: Improvement of resource efficiency during the production process while ensuring a sustainable development in a market segment filled with very dynamic and highly competitive conditions.

The specific goals of this project lead directly to fulfilling the main objective of this project. They will be achieved through the implementation of the planned interconnected activities, associated with acquiring a long term investment in tangible assets - a specialized full color offset printing press with a printing format 50x70 cm - which is going to widen the current business facility capacity.

Results:

The expected results following a successful implementation of the planned project activities are:

Results from activities aiming at production process improvement (will result through the purchasing of the specialized offset printing press - 1 piece):

- Improved production process achieved through the implementation and utilization of a specialized full color offset printing press - 1 piece
- Improved production capacity of the whole establishment, more particularly an increase to the capacity for full color, large size orders - at optimal conditions an increase to the production capacity with 15000 sheets per hour, size 50x70 cm - with around 3.75 times in comparison to the current capacity of large sized products (limited to one color printing) and a 2.5 times increase compared to the capacity of full color orders with a size of 35x50 cm.
- Optimized production process, more particularly an optimization to the time needed for order completion - existing prerequisites for a fast plate change, therefore faster switch between two orders and elimination of the risk of losing time between finishing and starting a new order, automated quality control and an overall decrease in the time needed for printing by around 81.73%.
- Secured capacity and technological prerequisites for longer print runs (above 3000 copies)
- Optimized buffer times between printing and finishing processes and overall improvement of pre- and postpress process flow.
- Medium increase to the production capacity with 34.6242% during the period of 3 financial years after completion of the project compared to the production capacity of the establishment during 2014.

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- Improved export capacity and an increase to the averagely generated income from direct export with 26.89% for the period of 3 financial years after putting the planned project investment in effect.
- A boost to the competitiveness of the company on the national and international markets and a creation of prerequisites for market share increase thanks to an improved production process and technological opportunities for a high speed print order execution at an optimal price and at the same time with a very high quality.

Results of the activities for implementation of new product characteristics and improvement of the current product and service portfolio (will result through the purchasing of the specialized offset printing press - 1 piece):

- A larger spectrum of product characteristics and general improving of the current products and services through the purchasing of a specialized full color offset printing press - 1 piece.
- Addition of a new characteristic: “full color print of products wider than 50 cm and higher than 35 cm”.
- Addition of a new characteristic: coating of the print orders with a “coating varnish”.
- Improving of the current products by means of securing a high quality print, which results from the automated quality control installed in the specialized printing press.
- A boost to the competitiveness of the whole company on the national and international market and a higher production and export capacity achieved through the higher quality products and the securing of this quality, as well as the addition of new product characteristics, in compliance with the current and future market needs and trends.

Results of the activities for diversifying the product and service range of the company (will result through the purchasing of the specialized offset printing press - 1 piece):

- Diverse product and service range of the company through the purchasing and implementation of a specialized offset printing press - 1 piece
- Addition of full color printing products with a size of 50x70 cm to the product range, among them:
 - o Advertising materials, such as brochures and prospects (full color, 3 times A4);
 - o Posters and maps with a size 50x70;
 - o Advertising food pads with a size of 50x70;
 - o Paper bags, with an open format of 50x70 and
 - o Carton packages, open format 50x70;
 - o Folders and other carton products;
 - o Full color books;
 - o Printing of full color calendars with a size of 50x70.
- Addition of varnished products to the product range of coated materials.

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- Improved competitiveness of the company on the national and international market and a higher export capacity owing to fulfilled preconditions for the customer needs and wishes for a wider variety of print products and services.

Results of the activities regarding implementation of new technologies for a better resource efficiency in the production process (will result through the purchasing of the specialized offset printing press - 1 piece):

- Implementation of a new technology for increasing the resource efficiency in the production process - result of purchasing and implementing a new specialized offset printing press - 1 piece
- An average decrease in paper usage during production of 14.82% in comparison to paper usage of the current printing machines
- Minimizing the product spoilage through an implementation of automatic quality control, which insures a proper mechanical infeed and an error-free printing.
- Minimizing the amount of washing and cleaning agents used in the production process and thus achieving a positive ecological effect.
- Decreasing the average ink usage at optimal conditions with 11.39% in comparison to the printing
- A general decrease of the manufacturing costs of the print products with 37.52% due to the resource efficient technology leading to a decrease in paper and ink costs, as well as a decrease to the machine setting-up count and time, leading to a faster order changeover and faster workflow.
- Improving the cost efficiency of the manufacturing costs with an average 16.7286% within the next 3 financial years after implementation of the project in comparison to the manufacturing cost effectiveness of 2014.
- Improved company competitiveness and efficiency through implementation of a new modern technological equipment, which optimizes the production process and leads to a minimized raw material usage for a direct positive impact on natural resources, particularly biodiversity and this way leading to a resource efficiency.

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