

Analysts Skeptical About Kodak's Future Post-Bankruptcy

by Joel R. Glucksman on September 13, 2013

Eastman Kodak Co. is expected to officially emerge from bankruptcy protection over the next few days, and once its formal exit is complete, the company will begin focusing its resources on its commercial-imaging business. Although Kodak will emerge greatly transformed from its previous state, many bankruptcy commentators are questioning whether the 125-year-old company will survive in the new digital era.

On the one hand, the company is emerging from proceedings with a smaller workforce, fewer expenses, and a more specific focus on smaller markets and consumer segments, USA Today reports. In addition, the former company was previously owned by several different entities, including financial institutions and investment companies. However, the revitalized company will be operated and managed by a new nine-person board and a handful of investors.

However, some commentators - such as Mercury Print Productions owner John Place - noted that the company's success will largely rely upon its ability to bring something new and fresh to the market to draw customers and stay competitive. Mercury installed a Kodak Prosper press in 2011 and Kodak continues to send customers to Mercury to experience the new technology, the newspaper notes. However, Place said he hopes that Kodak will continue to evolve its products.

"That's one of the problems Kodak's always had," Place told USA Today. "They've got to give (prospective customers) a wow experience. They need a partner to show a wow experience. They're very bad at that. They're very good at technology, but bringing it to the market ..."

Other industry professionals appear to agree, with photographer Charlie Waite telling BBC News that Kodak is entering "shark-infested waters," and becoming more innovative and unique will be critical for its future success in the digital imaging industry. The newspaper also noted that the industry is already dominated in large part by other companies - such as Cannon and Hewlett-Packard - making it all the more challenging for Kodak to infiltrate the market.