Kornit Digital Acquires Custom Gateway

Kornit Digital Acquires Custom Gateway, Expanding Cloud Software Workflow Portfolio for End-to-End Management of On-Demand Apparel and Home Décor Production

Acquisition marks important next step in expanding strategic partnership with leading brands, retailers, and suppliers as they accelerate digital transformation

Kornit Digital (Nasdaq: KRNT), a worldwide market leader in digital textile printing technology, announced today the acquisition of Custom Gateway, an innovative technology provider of cloud-based software workflow solutions for on-demand production business models.

“I am very pleased to announce the acquisition of Custom Gateway as we augment our market-leading capabilities with their powerful software, which we’ve evaluated thoroughly, including via several strategic customers we share,” said Ronen Samuel, Kornit Digital CEO. “Brands, retailers, suppliers, and fulfillers of all sizes stand to grow considerably through digital transformation, and with Custom Gateway, Kornit will revolutionize on-demand digital textile production with a unique end-to-end solution, giving us a powerful competitive advantage in the market.”

Custom Gateway’s robust and functionality-rich cloud platform is suitable for both B2B and B2C business models and handles all steps of efficient on-demand production. The platform enables content sourcing, creation, content management, and display at the front end. Orders created are captured by a robust order management system and are directed to the appropriate back-end production sites using sophisticated routing algorithms. Once orders proceed to the production floor, they are smartly routed and managed, to allow for efficient on-demand production on a mass scale. The entire process from order creation to shipment is enriched with integrations to existing IT environments, data-driven decisioning, and business intelligence analytics. By seamlessly connecting front end (online or other storefront) to the most suitable back end (on-demand production and logistics operation), the technology enables customers to realize the full efficiency, scalability, and profitability benefits of digitization.

Supplementing Kornit’s Konnect platform for visibility and control of print operations, Custom Gateway’s platform offers Kornit customers valuable business insights for agility in the face of market dynamics and disruption.

Custom Gateway has over 300 active customers globally, including brand names such as the U.K.’s largest fashion retailer Next, as well as other leading sports, fashion, and content brands.

“We’re excited about bringing these two creative cultures together and know from experience that Kornit and Custom Gateway are built upon a common vision,” said Andrew Talbot, Custom Gateway CEO. “Together, we will provide global brands and fulfillers optimal control of their business, ensuring swift, socially responsible fulfillment, and in a profitable model that produces and ships orders in real time, without excess inventory or labor.”

“On-demand production is overtaking traditional retail models, and the producers who harness all available data will win the marketplace,” said Omer Kulka, Kornit Digital CMO. “We’re excited to welcome Custom Gateway to the Kornit family, a development that will ultimately give end consumers the products and experiences they expect.”