

# PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

November 28, 2005

## Estimating vs. Pricing

Our estimators have vast knowledge of the printing process and great software at their fingertips to produce their best prediction of the cost of production on a particular project. When presented with the same project specs, we would expect them to produce the same estimate. But the estimate is not the price and the price should not be same for every buyer. There are vast differences in client relationships, competitive conditions, value added, etc. that should and must be included in the pricing process and are client specific. Also, remember that a pricing system that allows for a discount on the estimate must also provide for disproportionate mark-up.

## Find Out

A few weeks ago, Update published the story of the Australian printer who had received an OK on the proofs from the client, but on makeready had made color adjustments to get the flesh tones correct which had color shifted the client's blue logo leading to a rejection of the job. One of our readers, Bruce Brandenburg (Brandenburg & Associates) observed that a root cause of the problem was a failure to know the client well enough to realize that the blue was a signature color for them and would have to match.

## You Can Judge A Book By Its Cover

Mel Kavin (Kater-Crafts Bookbinders) has been a bookbinder for nearly fifty years and is a nationally recognized authority on the subject. On Saturday, December 10th, Mel will display the extraordinary result of a challenge he had put to 33 of the best bookbinders in the world to design and hand bind the same miniature book. The result is an incredible display of skill. He will also speak, sharing his experiences at 2:00 PM. All of this will happen at the International Printing Museum; 315 Torrance Boulevard; Carson, CA 90745 and so it will provide you a great opportunity to see the wonderful collection at the Museum. While the event is free, please call (310) 515-7166 for reservations so that you can be accommodated.

## They Didn't Have Insurance

When a major project goes wrong, it can (and usually is) a painful and expensive story. For this reason, many PIASC members buy Printers' Errors and Omissions (E&O) insurance coverage. However, one of our mem-



Dr. Benjamin Lee (California State University – Los Angeles) receiving the PIA/GATF Educator of the Year award from Bill Gibson (Rider Dickerson – Chicago) at the PIA/GATF Administrative Meetings in San Francisco.

bers who did buy the coverage, gave a rather large job to a finisher who spoiled the entire job, leading the printer to reprint the job and then give it to the same finisher who spoiled it again! Needless to say, the third rerun was given to someone else and the printer filed an E&O claim for which there was no coverage because the error was not his. He then found that the finisher did not have E&O coverage and that it was doubtful that they had sufficient resources to make good the printer's claim. The moral to this story—be sure that your supplier has E&O coverage because problems will occur and you don't want to be left holding the bag. For full info about E&O coverage, call Joanne Cadenas at Ext. 256 (email: [joanne@piasc.org](mailto:joanne@piasc.org)).

## Sequential Liability

We understand that some ad agencies are writing purchase orders with language stating that they don't have to pay you until their client pays them. Remember, that if that is what the purchase order reads and you accept it, that's the deal regardless of your normal terms. By the way, just striking out the language without getting the agreement of the maker of the purchase order won't help you. If you don't want to do business on those terms, you must negotiate a different story or walk away from the job. An acceptable solution may be a purchase order from the agency's client particularly since they may be more credit worthy than the agency.

## Thought for the Week

*A hug is a handshake from the heart.*

**Dear Brad...**

Does the pigment color affect the ink drying? Brad Evans of the PIA/GATF Technical Hotline (412) 259-1784 said:

Carbon black, a pigment with very fine particles, adsorbs more drier than do the colored pigments that are much larger in size. The higher absorption inactivates the drier, slowing the rate of drying. Carbon black requires the addition drying agents.

**Here We Go Again**

GM has announced that its suppliers would be required to cut their prices. Mega corporations like this enjoy using their hap-

less and usually much smaller suppliers as victims whenever they're in trouble. While buyers like this can be major sources of work, making them a major part of your revenue can be a very high-risk strategy when they come looking for the big price cut and you don't have a lot of options.

**Family Members**

Peter Drucker, the late management guru, said: "Mediocre or lazy family members are therefore rightly resented

by non-family co-workers and respect for top management and the business as a whole rapidly erodes. Capable non-family people will simply not stay and the one who do, soon become courtiers and toadies. It is much cheaper to pay a lazy nephew not to come to work than to keep them on the payroll."

**Contest Citations**

Gary Jones, the industry's leading environmental, health, and safety specialist, observes that according to the Labor Department, about 90% of small companies hit with OSHA fines settled or paid the fines without contest in 2004. Relatively minor violations can cost several thousand dollars in penalties. It is usually beneficial to contest citations issued by OSHA as they can be inaccurate or, at the very least, the penalty can typically be reduced. If you are inspected and received a citation, please call Gerry Bonetto at Ext. 248 (email: [gerry@piasc.org](mailto:gerry@piasc.org)).

**Not So Casual**

The Society for Human Resource Management reports a swing away from casual dress and the "casual Friday." Certainly, "casual" always presented a policing problem since some employees concept of casual was off the charts. On the same subject, a sales consultant we know, remarks that sales reps need to be sensitive to client's dress codes. Don't call on the investment banker in your jeans and sneakers nor the hip ad agency in your pinstripe.

**For Sale**

**BROKERS & GRAPHIC DESIGNERS**--San Fernando Valley Printing and Design company has great location with attractive office space to rent. Call (818) 709-1220 and speak to Renee, or e-mail [vpadmin@clearprint.com](mailto:vpadmin@clearprint.com)

OVAC OV 45 HD 2 drawer plateburner, \$1,500. Will deliver in Southern California. Call Dale at (805) 964-8875.

*PIASC's Pick of the Week*



**Imaging**

*by National Council for Skill Standards in Graphic Communications*

Looks at job engineering, image acquisition, assembly, output, and technical services.

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