

# PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

June 5, 2006

**The Winners Were...** PIASC's Annual Student Assembly brought almost 600 students to the Long Beach Convention Center to see the final round of the Technical and Academic Competition in which students from five schools showcased their printing knowledge under intense pressure. The winners were:

- 1st Place – Hanan Ahmed – Venice High School
- 2nd Place – Blake Lechtenberger – Hart High School
- 3rd Place – Serene Lin – El Camino Real High School/ROP
- 4th Place – Sergio Perez – Manual Arts High School ISTA
- 5th Place – Sandy Martinez – Garfield High School

We also recognized the winners of the T-Shirt Competition which is judged separately on design and production. The winners were:

- 1st Place Design and Production – San Fernando High School
- 2nd Place Design – Woodbridge High School
- 3rd Place Design – Hart High School
- 2nd Place Production – Hart High School
- 3rd Place Production – Woodbridge High School

But the real winners were all of us who will benefit from having such great kids who are enthusiastic about our industry!

**Sales Activity** Many sales reps (and managers) equate activity with giving quotes to prospects/clients. In the real world, a sales call whose focus is asking “do you have something I can quote on?” is, almost always, only a generator of busy work for the estimator and an opportunity for the print buyer to show that he got the required three bids (even if he got six and had to throw away three to place the job where he wanted it to go). In a perfect world, your competitors would pay the expense of these calls since they are benefiting. The quote should be the last step in a process which has involved identification of the client's problem and the proposal of your solution. If this works for the client, they will find a way to justify buying from you and the quote becomes a formality.

**Read the P.O.** Recently, a situation arose where a client sent a printer a purchase order that contained the language “If delivery is late, we will not have to pay for this order nor will we will have to return the product.” The printer simply put the job into production without considering the text

Hanan Ahmed, Venice High School, receiving her medal for First Place from Susan Kinney (Castle Press) at the 19th Annual Student Assembly and 11th Annual Academic Competition.



of the P.O. and, as fate would have it, delivery was late. Their attempt to collect the invoice was met by the client calling attention to the text of the P.O. and the printer was forced to accept non-payment as another lesson in not doing business carefully. The fact is, that in contractual terms, a P.O. is an offer which when accepted by the printer either in writing or by his action becomes a valid contract. More commonly, the sequence begins with the printer giving the client a quotation which should include their terms of sale—this is an offer. If the client accepts the offer as presented through an unconditional P.O. a valid contract occurs. If the client issues a P.O. with provisions which are inconsistent with the quotation, then the P.O. is a counter-offer. If the printer accepts the work based on such a P.O., a valid contract is made on the terms specified in the P.O. The moral to this story: read the P.O.

**It's Security, Stupid** The buyers you talk to may talk a lot about price but, in their hearts, what they want is security. The buyer who chisels another 5% off of the printing bill is not going to become the next CEO of his firm because of it. But, if the project that he bought goes bad in terms of quality or delivery or both, he is in big trouble. The importance of security is growing as buyers' print buying expertise declines and turnaround times shorten. The buyer is now more dependant than ever on the print supplier who will let him sleep at night. You can bet that regardless of any consultant-driven policies on purchasing, he will manage to place orders with the firms that make him the safest.

**Thought for the Week**

*The most important trip you may take in life is meeting people halfway.*

**Dear Brad...**

We are applying a UV coating to a printed job. The problem is that the UV coating is rough or has an orange peel appearance. What happened? Brad Evans of the PIA/GATF Technical Hotline (412) 259-1784 said: At the coating nip, filaments are forming but do not level before the coating is cured. This results in the orange peel appearance. Over curing could also cause an orange peel appearance.

**Persistence Wins?**

One finds reps who doggedly call on the same clients time after time, but never get any work while telling themselves (and their manager) that sooner or later they will "break in." Unfortunately, this doesn't usually happen and the stream of unsuccessful quotes served only to make a preferred competitor look good. Sooner rather than later, this kind of client (assuming that they are a potential fit) requires with the rep and sales management with the prospect to ask what, if anything, can be done to get their business. If something concrete doesn't emerge from this, then the rep stops calling and moves on to greener pastures.

**One Size Doesn't Fit All**

Estimating systems, the driver of most firm's price quoting mechanism, look only to the mechanical specifications of a project and do not consider the relative value to the client nor the seller's competitive positioning on the sale. Yet these are critically important to the pricing deci-

sion. Most of us are quite good at discounting the estimate (with the help of the sales force) but tend to overlook the possibility of up charges. The simple logic of the process suggests that if there are market driven reasons for discounts, there must be similar motivations for up charges. This process is accelerated if the sales reps are compensated on value added rather than gross sales since any up charge is pure value added.

**Negotiating**

Much as we would prefer not to, we will arrive at situations where a price concession is necessary. Hopefully, we have minimized these by training our reps and ourselves to avoid inviting concession demands with remarks like "I hope this price works for you" or "How does our price compare" or (worst of all) "We might be able to do better for you on price." However, when we're at that point the best strategy is not to make a price concession without a trade-off (change in specs, delivery date, etc.) even if the concession is worth more than the trade-off. Otherwise, you have just have identified yourself as a slot machine which provides a guaranteed payoff every time your lever is pulled. In the big picture, it's sometimes better to be prepared to walk away in this situation than become a victim.

**For Sale**

Voice over IP ( VoIP ) hardware phone system (IPBX) including free monthly service credits available for no cash to firm with 2 or 4 color equipment. Please forward your contact information to [jan@netreward.com](mailto:jan@netreward.com) and someone will be in touch.

*PIASC's Pick of the Week*



**The PDF Print Production Guide, Second Edition**

by Julie Shaffer, Joseph Marin

Your number-one resource for working with PDF files for print production has just gotten bigger and better. This fully updated guide boasts all-new and expanded sections covering PDF and production workflow solutions.

**PIASC Members \$40.00 ea\*.  
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\*Prices do not include tax and shipping.

To purchase your copy, visit [www.gain.net/store](http://www.gain.net/store).

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