PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of Southern California

April 10, 2017

See inside!

The urge to be your own boss is at the root Passing The of most start-up stories. In the printing Baton industry, the typical startup doesn't begin with a better mousetrap as most of the mousetraps are the same. The path from the beginning is usually marked by near-death experiences with the banker, equipment vendors and an occasional employee. If, after years of hard work and long hours, the business is now stable and growing, the thoughts of the founder turn to "what will happen next?" There is a realization that the founder will not live forever and they may even contemplate a life after printing. Very likely, the founder has a family (who have not seen a lot of him, as building a business is an all-consuming passion) and it is tempting and even reasonable that family members will become the successor leaders. Before yielding to this temptation, it's useful to remember that only a handful of people have the passion and drive to make a small business successful. It may be unlikely that this is an inherited trait. If the founder has more than one child, concerns about family equity may dictate solutions calling for an equal division of ownership. Because it is unlikely that there is an equitable division of skills and motivation between them, the seeds of division are planted. At some point, the children will marry and thus introduce a new set of players into the mix who may be tempted to make invidious comparisons with the others. Another challenge with this model is that the management team does not have much breadth of experience beyond the family firm. Before starting down the path of family succession, it's essential for the peace and sanity of the entire family to come to grips with these concerns. The founder might evaluate the possibility of the sale of the firm at the appropriate time as another way to secure his future and provide for the family.

No Credit Losses

We occasionally talk to a firm who can point to the fact that they've never lost any money through non-payment. That sounds like a win but it really isn't. A firm

with no credit losses has usally achieved its record by being very hesitant to extend open account credit and being prepared to spend an inordinate amount of time, collecting a problem invoice. This approach to business necessarily implies lost sales from prospects. It's useful to remember that the average commercial print sale



requires an out-of-pocket expenditure of about 60% of the invoice price for paper, buyouts, factory wages and commission. The firm could sell four \$5,000 jobs and not get paid for one and still be ahead (3 times \$5,000 equals \$15,000 less 4 times \$3,000 equals \$12,000 for an overhead contribution of \$3,000). Since a credit loss ratio of 25% is unheard of, the arithmetic implies that you should get the order and see what happens. If nonpayment does occur, spending large amounts of time on the phone or sending letters is usually a waste of time. Once the client discovers that they can continue not paying for the small price of ignoring your calls, you need to move on and place it for collection. Spending the time and resources talking to people who will pay is a far better way to spend your time.

Make Or BuyIt's a frequent event that all or part of
a project that we have won, may be
produced by an outside source or done
in-house. It may be tempting to take it
outside if our estimating system indicates that the other
shop can produce it at lower cost because their equipment
is a better fit. Before you send it out, you should
remember that your estimating system includes overhead
cost (plant, depreciation, etc.) which will go on whether
or not any work is done. That's why the \$400/hour press
doesn't imply an actual expenditure of \$400/hour as we
won't spend anything like that for the press crew and the
electricity. We will have to write a check to the outside
firm for the full amount of their quote if they do it.

tor the	Warning: Dates in Calendar are closer than they appear.
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PIASC Weekly Update

CALENDAR SECTION

(323) 728-9500 • FAX (323) 724-2327

National Events Calendar 2013	6/20-6/21 7/16-7/19 9/10-9/14 2018	Print & Packaging Legislative Summ Affiliate Managers Summer Conf. Print 17	hit Washington, DC Vintners Inn, Santa Rosa, CA McCormick Place, Chicago, IL	Lisbeth Lyons Tad Parker Chris Price	202-627-6925 508-804-4114 703-264-7200	llyons@printing.org tparker04@pine.org cprice@printing.org
	1/13-1/16 2/22-2/24	Color Conference Graphics of the Americas	San Diego, CA Ft. Lauderdale, FL	Julie Shaffer Gabe Hernandez	412-259-1730 407-240-8009	jshaffer@printing.org gabe@flprint.org

For more information on any of the following events, go to www.piasc.org.

PIASC April - June Activities

May 2 Register at right	Event Number- BWB 7:30 a.m. Cost: ^{\$} 5 Location: see locations at right	BREAKFAST WITH BOB AND GERRY Contact: Emily Holguin, Ext. 262, emily@piasc.org Some things you don't want to get A CalOSHA citation with a list of violations and a big penalty. A letter from an attorney notifying you of an action for an injury to a former employee. A notice from your Workers' Comp insurance carrier that your experience mod has just gone through the roof. While we can't guarantee that none of these will not happen to you, letting PIASC do a safety compliance walk through can make it much less likely and certainly less painful. Gerry Bonetto, our government affairs and compliance expert, will be happy to visit your plant and help you see the areas of potential concern. He can also work with you on initiating specific proceedures, like "lockout/tagout" that will avoid injuries, reduce costs and keep you in compliance. As he will be joining us for this series of breakfasts, this will be a great chance to find out how to keep your costs down. Check the box(es) below to register for any of these additional upcoming Breakfast Meetings: May 2nd May 3rd Green Street Restaurant • 146 Shoppers Lane • Pasadena 91101 May 4th Brent's Deli • 19565 Parthenia Street • Northridge 91324 May 9th May 10th Ozzie's Diner • 7780 East Slauson Avenue • Commerce 90040 May 11th West Bistro • 3900 Atlantic Ave. • Long Beach 90807
Apr. 20 Register at right	Event Number CAC15 5:30 p.m. Cost: \$25 non-members: \$40 Location: See locations at right	COCKTAILS AND CONVERSATIONS Contact: Emily Holguin, Ext. 262, emily@piasc.org Connect with other local colleagues, meet some new friends and network, network, network. Check the box(es) below to register for these events: Apr. 20th – Magnolia House, 492 S Lake Ave, Pasadena, CA 91101 Apr. 27th – Rock & Brews, 7777 Beach Blvd., Buena Park, CA 90620
Apr. 227	Event Number CLOUD 10:00 a.m. Cost: FREE / member \$25/ non-member Location: on your computer	 WHAT IS THE CLOUD: HOW TO REDUCE I/T COSTS BY 40% Presenters: Brian linuma, Strategic System Group, Inc. & Eddie Bader, Companybuilt Contact: Emily Holguin, Ext. 262, emily@piasc.org Separate fact from fiction and learn the true definition of the "cloud" and how you can utilize this platform to reduce your on-site technology footprint and save money. We'll discuss cloud servers (what they are) and what a typical cloud server environment looks like. Learn about VoIP (Voice over IP), which service providers to consider, how this technology is applicable to your business, and how you can leverage it to grow. Different cloud models, such as software as a service (SaaS) and infrastructure as a service (IaaS) will be discussed and how you might already be using them. Finally, we will cover managed I/T services which allows you to have 24/7 technical support at a fraction of what most companies are currently paying.
Quick Regis Mark your choices f Fill out the form at t FAX page(s) to (323	from listings above the right	Company Phone () Attendees:

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For the latest and complete list of Educational Programs, go to our website: WWW.piasc.org

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Other Industry Events	4/20 4/22 5/13 6/24 7/1 7/15	Cal Poly GrC Career Day Merit Badge Day, Boy Scouts Book Arts Patch Day for Girls Merit Badge Day, Boy Scouts Independence Day Celebration Book Arts Patch Day for Girls	Cal Poly State University, San Luis Obispo International Printing Museum, Carson International Printing Museum, Carson International Printing Museum, Carson International Printing Museum, Carson International Printing Museum, Carson	lsing@calpoly.edu mail@printmuseum.org mail@printmuseum.org mail@printmuseum.org mail@printmuseum.org mail@printmuseum.org	(805) 756-2645 (310) 515-7166 (310) 515-7166 (310) 515-7166 (310) 515-7166 (310) 515-7166 (310) 515-7166	
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May 16	Event Number APSS 5:30 p.m. Cost: \$30 members \$40/non-members \$20/student/ designers (before May 9th) Location: Andrei's Conscious Cuisine, Event Center 2407 Main Street, Irvine	 19TH ANNUAL PAPER & SUBSTRATE SHOW Calling all paper nerds! Contact: Emily Holguin, Ext. 262, emily@piasc.org When you are at a restaurant, do you feel your menu and guess what point of card stock it is? Do you open your mail and get excited when you immediately recognize a soft touch coating? Do you find yourself thinking, "They should have printed that on a semi-gloss since there is so much writing on it."? Your friends think you're nuts, but we can't get enough of it! Come geek out on paper with us at the 19th Annual Paper and Substrate Show. Be inspired with the latest substrates for all types of printing processes along with printed samples. See a demonstration of paper made right in front of your eyes! Learn more at www.piasc.org/papershow.
June 14 Check here to REGISTER	Event Number CPR 8 a.m1 p.m. Cost: \$60/ member \$90/non-member Location: PIASC Training Room \$800 S. Eastern Ave, #400 Los Angeles, CA 90040 Inside B of A Building	CERTIFIED FIRST AID AND CPR TRAINING Includes Bloodborne Pathogen Training! Contact: Emily Holguin, Ext. 262, emilyholguin@piasc.org Cal/OSHA Safety Order Section 3400 states: "In the absence of an infirmary, clinic, or hospital, in near proximity to the workplace, which is used for the treatment of all injured employees, a person or persons shall be adequately trained to render first aid." The full 5 hour attendance is mandatory for certification so please be prompt. Casual attire suggested, such as tennis shoes, jeans, walking shorts. Visit www.piasc.org/CPR for full details!
June 200 thiru 210 Detaits and registration at: www.printpackagingsummit.com	Event Number PPLS 2:00-5:00 p.m. Cost: \$395/ member \$575/non- member * Location: Washington Marriott Marquis Hotel 901 Massachusetts Ave NW Washington, DC	 PRINT & PACKAGING LEGISLATIVE SUMMIT (CAPITOL HILL FLY-IN) Formerly Print's Voice Contact: Lisbeth A. Lyons, (202) 627-6925, Ilyons@printing.org Print & Packaging Legislative Conference is Printing Industries of America's signature government affairs event that brings printers, suppliers and allied interests together for a powerful program of public policy and political education, issue advocacy, interaction with Members of Congress and networking events on Capitol Hill. Recommended attendees are Presidents/CEOs and other C-Suite executives of printing and graphic communications companies. Executives with responsibility for environmental/health and safety, human resources, legal, postal, tax, technology and/or sales are especially encouraged to attend. Print & Packaging Legislative Conference is co-hosted by PIA, Association of International Corrugated Converters (AICC) and Fibre Box Association (FBA) and is held in conjunction with National Association of Manufacturers' (NAM) annual Manufacturing Summit. Attendees will attend both industry sessions hosted along with events attended a cross section of manufacturers. Capitol Hill Lobbying Visits: Request meetings at <i>membercentral@printing.org</i> by May 13th.
Quick Regis • Mark your choices • Fill out the form at • FAX page(s) to (32	from listings above the right	Company Phone () Attendees:

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Plastic Problems We are printing on a heavy plastic sheet. When the sheets are removed from the delivery, we find rings and patterns that are rough to the touch. Is there a problem

with the substrate or is it a process problem? The roughness to the touch is most likely spray powder. The static electricity in the sheet can cause a magnetic field that creates rings of static electricity that attract spray powder. The spray powder concentrates and adheres to the wet ink or aqueous coating creating the feel of uneven roughness. The larger the grain size of the spray powder and the greater the amount of spray powder used, the more noticeable the difference in the texture will be to the touch. Printing this UV would eliminate the spray powder. Call Dillon Mooney, the PIA technical expert, at (412) 259-1786 for help on this.

Fire Safety

Workplace fires break out every day in the United States, and that should put fire safety at the top of any manager's list. Keep in mind these keys to protecting

workers from the dangers of fire:

- **Train your workforce.** Regardless of their job descriptions, all employees should understand likely fire hazards, how to prevent fires, and how to respond if a fire occurs.
- Survey your employees. Once you've discussed potential hazards, do something about them. Clean up, lock up, pick up—do whatever is required to minimize the risk.



- **Safeguard hazardous materials**. Be sure to store flammable materials like cleaning supplies in a safe, well-ventilated area far removed from any possible sources of ignition.
- **Plan for emergencies**. Most organizations have evacuation plans, but plans aren't much good if they're not put into practice. Conduct regular fire drills. Be sure to include a rundown of your evacuation plan in your new-employee orientation.

Sharing

Leadership is about communicating, but communicating doesn't mean dominating every discussion. Look for opportunities to gather information, not just spread it to

others. Try these two tactics:

- Ask what's going on in other departments. For example, try to create a three-part rhythm in discussions with managers and employees around your organization. Start by listening to the flow of ideas. Follow up by asking a few questions to help clarify ideas for the discussion and to orient yourself. Then contribute to the discussion by drawing on your own expertise: "That reminds me of the problem we had with the T-15. To solve it, we had to ..."
- Help out with what needs doing. This often involves the typically undramatic aspects of everyday life in the workplace. You might be drawn into a discussion about a problem, asked to listen while an employee tries out an idea, or get updated about an ongoing project. Balance your need to focus on major decisions against your employees' need to see that their boss is involved and cares about what they do, too.



