

ASC **WEEKLY UPDAT**I

Printing Industries Association, Inc. of Southern California

May 30, 2016

That's not an uncommon perception "Our Payroll in the face of slow growth and tough Is Too High" competition. There's no question that you have to achieve and maintain positive cash

flow or the business will fail and no one will have a job. In the course to trying to address this challenge, we've heard draconian solutions like eliminating paid holidays and vacations or across the board wage cuts which will likely lead to the loss of the best people. Usually the best solution is to layoff one or more people. A useful preliminary step is to see how much overtime is being worked. Because printing has an unpredictable short term demand curve, overtime is the best way to handle day-to-day peaks. Most firms find that an average of 10% overtime is a good target (that's about 200 hours per year per employee). If the actual amount of overtime is well below this, the workforce can be safely reduced thereby effecting needed savings and making the remaining jobs better.

9.5%

We got used to the ACA requirement that employers of 50 or more people cannot charge their employees more than 9.5% of their W-2 income for their own medical

insurance coverage (based on the cheapest available plan). Actually, this number is indexed and (after some uncertainty) the IRS has determined that the number is 9.66% for 2016 and 9.69% for 2017. This means that employers can charge their employees a small amount more for their coverage or just stick with the 9.5% rule.

On May 18th, the U.S. Department of Labor (DOL) published a final rule **Exempt Rules** changing the minimum compensation for exempt employees to \$47,476 annually

(indexed beginning in 2020) effective December 1, 2016. Note that the California minimum compensation is currently \$41,760 annually and will rise to \$45,936 January 1, 2017 and \$50,112 January 1, 2018. Thus, the DOL standard will apply until 2018 at which point the California standard will govern because it's higher. Both the DOL and California regulations have provisions defining the duties of employees who can be exempt from the payment of overtime. Since, the California regulations are generally more strict, they will usually apply. Care must be exercised in classifying employees as exempt because errors will lead to substantial back pay



See page 2 for details!

and penalty costs. Call Cheryl Chong at Ext. 218 (email: cheryl@piasc.org) for help on this.

Discount for Cash

In some industries, a discount for prompt payment is almost standard. Generally, this has not been the case in printing.

In considering this as a policy, it's worthwhile to consider the possible results. The classic discounted terms were "2% 10 days, net 30 days." On their face, they provided a 2% bonus for an acceleration of payment by 20 days—that's equivalent to 36.5% annual interest. In practice, clients frequently paid in 30 days and took the discount anyway. In both cases, more was being paid by the seller than it's worth. Of course, one could mark up the quote by 2% and it would cancel the impact, but if that would work, why not mark up the quote by 2% and not offer a discount?

Take Your Vacation

Almost all firms have a paid vacation policy which is an important benefit and a real help for people who need a break from working every day. A good vacation

policy should provide for vacation picks (usually in seniority order), limit the number of people who can take off at one time and establish blackout periods (if necessary) to accommodate work peaks. An essential point that is frequently overlooked is the necessity of mandating vacation for employees in sensitive positions. For example, if at all possible, accounting personnel should be required to take two weeks consecutively as embezzlement schemes tend to come to light when their operator is absent.

Thought for the Week

Age is a very high price to pay for maturity.

Upcoming National **Events** Calendar 2016-17

6/7-6/8	Print's Voice 16	Washington, DC	Lisbeth Lyons	202-627-6925	Ilyons@printing.org
7/10-7/13	Affiliate Summer Conference	Niagara on the Lake, Ontario Canada	Tim Suraud	314-962-6780	tim@pmastl.org
9/25-9/28	Graph Expo 16/Premier Print Awards	Orlando's Orange County Convention Center	Mike Packard	412-259-1704	cprice@printing.org
10/19	Franklin Luminaiere Awards	Chelsea Piers, New York, NY	Kim Tuzzo	716-691-3211	ktuzzo@pialliance.org
12/3-12/6	Color Conference	The Point Hilton Sqaw Peak Resort, Phoenix, A	Z Julie Shaffer	412-259-1730	jshaffer@printing.org
2017					
4/23-4/26	Continuous Improvement Conference	Pittsburgh, PA	Jim Workman	412-2591782	jworkman@printing.org

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

PIASC Ju	une-August	Activities
July 5 Register at right	BWB 7:30 a.m. Cost: \$5 Location: see locations at right	BREAKFAST WITH BOB Contact: Emily Holguin, Ext. 262, emilyholguin@piasc.org OK, WE SELL PRINTING, BUT THEN We're all about ink on paper—that's our thing and we're really good at it. Actually, we're a lot better than we used to be and we're getting better and faster (and cheaper) all of the time. But what about all of the other possible business communications needs of our clients— • How about print that we don't produce but they need? • How about mailing? • How about data manipulation for variable for personalization? • How about distribution of the client's products? • How about a store front for easy ordering? • How about web site development and hosting? Many growing firms are doing these things now and discovering that they build sales and, better still, client loyalty. Join us at these breakfasts to learn how you can move forward. Check the box(es) below to register for any of these additional upcoming Breakfast Meetings: July 5th — Mimis Café • 10909 Foothill Blvd. • Rancho Cucamonga 91730 July 6th — Green Street Restaurant • 146 Shoppers Lane • Pasadena 91101 July 7th — Brent's Deli • 19565 Parthenia Street • Northridge 91324 July 19th — Mimi's Cafe • 17231 E. 17th St. • Tustin 92780 July 20th — Norm's • 11001 West Pico Boulevard • Los Angeles 90064 July 21st — West Bistro (Formerly Breakfast Club of LB) • 3900 Atlantic Ave. • Long Beach 90807
June 7 Check here to REGISTER	8-9:00 a.m. Cost: FREE! Location: on your computer	CONFLICT RECOGNITION AND RESOLUTION WEBINAR FREE Webinar from New Horizons Computer Learning Centers Contact: Kristy Villanueva, Ext. 215, kristy@piasc.org Knowing how to recognize, understand and intervene effectively in conflict situations with peers, clients, managers, staff and others is a critical career-enhancing and career-saving skill. The webinar, based on information contained in the ITMLP Certification Boot Camp, outlines the causes of workplace conflict, specific areas of contention for IT professionals and ways to help you effectively deal with these difficult situations. Visit www.piasc.org/webinars.html for full listing of this and other FREE webinars from New Horizons.
June O Check here to REGISTER	8 a.m1 p.m. Cost: \$60/ member \$90/non-member Location: PIASC Training Room 5800 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!
Quick Regis Mark your choices Fill out the form at FAX page(s) to (32	from listings above the right	Company Phone () Attendees: All No Shows and Cancellations Less Than 48 Hours Prior to Meeting Will Be Billed.

PIASC WEEKLY UPDATE

Save the Date for these upcoming events

6/4 Essential to Success Conference 6/11 Boy Scouts Merit Badge Day 7/2 Independence Day Celebration 8/13 Boy Scouts Merit Badge Day 10/1 L.A. Printers Fair Boy Scouts Merit Badge Day 11/19

Fullerton College, Fullerton International Printing Museum, Torrance Kristy Villanueva www.piasc.org Mark Barbour www.printmuseum.org Mark Barbour www.printmuseum.org Mark Barbour www.printmuseum.org Mark Barbour www.printmuseum.org Mark Barbour www.printmuseum.org

July

Event Number

IPMIDC

10 a.m.-4 p.m.

Cost: \$15 / person group rate of \$50 (up to 4 people)

Museum Members \$12 per person group rate of \$40 (up to 4 people)

Location:

Int'l Printing Museum 315 W Torrance Blvd Carson, CA 90745

INTERNATIONAL PRINTING MUSEUM INDEPENDENCE DAY CELEBRATION

Contact: Mark Barbour, 310-515-7166 mail@printingmuseum.org

Celebrate the 4th of July at the Printing Museum's annual Independence Day Celebrationevent with our Founding Fathers, otherwise known as The Confounding Brothers! Ben Franklin, John Adams, and Thomas Jefferson will give a humorous and thought provoking account of the creation of The Declaration of Independence and how our nation came to be.

The day's festivities include special working tours of the Printing Museum collections, including the opportunity to print your own Declaration on Franklin's colonial press. Bring a blank t-shirt and help screen print it with a patriotic image.

Your admission includes a lunch of Freedom Dogs and American Apple Pie in Madame Brillon's French Garden de Liberte. Activities for the whole family are throughout the day in the Museum galleries.

In the Museum's Heritage theater there will be the entertaining show "The Confounding Brothers" written and performed by our own Phil Soinski (aka B. Franklin). Franklin, Jefferson, and Adams lightheartedly examine the events leading up to this day of Independence. With limited seating, the show requires advanced reservations. Plan for a 2-3 hour total visit both before and after your show. The show is suitable for ages 10 and up.



Event Number

E2SC

8am-4:30p.m.

Cost: \$90/member, \$40 add'l same co. \$140/non-member

Location:

Fullerton College Printing Department Building 900 321 E Chapman Ave. Fullerton, CA 92832

ESSENTIALS TO SUCCESS CONFERENCE

Evolving Your Current Print Customer

Contact: Emily Holguin, Ext. 262, emilyholguin@piasc.org

Plan to attend PIASC's Essentials to Success—a one-day conference that will give you the tools you need to not only retain your current customers but also nurture and help them grow with you.

Who Should Attend: Print communications business owners and managers with 25 or less employees. Topics covered will include the following:

- Find out where we are as an industry in California
- Gain tools to engage with your customers regularly
- Get your current customers to buy more print
- Learn organizing tools from a fellow printer!
- And much more.

Aug.

Event Number

CAC13

5:30 p.m.

Cost: \$25 non-members: \$40

Location:

COCKTAILS AND CONVERSATIONS

Contact: Emily Holguin, Ext. 262, emilyholguin@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:

Aug. 4th	_	Bodega Wine Bar, 260 E. Colorado Blvd. #208, Pasadena, CA 91101
□ Aug. 11th	_	JT Schmid's Restaurant & Brewery 2610 F Katella Ave Anaheim CA 92

Quick Registration

- Mark your choices from listings above
- Fill out the form at the rightFAX page(s) to (323) 724-2327

Company		Phone ()
Attendees:			· · · · · · · · · · · · · · · · · · ·
Bill Company	Credit Card #		All No Shows and Cancellations Less Than 48 H

Prior to Meeting Will Be Billed.

Better Networking

At some networking functions, attendees cluster in cliquish groups that seem hard to penetrate. Instead of breaking into a conversation, which can seem rude, do a

little reconnaissance first: Position yourself discreetly at the periphery and listen to what's being said. When you pick up a comfortable discussion topic, politely insert yourself into the conversation: "I couldn't help overhearing, but I believe you're right ..." Soon you'll become part of the discussion rather than a passing onlooker.

Get That

Want to get on someone's calendar? Your boss, a customer, a prospect? Improve the Appointment way you set appointments. Follow this advice:

- Let them know what you want to talk about. When setting an appointment, offer a brief summary of what you want to discuss or accomplish in the meeting: "Bob, can we meet Tuesday at 2 to review the thirdquarter numbers?" When people know specifically why you're setting up a meeting, they'll be more likely to commit to it.
- **Offer options**. Suggesting only one meeting time can lead to rounds of phone tag or endless email chains. Offer people two or three possible times so you have multiple opportunities to be squeezed on to their calendars.
- Explain the value of the meeting. Explain how the meeting will benefit your organization, the client, or

MAY kperian **Buying Power** of the Month world of insight GET 50% OFF *F* SUBSCRIPTION AN TO EXPERIAN'S **BUSINESS CREDIT** ADVANTAGE MONITORING YOUR BUSINESS CREDIT SCORE IS **GOOD BUSINESS** A good business credit score can help you grow your business. Together, PIASC and Experian make it easy for you to manage your Business credit report all year with unlimited access to your report and e-mail alerts. Sign up for Business Advantage™ at: www.SmartBusinessReports.com/MaySavings or contact Mary Ann Strout at (800) 303-1640.

whomever you want to talk to. For example: "Bob, if I can get your approval of the third-quarter numbers, we can begin collecting outstanding bills right away."

Ask The PIA Technical **Experts**

How can I prevent paper problems caused by high humidity? High humidity can wreak havoc on paper that is left uncovered. The paper's cellulose fibers are

always trying to maintain equilibrium with the moisture in the atmosphere. The fibers behave very much like a sponge and will expand more against the grain causing wavy, uneven sheets. Once distorted, the paper will never return to its original flat condition. Here are a few tips to prevent these problems:

- Keep paper covered to prevent exposure to moisture in the pressroom.
- Cover press skids with a plastic skid cover or wrap with stretch wrap.
- Do not open paper before it is to be used.
- Remove unused paper from digital press paper feed trays and re-wrap.

Keep in mind that even the most expensive sheet can be rendered unprintable if it is not handled properly prior to printing.

For Sale

Sign making equipment and materials due to shop closure. For a list and full info, call Dustin at (949) 439-9845 or email dustinhouse@gmail.com.

See our e-Classifieds section on the web at www.piasc.org.

Address:

5800 South Eastern Avenue, #400 P.O. Box 910936 Los Angeles, CA 90091-0936

Telephone Number: (323) 728-9500 or 808.9990 for area codes: 213, 310, 619, 714, 818, & 951

Web Site: http://www.piasc.org

Print Access:

http://www.printaccess.com

Choose Print:

http://www.chooseprint.org

Fax numbers:

Association Insurance Agency **Credit Union Benefit Trust**

(323) 724-2327 (323) 500-0614 (323) 722-8927 (323) 500-0614





Printing

Industries

Association

of Southern

California