



PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

July 17, 2017

How Do I Price Digital?

Short run offset is being rapidly eaten up by digital. We talk to shops who have moved from 100% offset to 50%+ digital. Their obvious question is: how do we price the digital work? The typical shop is used to a thought process that attached a BHR to the offset press and then adding up the makeready and running hours, plate costs, markups, plus paper to arrive at an offset price. How does digital fit into this picture? If you start down the path of arriving at a price in the same way, the likely result will be that short run jobs will become much cheaper. This will leave the printer who made the commitment to digital giving the benefit in full to the customers. A better solution is to start by pricing jobs that formerly ran offset and now are digital at the same pricing level as before. After all, if clients were willing to pay those prices before to get the printing they wanted, why should they pay less for the same result? This could be done by backing into a BHR for the digital system, for example, to produce 2,000 4/4 8½ x 11 sheets requires four hours offset for which we use a BHR of \$100. The same job takes 0.5 hours digital, so the equivalent BHR is \$800/hour (4x100/0.5). It's simpler to create an internal price list at various quantity levels as this eliminates the tedious calculating.

How Do I Price Digital?-II

Once we've decided that existing work that goes digital is priced the same as offset, we should think about possible other work. In some cases, the quality produced from digital is superior to that of offset. If the client recognizes that and appreciates it, that should be the signal that digital is more expensive than offset for that client. This reasoning also implies if the job involves variable data, as that's real value for the client and cannot be done offset. On the other hand, there may be opportunities to utilize the digital capacity for jobs where the client wouldn't pay offset prices. This should be an opportunity to add volume at prices that are competitive but get the order. Remember that the only thing that we will spend on jobs that we are not doing is the paper, click charge and operator wages—we already have the press.

Business Is About Decisions

Business requires the making of decisions. Since we can't decide the past, all decisions are about the future—what will happen if we accept that job, hire that sales rep, buy that machine, acquire that company? When we make those decisions, our focus must be on what will



change—what additional revenue will we receive, and what do we expect to spend. Just as importantly, when do we think that this will occur as there is an enormous difference between dollars received and spent now and those spent and received five years from now. Our conventional accounting system is not helpful as it's all historical and our estimating system is a muddle of things that we will spend (paper, etc.) and things that are allocations of overhead (rent, depreciation, etc.) that we will not spend as a result of a decision. The process should start with a proposed action step (buy the press, hire the sales rep, etc.), then list the amounts that will be spent and the net amounts that will be received by year. As our ability to predict the future is limited, if the decision is significant, it's worthwhile to consider alternative scenarios. The analysis must be cash based—how much out versus how much in.

Strangled By Paperwork

The new reality is the short run job which is why digital is gaining traction so rapidly. Customers don't want large quantities of one thing, they want small quantities of many different things—versioning on steroids. This is a piece of cake for our digital press, but our paperwork is usually still in the long-run offset stage. Take some time and think through the steps that your firm goes through to enter and process an order. Would you think that the web-to-print folks do the same thing? Not hardly. In many cases, the client is sending us a file and all we need to know is how many and where does it go, yet we're filling multiple pieces of paper, typing job tickets, etc. These are excess costs that can go right to our bottom line while making us more competitive by speeding turn-around time.

Thought for the Week

Instead of seeking new landscapes, develop new eyes... Marcel Proust

**Upcoming
National
Events
Calendar
2017**

9/10-9/14 Print 17

McCormick Place, Chicago, IL

Chris Price

703-264-7200

cprice@printing.org

2018

1/13-1/16 Color Conference

San Diego, CA

Julie Shaffer

412-259-1730

jshaffer@printing.org

2/22-2/24 Graphics of the Americas

Ft. Lauderdale, FL

Gabe Hernandez

407-240-8009

gabe@flprint.org

For more information on any of the following events, go to www.piasc.org.
PIASC July-October Activities
**Jul.
27**

Check here to
REGISTER

Event Number
HTCFVMC
10:00 a.m.

Cost: **FREE** /
member
\$25/ non-member

Location:
on your computer

HOW TO CREATE FANTASTIC VIDEO MARKETING CONTENT
Presenters: Manish Bhardia, Adeptek, Eddie Bader, Companybuilt, & Eric Klauss, PartnerSource Solutions

Contact: **Emily Holguin, Ext. 262, emily@piasc.org**

PowerPoint 2016 + Office Mix

Have you ever felt like you needed a way to create video content for your organization? Have you heard that video was useful for marketing, training, and education? Have seen video tools that weren't so user-friendly or as integrated as you would have liked?

Learn to create engaging and interactive video content with PowerPoint and Office Mix. Office Mix is a FREE add-on set of tools for PowerPoint. Learn how easy it is to use Office Mix to add recorded video and screen-sharing content to PowerPoint slides. Enhance engagement and marketing processes. Improve business processes, training, and education.

Who should attend? Marketing and Human Resources managers and team members responsible for training, education, documentation, and product support.

**Aug.
10**

Register at right

Event Number
CAC16
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:

☐ **Aug. 10th** – The Catch, 2100 E Katella Ave, Anaheim, CA 92806

☐ **Aug. 24th** – El Cholo Café, 300 E Colorado Blvd. – Paseo Colorado, Pasadena, CA 91101

**Sept.
5**

Register at right

Event Number-
CWC
7:30 a.m.

Cost: **\$5**
Location:
see locations at right

COFFEE WITH CHERYL - ALL NEW LOCATIONS!

Contact: **Emily Holguin, Ext. 262, emily@piasc.org**

How Else Can We Help You?

Are you making sure we save you money? Do you have questions on employment policies? Do you need a killer APR on a loan? Are you making sure you get paid right away? Join us for a meet and greet with Cheryl Chong, HR Director for PIASC. Not only will she answer any questions you may have on employment policies, she'll be able to let you know about all our other benefits and services to make sure you get all the bang for your membership bucks!

This newly re-branded morning roundtable will take place every other month being with September at a location near you. Enjoy breakfast, great discussions and get answers to your questions in person.

Check the box(es) below to register for any of these additional upcoming Breakfast Meetings:

☐ **Sept. 5th** – The Avocado House, 11618 Central Ave, Chino, CA 91710

☐ **Sept. 6th** – Tropicana Bakery & Cuban Café, 10218 Paramount Blvd, Downey, CA 90241

☐ **Sept. 7th** – Basecamp and High Horse Dinette, 1221 W. Riverside Dr., Burbank, CA 91506

☐ **Sept. 12th** – La Petite Sourie - French Cafe, 2801 W. MacArthur Blvd. Suite A, Santa Ana, CA 92704

☐ **Sept. 13th** – The Local Spot, 6200 B E Pacific Coast Hwy, Ste B, Long Beach, CA 90803

Quick Registration

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

Company _____ Phone () _____

Attendees: _____

☐ Bill Company

☐ Credit Card # _____

All No Shows and Cancellations Less Than 48 Hours
Prior to Meeting Will Be Billed.

Other Industry Events	7/19	AIGALA: Inside Out	Herman Miller Studio, Los Angeles	Losangeles.aiga.org	
	7/22	Business Sense for Creative Entrepreneurs	FLDWRK, Costa Mesa	Orangecounty.aiga.org	
	8/12	Merit Badge Day, Boy Scouts	International Printing Museum, Carson	mail@printmuseum.org	(310) 515-7166
	8/12	AIGAOC: Disney Design in World War II	The Great Park, Irvine	Orangecounty.aiga.org	
	8/27	Richard Smith in Concert	International Printing Museum, Carson	mail@printmuseum.org	(310) 515-7166
	9/17	AIGAOC: Design at Scale	FLDWRK, Costa Mesa	Orangecounty.aiga.org	
	10/14	Los Angeles Printers Fair	International Printing Museum, Carson	mail@printmuseum.org	(310) 515-7166

Sept. 10 <i>thru</i> 14 <small>Details and registration at: www.print17.com</small>	Event Number PRINT17	PRINT17 FREE EXHIBIT FLOOR PASS (MEMBERS ONLY)! Contact: Kristy Villanueva, Ext. 215, kristy@piasc.org
	Cost: FREE Contact PIASC to get promo code	The largest gathering of print and graphic communications buyers, decision makers and suppliers in North America will return to McCormick Place in Chicago this September. Whether you're looking for cutting-edge technologies, want to explore the latest products and services on the market or need the knowledge to overcome your business challenges, you'll get it at PRINT 17. We have created an all new Learning Experience - more than 50 education sessions that will shed light on topics ranging from design/creative process, packaging, marketing, growth strategies and emerging technologies. As always, PRINT 17 promises to shed light on the topics and solutions you need to grow YOUR business.
Oct. 14 <small>Purchase tickets at: bit.ly/2017PrintersFair</small>	Event Number IPMLAPF	INTERNATIONAL PRINTING MUSEUM PRESENTS The 2017 Los Angeles Printers Fair! Contact: Mark Barbour, (310) 515-7166, mail@printingmuseum.org
	10 a.m.-5 p.m. Cost: \$10 / adults \$5 / kids under 12	This year's Printers Fair will feature a special exhibit, <i>Printing on the Silver Screen</i> , featuring printing presses and artifacts that the Printing Museum has rented to Hollywood over the last 75 years. These presses have been featured in many movies and Westerns, including <i>The Man Who Shot Liberty Valance</i> (1962), <i>Have Gun Will Travel</i> (1957), even John Boy's Press on <i>The Waltons</i> (1971). More modern rentals include TV's <i>Gilmore Girls</i> (2004), <i>NCIS</i> (2010), <i>Seven Pounds</i> (2008), and the critically acclaimed film <i>Inception</i> (2010). Guests will have a chance to print a special "Newsies Banner" keepsake on the actual press rented for the cult hit <i>Newsies</i> (1992). The Fair is suitable for all ages. General admission is \$10 for adults and \$5 for kids under 12 years of age. Students, educators, enthusiasts, collectors, typophiles, bibliophiles, graphic designers, artists, and professionals will enjoy the varied demonstrations and array of vendors. Children are welcome but need to be accompanied by an adult at all times. The Los Angeles Printers Fair is sponsored by PIASC. Tickets can be purchased online by visiting: http://bit.ly/2017PrintersFair .

Quick Registration

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

Company _____ Phone (_____) _____

Attendees: _____

☐ Bill Company
 ☐ Credit Card # _____

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 Prior to Meeting Will Be Billed.

Freight Savings

PIASC announces their newest member discount partner, EPIC Freight Solutions. EPIC Freight Solutions provides PIASC members with Integrated Freight Solutions, offering ground, air and international freight in one place. The ultimate customer experience awaits, with 24/7/365 proactive communications and superior visibility into shipment data and transportation, so you can make better business decisions. Members in good standing will receive a 20% discount on their selected service. Let EPIC Freight find the best route, for the best value. Call EPIC Freight at (818)464.3742 or email them at support@epicfs.com.

Change Better

Mention the word "change," and many managers cringe. You know how difficult selling your employees on a new way of doing things can be. But change doesn't have to be negative. Here's what to consider to figure out the best approach for making adjustments:

- **Consider the scope.** Will this program involve everyone in your organization, or is it a minor change affecting only a handful of employees? Take time to review the proposed changes and to contemplate vital issues, such as the number of employees involved, the difficulty of the adjustment, and the timeline for making the changes.
- **Consider your culture.** Some organizations are speedboats that can quickly shift course, while others

are barges that make slow, methodical turns. Think about your organization's personality and whether systems are in place that will make implementing the proposed changes easy or difficult. How can you take advantage of your organization's positive attributes or offset its negative characteristics?

- **Consider the risk.** How high are the stakes? Go into the change process with a full understanding of what's at risk for your organization, your employees, and your career as a manager. Be honest with your team about how these proposed changes could impact their work lives.
- **Consider the personalities.** Change affects different people in different ways, requiring managers to adjust their approach accordingly. Try to identify employees who may become change champions, those who may need gentle prodding, and those who may become obstacles. Devise strategies for dealing with a variety of possible reactions.
- **Consider your tactics.** Now that you've examined the change itself, the nature of your organization, and the personalities involved, you're ready to come up with a plan for moving forward and to identify ways to counter possible resistance.

For Sale

Paper Cutter, Challenge Champion, Model 305 MC w/ light line, lifting handles, T-wrench, 2nd blade included. 3 Phase, very good condition. Call (714) 349-2157 or (949) 910-0495. Asking \$2,195.00.

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

Good June 1st. - September 29th.
Sign up today!

First 10
enrollments will
receive special
discounts and
gifts!

HOT SUMMER SAVINGS

Featuring:








Visit www.piasc.org/SummerSavings for details on the Member Only deals and special gifts available!

Printing Industries Association of Southern California

Affiliated with
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of America, Inc.



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

Telephone Number:
(323) 728-9500

Web Site:
www.piasc.org

Print Access:
www.printaccess.com

Choose Print:
www.chooseprint.org

Fax numbers:

Association	(323) 724-2327
Insurance Agency	(323) 500-0614
Credit Union	(323) 722-8927
Benefit Trust	(323) 500-0614

