



PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

July 24, 2017

The Profit Split

Occasionally firms are tempted to try to get better margins with a "profit split" sales commission plan—one where the rep gets 50% of the dollars above the estimate usually in addition to a base commission. If the estimate is \$1,000 and the reps sells it for \$1,200, the rep gets \$100 of the excess. If the most important issue was margin on sales, this approach would make sense. However, the reality is that the most important issue is sales dollars, not margin because the bills get paid with dollars. When the rep is quoting prospects, the overwhelming temptation is to go for the big kill with a fat margin. Once in a while the rep will win but most of the time they will come up dry because the quote is over the mark. The result is that the rep comes up dry most of the time, but so does the firm and that's bad because without sales dollars we can't get to profitability. Always keep in mind that what really counts is the amount left over after we pay for paper, buyouts, factory wages and commission (usually about 60% of sales). There no question that a job estimated at \$1,000 and sold at \$1,200 would produce \$600 contribution to overhead (\$1,200 minus \$1,000 times 60%), but think how much more likely it would be that a sale would occur at \$1,000 (\$400 contribution) or \$900 (\$300 contribution). If we are going to build sales and thus the profit of the firm, we must charge as much as we can get but we must get the order.

When Is A Six Color Not A Six Color?

Answer: when it's running a two color job. If your estimating system thinks that the six color is always a six color, it's very likely that you're not competitive for two color jobs. There are two solutions: you can buy a two color press or you can teach your estimating system to pretend that the six color is a two color. The press manufacturer would prefer the former solution, your bottom line would prefer the latter.

Make Or Buy?

The vast expansion of web based resources for production, make it increasingly likely that all or part of a client order turns into a buy-out rather than being internally produced. In some cases, what is needed cannot be produced in-house because we don't have the capability or the available production time. However, when we have a choice, it's tempting to compare the internal estimate with the external buy-out price. It's frequently the case that we may be led to conclude that the buy-out saves



Mark your calendar: Begins September 6th! See page 3 for details!

us money. That's nearly always a mistake. The estimate overstates the amount that we will spend to do the work as it uses BHRs that include overhead and mark-ups or materials. When the work is produced in-house, the only money that will be spent is the cost of the paper (plates, etc.) and operator wages. When we buy it out, the supplier will want a check for the full cost.

Hire Optimists

There is one trait we don't focus enough on, across all industries: optimism. Your best employees almost always have a level of optimism that your lower performers don't. They might be optimistic about their future, about the company's future, or about life in general. Optimistic people find ways to succeed, because they truly believe they will succeed. Pessimistic people find ways to fail, because they believe they are bound to fail. Recruiting talent can be difficult. Don't make it more difficult by hiring people who are not optimistic about your company and the opportunity you have for them. To find out whether an applicant is an optimist, ask questions in the interview that get to their core belief around optimism:

- Tell me about something in life you're truly optimistic about? (Pessimistic people have a hard time answering this. Optimistic people will answer quickly and with passion.)
- Tell me about a time something you were responsible for went badly. How did you deal with it?
- The company has you working on a very important project and then decides to cancel it. How would you respond?

Surrounding yourself with optimistic people drives a better culture and better teams; it's uplifting to your own leadership style. Find smart people who are optimistic about life. Those people change the world for the better, and they'll do the same for your business.

Thought for the Week

Mistakes are doorways to discovery

**Upcoming
National
Events
Calendar
2017**

7/25	Webinar: Unlock the Potential of the Promotional Products Industry 11:00 am	Jenn Strang	412-259-1810	jstrang@printing.org
8/9-8/10	2017 Inkjet Ready! 10:00 am - 2:00 pm, \$99 for both sessions	Jim Workman	412-259-1710	jworkman@printing.org
9/10	Premier Print Awards Chicago Marriott Downtown, Chicago, IL	Mike Packard	412-259-1704	mpackard@printing.org
9/10-9/14	Print 17 McCormick Place, Chicago, IL	Chris Price	703-264-7200	cprice@printing.org
10/11-10/12	OSHA Compliance for Printing 2018 PIA Headquarters, Warrendale, PA	Gary Jones	412-259-1794	gjones@printing.org
1/13-1/16	Color Conference San Diego, CA	Jenn Strang	412-259-1810	jstrang@printing.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.
9
thru
10**

Register online at
[www.printing.org/events/
conferences/inkjet-
ready-2017](http://www.printing.org/events/conferences/inkjet-ready-2017)

Event Number
INKJET

Cost: **\$99/**
members
\$139/non-
members

Location:
on your computer

INKJET READY!

PRODUCTION INKJET DEMYSTIFIED: VIRTUAL CONFERENCE & RESOURCE EXCHANGE
Contact: **Kristy Villanueva, Ext. 215, kristy@piasc.org**

Inkjet Ready! aims to take the guess work out of investing in production inkjet technology, one of the fastest growing segments in the printing industry. Wednesday, August 9 and Thursday, August 10, log in to a virtual conference experience from the convenience of your home or office to hear from production inkjet experts and six printing companies that have already taken the plunge into production inkjet!

Get more info at: <https://www.printing.org/events/conferences/inkjet-ready-2017>

**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*

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	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
	11/5	Book Arts Patch Day for Girls	International Printing Museum, Carson	mail@printmuseum.org	(310) 515-7166
	12/9-12/10	Dicken Holiday Celebration	International Printing Museum, Carson	mail@printmuseum.org	(310) 515-7166

Sept.**6**

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 PIASC saves you money? Do you have questions on employment policies? Do you need a great 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. 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
- ☐ **Sept. 19th** – The Avocado House, 11618 Central Ave, Chino, CA 91710

Sept.**10 thru 14**Details and registration at:
www.print17.comEvent Number
PRINT17Cost: **FREE**
Contact
PIASC to get
promo code**Location:**
McCormick Place
Chicago, IL**PRINT17****FREE EXHIBIT FLOOR PASS (MEMBERS ONLY)!**Contact: **Kristy Villanueva, Ext. 215, kristy@piasc.org**

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**Purchase tickets at:
bit.ly/2017PrintersFairEvent Number
IPMLAPF**10 a.m.-5 p.m.**Cost: \$10 / adults
\$5 / kids under 12**Location:**
Int'l Printing Museum
315 W. Torrance Blvd.
Carson, CA 90745**INTERNATIONAL PRINTING MUSEUM PRESENTS***The 2017 Los Angeles Printers Fair!*Contact: **Mark Barbour, (310) 515-7166, mail@printingmuseum.org**

This year's Printers Fair will feature a special exhibit, *Printing on the Silver Screen*, 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 *The Man Who Shot Liberty Valance* (1962), *Have Gun Will Travel* (1957), even John Boy's Press on *The Waltons* (1971). More modern rentals include TV's *Gilmore Girls* (2004), *NCIS* (2010), *Seven Pounds* (2008), and the critically acclaimed film *Inception* (2010). Guests will have a chance to print a special "Newsies Banner" keepsake on the actual press rented for the cult hit *Newsies* (1992).

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Attendees: _____

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Social Media Reality

Fake news has overrun social media sites, but falsehoods and fabrications have consumed social media marketing, as well. Here are three common misconceptions about online communications—and quick tips for getting to the truth:

1. **Social media “likes” drive sales.** Will this program involving Social media “likes” drive sales. “Simply liking a brand on social media doesn’t mean you’ll buy from them,” A recent Harvard Business Review experiment supports that assertion. It studied 18,000 Facebook followers over four years and concluded that “the mere act of endorsing a brand doesn’t affect a customer’s behavior or lead to increased purchasing.” What the study did find is that people are more inclined to “like” you on social media after they’ve already bought from you. That doesn’t mean a “like” isn’t valuable. It just means communicators should be more realistic about their online objectives.
2. **Social media measurement software is foolproof.** PR people often ask what the best social media measurement tool is, but they’re all fundamentally flawed. How is that possible? They deliver terrible data into your system, thanks to the level of spam and bots. The solution is to “focus your data funnel.” Identify the top 100 social media influencers important to your business, and forget the rest.”

3. **Social media is a standalone marketing tool.** Social media is often treated like a solo act or an afterthought. That usually leads to a lack of integration across the organization. You end up with orphaned efforts and navel-gazing metrics that nobody else cares about outside of your department. That’s about as far away from proving your value and protecting your budget as you can get.

Unplanned Spoilage

What is considered an acceptable figure for unplanned spoilage? Top performing companies are constantly looking for ways to reduce waste, both planned and unplanned. An unplanned spoilage figure of less than 2% of sales is expected of companies that perform well. Top companies implement strategies to continually push the figure lower and can be well under 1%. How spoilage dollars are calculated can vary; in our view the figure should include material, labor, and, when appropriate, hourly equipment charges. Call Dillon Moloney, the PIA technical expert, at (412) 259-1786 for help on this.

Wanted

40 year old dynamic print company with 40" Offset, Indigo Digital, Canon Digital, Océ Digital and full bindery including perfect binding, saddle-stitching, UV Coating, Laminating, wire-o, die-cutting and embossing is looking to acquire small print company —digital and/or offset. call Keith George at (818) 335-1928. All information shared will be held in the strictest of confidence.

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

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Printing Industries Association of Southern California

Affiliated with
Printing Industries of America, Inc.



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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:

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Insurance Agency	(323) 500-0614
Credit Union	(323) 722-8927
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