



PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

December 5, 2016

What if They Are Selling Below Cost?

An alert reader of the November 28th *Update* wondered about the advice given not to change the pricing/estimating practices of an acquired firm. After all, they asked, what if the acquired firm was selling below cost as one surely wouldn't want to do that? The big question is what is "cost." The traditional estimating and costing system includes not only the cost of the paper, factory wages and commission, but the cost of the machinery, building and front office. That's how we manage to tell ourselves (and the clients) that the 6c 40 "costs" \$400/hour. The reality is that the amount we spend to do a particular job is just paper, buy-outs, factory wages and commissions. On average this is about 60% of the typical commercial sales dollar. As a result, when we acquire that new firm and bring their work in house, we're not buying a new press, adding to the building, or increasing the front office. So when our estimating system says that a job should be \$1,000 and theirs says \$900, we should go with their version because we don't want the client to shop and we'd rather get \$300 (\$900 minus \$600) than zero.

Our Industry Honors

On November 18th, Doug Grant (Westamerica Communications – Lake Forest) and Denny Shorett (Crown Printers – San Bernadino) were inducted into the exclusive club of national printing industry leaders—the Ben Franklin Society. Both of them have been tireless in their service to our industry and PIASC. As a measure of that they are both past Chairmen of PIASC and recipients of its Executive of the Year Award. Congratulations to two great guys!

Getting It Done

Empowerment is crucial to delegation. Handing off an assignment to an employee and then micro-managing the entire process will defeat your purpose. A certain amount of management oversight is frequently necessary, though. Try this 1-2-3 formula to clarify assignments: Assign a 1 to any project that employees have complete freedom to implement without your input or approval. Assign a 2 when workers are free to develop projects but must keep you apprised of their progress. Assign a 3 for projects that require your sign-off before implementation. This will let employees know what

Congratulations!

To Denny Shorett and Doug Grant on their November 18th induction into the Ben Franklin Society.



you expect and will ensure that you're kept informed of important developments.

Getting Bad Advice

The subject of buying or selling a business comes up a lot lately. When it's done right, it can be a win for both parties. Unfortunately, we've seen several possible good stories go astray when potential sellers get advice from friends, putting an unrealistic value on the firm. It's fundamental to remember that buying a business is a completely different story than buying a house. A house is a hard asset with a reasonably discernable value, that's why it's possible to finance the sale and pay cash on close from the proceeds. A business is almost a polar opposite. The value is almost entirely in the possibility of future sales to its established clients and similar markets. While the parties may have every intention of making this happen, neither can guarantee success. Therefore, a substantial part of the consideration must be based on actual retained sales expressed as a percentage of sales from the acquired accounts over a period of time.

Exempt Pay Flash

A Federal District Court in Texas has issued a temporary injunction against the enforcement of the new Fair Labor Standards (FLSA) rules on minimum pay (\$47,476/year) for exempt persons that were to go into effect December 1st. Since the court is likely to make the injunction permanent and the Trump Administration is unlikely to pursue this, the rule is probably dead. If you haven't made a change to your policy—don't. If you have, it may be unwise for morale reasons to rescind any increase you've made. Call Cheryl Chong at Ext. 218 (email: cheryl@piasc.org) for help.

Thought for the Week

*Life has its ups and downs,
use the ups to overcome the downs!*

Upcoming National Events Calendar 2016-17	12/3-12/6	Color Conference	The Point Hilton Sqaw Peak Resort, Phoenix, AZ	Julie Shaffer	412-259-1730	jshaffer@printing.org
	2017					
	3/12-3/15	2017 President's Conference	Hilton Long Beach, Long Beach, CA			
	3/20-3/22	TAGA Annual Technical Conference	Houston Marriott West Loop, Houston, TX	John Bodnar	412-259-1706	jbodnar@printing.org
	4/2-4/5	Continuous Improvement Conference	Omni William Penn, Pittsburgh, PA	Jim Workman	412-2591782	jworkman@printing.org
9/10-9/14	Print 17	McCormick Place, Chicago, IL	Chris Price	703-264-7200	cprice@printing.org	

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

PIASC December-April Activities

<p>Jan. 10</p> <p><small>Register at right</small></p>	<p><small>Event Number-</small> BWB</p> <hr/> <p>7:30 a.m.</p> <p>Cost: \$5</p> <hr/> <p>Location: <small>see locations at right</small></p>	<p>BREAKFAST WITH BOB AND LESLIE TOO! Contact: Emily Holguin, Ext. 262, emily@piasc.org</p> <p>"ALL WE NEED IS MORE SALES"</p> <p>If there is a universal truth in our industry, this is it. If we just get more sales, everything else will fall into place. But, how do we do it? How do we find new clients? How do we identify and meet the needs of our existing base?</p> <p>In January, we will be joined by Leslie Groene to search for the answers. Leslie not just talks the talk she has walked the walk. She has capped a successful career in print sales with coaching many sales reps and their firms to sales success. Join us at this series of breakfast meeting to learn how you can grow your firm!</p> <p>Check the box(es) below to register for any of these additional upcoming Breakfast Meetings:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Jan. 10th – <i>Mimis Café • 10909 Foothill Blvd. • Rancho Cucamonga 91730</i> <input type="checkbox"/> Jan. 11th – <i>Green Street Restaurant • 146 Shoppers Lane • Pasadena 91101</i> <input type="checkbox"/> Jan. 12th – <i>Brent's Deli • 19565 Parthenia Street • Northridge 91324</i> <input type="checkbox"/> Jan. 17th – <i>Mimi's Cafe • 17231 E. 17th St. • Tustin 92780</i> <input type="checkbox"/> Jan. 18th – <i>Norm's • 11001 West Pico Boulevard • Los Angeles 90064</i> <input type="checkbox"/> Jan. 19th – <i>West Bistro (Formerly Breakfast Club of LB) • 3900 Atlantic Ave. • Long Beach 90807</i>
<p>Dec. 10 thru 11</p> <p><small>Check here to REGISTER for this event</small></p>	<p><small>Event Number</small> DHC</p> <hr/> <p>10am-4:00 p.m.</p> <p>Cost: \$25 \$80/pack of 4</p> <hr/> <p>Location: <small>Int'l Printing Museum 315 W Torrance Blvd Carson, CA 90745</small></p>	<p>DICKENS HOLIDAY CELEBRATION <i>at The International Printing</i> Contact: Mark Barbour, (310) 515-7166, mail@printmuseum.org</p> <p>Celebrate the holiday season in style as the Museum is transformed into Fezziwig's warehouse, replete with Victorian decorations and Dickensian characters. Get the chance to tour the fascinating collection of working antique printing presses, and print your own holiday gift cards & gift tags with real Victorian printing presses. Guests will also be serenaded by the 1895 hand-cranked player organ, and Queen Victoria's court musicians The Victorian Roses, all while munching on a holiday lunch of English bangers, gingerbread, and, punch. The highlight of the celebration is an interactive theater presentation by Charles Dickens himself who retells his famous Christmas Carol using audience members as part of the cast. Admission includes tours, printing activities, play, and holiday lunch. Reservations required for play attendance (play not advised for children under 10). For reservations or more information: printmuseum.org/dickens</p>
<p>Jan. 19 thru 20</p> <p><small>Check here to REGISTER for this event</small></p>	<p><small>Event Number</small> SD30</p> <hr/> <p>9:00-2:00 p.m.</p> <p>Cost: FREE</p> <hr/> <p>Location: <small>Lithographix, Inc. 12250 S Crenshaw Blvd. Hawthorne, CA 90250 (323) 770-1000</small></p>	<p>30TH ANNUAL SURPLUS DRIVE <i>at Lithographix, Inc.</i> Contact: Ara Izquierdo, Ext. 216, ara@piasc.org</p> <p>PIASC/RAISE Foundation will hold its thirtieth annual Surplus Drive to benefit graphic communications programs. Since its inception in 1987, this program supplements the extremely limited budgets of graphic arts teachers. The material donated by PIASC members and distributed to teachers, has become the life-blood of our local graphic arts programs. So, please, if you are doing end of the year inventory, hold on to any surplus paper and donate it to this good cause. Remember that your tax-deductible donations will help teachers train our future workforce! We will be at a new location this year, Lithographix, Inc.</p> <p>Distribution of surplus to instructors will take place at Lithographix, Inc. on Saturday, January 21st, at 9:00 A.M.</p>

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	12/10-12/11 Dickens Holiday Celebration	International Printing Museum, Carson	Mark Barbour	mail@printmuseum.org
	12/13 AMALA: Content Creation & Distribution	Edmunds, Santa Monica		amalosangeles.org
	1/14 Ben Franklin's Electric Birthday	International Printing Museum, Carson	Mark Barbour	mail@printmuseum.org
	4/8 Kids Crazy Krafts Day	International Printing Museum, Carson	Mark Barbour	mail@printmuseum.org

Feb.
17

Download entry form at www.piasc.org

Event Number
C4ED

Cost: PIASC members first entry is FREE!
(when more than one entry is submitted)

Location:
PIASC Offices
5800 S. Eastern Ave
Suite 400
Los Angeles, CA 90040

13TH ANNUAL PRINT EXCELLENCE AWARDS CALL FOR ENTRIES DEADLINE
Contact: **Kristy Villanueva, Ext. 215, kristy@piasc.org**

Printing Industries Association, Inc. of Southern California proudly presents "Call for Entries" for the 13th Annual Print Excellence Awards—the most prestigious symbol of printing excellence throughout Southern California. Whether it's Best of Category, Judge's Award, Award of Excellence or Certificate of Merit, a Print Excellence Award is the single most powerful promotional tool your business can have. It demonstrates your award-winning capabilities to customers and potential customers, and tells your employees how proud you are of the work they produce.

Start gathering your best pieces from 2016 today! Save the date for the Call for Entries deadline on **Friday, February 17, 2017.**

Mar.
12 thru 15

Check here to REGISTER for this event

Event Number
PC2017

Cost: \$895/ members early bird \$1,195 non-members

Location:
Hilton Long Beach
701 W Ocean Blvd,
Long Beach, CA

2017 PRESIDENT'S CONFERENCE
Contact: **www.presidentsconference.com**

Turn your vision of a more profitable and robust future into a reality. Join us at 2017 President's Conference to explore strategies and resources designed to help you better serve your customers while improving your operational and financial objectives.

Let's learn, network, motivate and inspire together.

Apr.
7

Check here to REGISTER

Event Number
GN

5:30 p.m.
Cost: \$100 ticket \$1000/table of 10 \$800/table of 8

Location:
Pacific Palms Resort
One Industry Hills Parkway
Industry Hills, CA 91744

2017 GRAPHICS NIGHT
A Night to Remember
Contact: **Maribel Campos, Ext. 210, maribel@piasc.org**

Join us at an extraordinary evening filled with sky high festivities where we will honor the Executive of the Year and celebrate the winners of the 2017 Print Excellence Awards Competition. Two Celebrations – One Great Event!

Overnight Accommodations: 1.800.524.4557
Room Reservation Code: PIASC / Account #NC3290
Spa: 626.854.2502 • Golf: 626.854.2531

For all details visit www.piasc.org/GraphicsNight. Sponsorships are still available!

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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Get Them On Board

The survival of every organization depends on its sales. When your sales team gets in a slump, everyone is affected. How can you keep salespeople motivated? Follow this advice:

- **Urge salespeople to recommit.** Only one person can be the top salesperson, but everyone can try to be. Begin each quarter by asking your salespeople to recommit themselves to becoming the best in their field—and remind them of the perks that go with success. If the entire team is competing to be top dog, everyone will reap the benefits.
- **Set clear goals.** Come up with a series of short-term goals that salespeople can reach each day, each week, and each month. Use flipcharts to record progress, so your sales team will feel a sense of purpose and accomplishment. Celebrate your achievements.
- **Create a healthy environment.** Think of the most successful salespeople you know. Chances are, they radiate energy. The healthier the lifestyle, the more energy your workers will have. Encourage them to take breaks and to avoid working long, grueling schedules. Provide healthy snacks and opportunities for exercise. Invest in wellness programs.
- **Eliminate negative influences.** Don't ignore workers who persistently grumble and complain. Their negative

attitudes can bring down everyone around them. Work with those individuals to help them develop a more positive mindset—and if all else fails, cut them loose.

- **Promote positive behavior.** Practice positive self-talk and encourage the rest of the team to do likewise. If people think, talk, and act like they're successful, they will become successful.

Breaking Bad News

Sharing bad news is never easy or pleasant, but hiding it creates suspicion, fear, and anger. Telling employees the truth when the going gets rough allows them to focus on the real problems and buys you more credibility in the long run. When breaking bad news, do the following:


- **Prepare.** Script what you are going to say so that you don't forget anything. Then stay on message.
- **Be succinct.** Offer enough salient details to convey the gravity of the situation, but don't belabor the point.
- **Don't offer excuses.** Now is not the time to be pointing fingers. Employees are more interested in how this will affect them than who is to blame.

Wanted

If you are looking to sell, retire or merge your company, we are interested in talking to you. Please contact David at (213) 488-1230.

Looking to sell your business? We are looking to purchase any size shop, small instant shop or commercial. Call BJ at (818) 231-0380.

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



DECEMBER
Member Discount
of the Month

PIASC and UPS are ready to help your business reach new heights!

The first 10 PIASC Members to enroll in the UPS Savings Program will receive a FREE UPS Tech in Motion Stereo Bluetooth Speaker!

Plus the following discounts:

- Save up to 34% on UPS small package services, including UPS Ground, UPS Next Day Air, and more.
- Savings start at 70% on UPS Freight services, including LTL, Trade Show Services, and more

Enroll in the PIASC/UPS Savings Program today!
online: savewithups.com/piasc or call (866) 443.9303

www.piasc.org

Printing Industries Association of Southern California

Affiliated with
Printing Industries
of America, Inc.



PRINTING INDUSTRIES OF AMERICA

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:
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Fax numbers:

Association	(323) 724-2327
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