

## Powering the Economy through Print & Packaging **PRINT** **POWERS**

There are 800,000 American workers employed by the print and packaging industry in the United States. Every state has more than 100 print facilities—many have at least 1,000. Over \$165 billion in shipments are generated annually by the print and packaging sector. Our industry is a powerful force to be reckoned with. You know it, we know it but who else knows it?

Printing Industries of America's Print Powers America, is the prevailing industry voice representing every print and packaging company in the U.S. This multi-faceted advocacy initiative combines lobbying, grassroots action, and public affairs to promote and protect the printing and graphic communications industry.

Print Powers America seeks to involve all printing and graphic communications companies, regardless of size. Your contribution, together with contributions from partners and colleagues, is vital to our ability to provide meaningful, sustainable influence on the critical issues we face.

These issues include:

- Derail Congressional attempts to restrict advertising for specific industries
- Support modernizing the U.S. Postal Service while maintaining a postal rate system that is affordable and predictable
- Protect print from harsh EPA, OSHA, and National Labor Relations Board regulations
- Pass legislation to grow the industry's skilled workforce through vocational training and apprenticeships
- Preserve consumer choice and stem demand destruction by advocating policies that promote paper-based communications
- Serve as environmental stewards focused on efficiencies and recycling
- Promote print and packaging innovations that support the explosion of omni-channel marketing and e-commerce
- Champion policies that create new market opportunities across the print and packaging supply chain

We need your support! Register your company's support and investment in the industry at [www.PrintPowersAmerica.com](http://www.PrintPowersAmerica.com) today.

## It Won't Happen to Me...

Every day, business owners make decisions that affect the risks of running their business. For example, taking on a large new client can pose tremendous risk to cash flow, while moving to a new supplier can put quality control at risk. Cutting a corner or two on needed insurance is not a good idea. In fact, managing and mitigating risk is a key element in building a successful enterprise.

So why are 75% of US businesses underinsured? One theory is that businesses are willing to take a gamble in this area, weighing the risk probabilities against the cost of the additional insurance. This is a big gamble to say the least, because the downsides of being underinsured are significant. Simply put, being underinsured means you do not have the right level of coverage to protect you in the event of a claim. This can have greater implications than you might think.

For example, suppose you have property coverage for \$5MM, but to protect your buildings, contents, machinery and stock the true valuation should be \$10MM. A fire causes damage of \$1MM. All good, right? After all, you are way under the \$5MM limit. Unfortunately this is not necessarily the case. The claim will most likely be based on the amount of coverage you chose. In this scenario you are underinsured by 50%, so the claim will be paid in proportion to this level, or \$500K, leaving you to pay the remaining costs. This is referred to in your policy as an insurance to value or co-insurance clause.

Aside from physical damage to your business, owners also need to prepare for the costs that may occur if their ability to transact business is affected. This is known as Business Interruption Insurance. There are several things to consider when you are insuring your business' continuity:

**1. Establish your Gross Profit** – Gross profit in an insurance policy is different from the accounting definition of gross profit. In accounting, gross profit is generally calculated as sales minus the cost of production. That's not the case for insurance, and may leave you underinsured if you get it wrong.

**2. Look at Payroll** – Have a clear picture of your payroll and what would be required from a human resources perspective to maintain your business during an interruption time.

**3. Think Long Term** – Getting the length of the indemnity period correct is key, as all current claims end at policy expiration. If you have a claim and the recovery is delayed for any reason, be that planning consent or the need to replace specialized machinery, you could be exposed. Furthermore, it is important to align your insurance with your business plan, if you are expecting growth of 25% over the next two years then your Gross Profit should reflect that in your insurance requirements.

**4. Key Person** – This is a type of insurance that covers anyone in the company who is essential to the business (think high-performing salesperson). Besides the emotional trauma, losing a key employee to death or disability can mean losing clients, contacts, contracts and connections, and bearing the cost of finding and training a replacement. A life insurance policy can bridge this gap.

Now is the time to quite literally take stock and get a professional valuation of your business. It really is not in your best interest to rely on guess work and out-of-date information. When you invest time and money in buying insurance coverage you need to be confident that it is the right fit should the worst happen. "It won't happen to me" is not a good reason to kick the can down the road, because in reality it happens to businesses all the time.

PIA Insurance Services professionals are a great resource for better understanding your current situation and helping plan the future with you. For a complimentary policy review, contact Dennis Bernstein at, 323.728.9500, Ext. 222 or [dennis@piasc.org](mailto:dennis@piasc.org)

## Get State Funding for Your Employee Training Program

If you provide job skills training for your employees, there's a state program that can significantly lower your training costs. Although few organizations in the graphic arts industry are aware of it, each year California's Employment Training Panel (ETP) awards millions of dollars to employers throughout the state to help pay for their employee training.

Here's what you need to know:

- Program qualifications – A broad spectrum of employers that have a physical presence in California can qualify for ETP funding, including printers.

“Technically the money is available for firms of all sizes,” states Larry Mandell, Principal of Training Refund Group, an organization that helps companies obtain ETP funding. “However, due to the effort required to obtain the funding, practically speaking the program is best for organizations with at least 40 employees.”

- Funding levels – Funding varies by industry, job classification, number of training hours and more. Some recent awards to manufacturing firms ranged from \$700 to over \$2,000 per trainee.
- Funding format – ETP funding is a cash reimbursement—not a tax credit.
- Covered training topics – Virtually anything other than legally-mandated courses (such as sexual harassment prevention training) that will help employees do their job. This includes technical skills (including machinery operation), business skills, management skills, computer skills, hazardous materials, continuous improvement and more.
- Training delivery – You design and deliver the training, or hire a training company to do so. This is reimbursement for the training you're doing anyway, not for a training program run by the state.

This really is “free money”

The only catch to the ETP program is the steep learning curve associated with accessing the funds. This is why, rather than spend many hours navigating the complex process themselves, most companies that seek ETP funding simply hire a company such as Training Refund Group to handle things for them. Given the high level of reimbursements available, ETP funding is a low-cost investment with a large potential return.

For more information visit <https://etp.ca.gov>.

## Introducing the All-New iLearning Center

Printing Industries of America is incredibly excited to be rolling out its newly redeveloped iLearning Center! The new iLearning Center features updated content, better organization and a revamped learning management system that greatly improves the online education experience.

Core courses offered in the new iLearning Center are now free for printer members at no additional charge! Each course takes less than two hours to complete and is easily accessible through the iLearning center.

These courses include:

- Orientation to the Graphic Arts
- Adobe Lightroom
- Adobe InDesign for Prepress
- Adobe Illustrator for Prepress
- Adobe Photoshop for Prepress
- SEO Basics
- Data Demo: Making It Relevant
- Sheetfed Offset Lithographic Press
- Building a Data Plan for Variable Data

Plus, new courses will be added throughout 2018. Recently added are two course offerings that provide fundamental skills to help you master the use of Adobe PDF and InDesign for your prepress workflows.

### **InDesign Data Merge for VDP**

Leverage the power of Adobe InDesign's data merge tool to create impactful, engaging variable-data printed jobs. By following along with two sample projects, you'll learn how to properly prepare, sort, and export raw data using Microsoft Excel; merge and update data in InDesign; and export PDFs for digital printing. Finally, you'll learn how to extend InDesign's VDP capabilities using powerful third-party plug-ins.

### **Creating PDFs for Print Production**

PDF is the cornerstone file format for prepress and print production workflow. In this course, you will learn all about various presets and settings and gain a solid understanding of what each setting is and how it affects PDF creation and output.

## Storm Water Permits 101

We often hear complaints from our members about the State Water Resource Board's storm water permit program—a complicated program that affects all printers in California. If you're not already familiar with this, here's a rundown of the basics that you need to know.

### **Why is storm water regulated?**

Storm water, otherwise known as runoff precipitation (i.e., rain or snow melt) that flows over land or without being absorbed by the ground, can become contaminated from material handling and storage, equipment maintenance and cleaning, and other activities at industrial facilities. Contaminated storm water that flows directly into water bodies through storm drain systems can be a significant environmental problem.

### **How are Printers regulated under the storm water program?**

Printing operations fall into a unique category under the regulations and must either obtain an "Industrial General Permit," which regulates storm water discharges associated with industrial activities, or a "No Exposure Certification."

### **What is the deadline for compliance?**

The deadline to file for an Industrial General Permit or No Exposure Certification was October 1, 2015.

### **What type of permit do I need?**

Most printing operations can easily qualify for the No Exposure Certification, which has fewer requirements for compliance and much lower fees.

The No Exposure Certification requires you to answer affirmatively to 11 questions regarding circumstances that can cause contamination. Once accepted, a facility must maintain the condition of "No Exposure". The facility must annually re-certify electronically via the Storm Water Multiple Application and Report Tracking System (SMARTS) to confirm that the conditions of "no exposure" are being maintained. For more information on the No Exposure Certification and the 11 questions, see <http://bit.ly/noexpose>.

Those who file for an Industrial General Permit must provide a storm water pollution prevention plan as well as a monitoring plan. A "to scale" site map of the facility identifying buildings, material handling and storage areas, roads, names of adjacent streets and discharge locations is also required. The permit will require periodic testing and the implementation of best management practices. In addition, an annual report is required along with quarterly results of storm water sampling and testing.

### **How do you apply?**

All permit-related documents must be submitted via the State Water Resources Control Board's online system, the Storm Water Multiple Application and Report Tracking System (SMARTS). You need to create an account at <http://bit.ly/storm-wateraccount>. After you register, you'll receive an email with a system-generated password. You can then log in and apply for either the Industrial General Permit or a No Exposure Certification.

### **How is this regulation enforced?**

The state Water Resource Board can send inspectors to your facility to verify compliance.

### **What does this cost?**

The initial and annual fee for the Industrial General Permit is \$1,400.

The initial and annual fee for a No Exposure Certification is \$150.

See <http://bit.ly/stormwatercost>.

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## Where can I find more information?

The California State Water Resources Control Board has published a 49-page “Discharger’s Guide to the Storm Water Multiple Application and Report Tracking System (SMARTS) Database” that walks you through the application process, complete with screen shots. You can find this publication at <http://bit.ly/stormwaterguide>. Note: the last page of this document is a dictionary of acronyms. You’ll want to print it out and have it handy before you start reading the rest of the document.