

What a Vibrant Graphics Night!

The 2019 Vibrant Graphics Night lived up to its name, as 320 industry professionals came together on May 3 at the Pacific Palms Resort for a very vivacious evening honoring Janet Steiner, PIASC’s Executive of the Year, and the winners of the 2019 Print Excellence Awards.

The event started with a cocktail reception and exhibit of the Print Excellence entries. Live tropical music set the mood while guests mixed, mingled and networked with their peers. This was also when votes were cast for the coveted “People’s Choice” Award. With so



Janet Green, Greens, Inc., announcing the winners of the Print Excellence Awards

many examples of outstanding work on display, choosing just one was quite a challenge!

At 7:00 the party moved into the ballroom. While dinner was served, David Melin, Chair of the PIASC Board of Directors, welcomed everyone and introduced some of the VIPs in attendance. Michael Makin, President and CEO of Printing Industries of America and Ford Bowers, President and CEO of the Specialty Graphic Imaging Association, had both flown in from the East Coast to attend, and Karen Spiegel, Riverside County Supervisor of the 2nd District and Yolanda Carrillo, City of Corona Council Member was there as well. Lou Caron, PIASC’s President and CEO, then spoke about the work that the Association is doing to advance the industry, such as legislative lobbying, and some of the many benefits of Association membership, including our free Employment Service.

Of course, the awards presentations were the highlight of the evening! Jack Stoughton, Jr., the 2018 Executive of the Year, introduced this year’s honoree, Janet Steiner. Janet told a number of



Dual Graphics Wins Best Unique Fold, Best Use of Paper, 2 Best of Category, 12 Award of Excellence and 2 Certificates of Merit

stories about her lifelong involvement in the graphics industry. Although she got her start providing “free labor” for the family business, Janet eventually took over the business, bought out her parents and their partners, and grew Thoro Packaging from about \$2 million in annual sales to nearly \$38 million.

The evening concluded with the presentation of the Print Excellence Awards by Janet Green, CEO, Greens Inc and the PIASC Public Committee Chair. Over fifty awards were presented to the “Best of” winners in each category, ranging from Catalogs to They Said It Couldn’t Be Done. The top winners were...

Best of Show
D’Andrea Visual Communications
Sponsored By: Kelly Paper & Spicers Paper

People’s Choice Award
Stoughton Printing Co.
Sponsored By: Kelly Paper & Spicers Paper

Judge’s Award
Continental Colorcraft

Best Execution of Ink
D’Andrea Visual Communications
Sponsored By: Nyotron

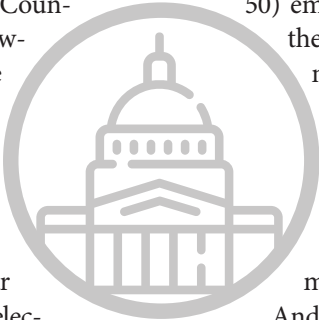
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GOVERNMENT & LEGISLATIVE

On Our Radar

Our legislators have been very busy! Recently added to the list of proposed regulations and other issues that we’re following:

- **Addressing the recycling industry crisis** – Due to the impact of China’s “National Sword” policy restricting imports of recyclable material, the California State Association of Counties has asked Governor Newsom to establish a statewide commission to address the current recycling challenges.
- **Increasing property taxes in Los Angeles** – Measure EE, which will appear on the June 4, 2019 special election ballot, would add another parcel tax to all homes, apartments and business properties within the boundaries of the Los Angeles Unified School District (LAUSD).
- **Applying the sales and use tax to services** – SB 522 would state that it is the intent of the Legislature to enact legislation that would, among other things, enact a service tax that would “offset a portion of the significant financial benefits provided to businesses under the new federal income tax laws.”
- **Requiring annual pay data reporting** – SB 171, which is essentially the same as last year’s SB 1284, would require California employers with 100 or more employees to submit an annual pay data report to the Department of Fair Employment and Housing, with detailed pay data by race, ethnicity, sex and job category. On the surface, this appears



to be quite similar to what the Equal Employment Opportunity Commission (EEOC) is already requiring at the Federal level with the EEO-1 survey data.

- **Extending the California Family Rights Act** – AB 1224 would make the California Family Rights Act (CFRA) apply to employers with 20 (rather than 50) employees within 75 miles of the worksite. It would eliminate the requirement that an employee must work at least 1,250 hours for the employer within the last 12 months in order to be eligible for unpaid family and medical leave under CFRA. And it would also eliminate the 6-week limitation on temporary disability benefits paid in any 12-month period.
- **Substantially expanding family leave** – AB 135 would require employers with as few as 5 employees to provide 12 weeks of a protected leave of absence each year, in addition to existing leaves of absences already required. Could also potentially require larger employers to provide 10 months of protected leave.
- **Extending statute of limitations for DFEH claims** – AB 9 (which is nearly identical to last year’s vetoed AB 1870) would extend the statute of limitations for all employment-related discrimination, harassment and retaliation claims filed with the Department of Fair Employment and Housing (DFEH), from one year to three years.
- **Extending the statute of limitations**

Continued on back

BUSINESS & MANAGEMENT

When is a Trade Secret Not a Trade Secret?

When the long-time president of CGW Camel Grinding Wheels (CGW) left to start a competing business, Weldcote, he took with him a flash drive containing information about CGW’s pricing, customers and suppliers. In other words, he helped himself to sensitive and valuable information that CGW assumed qualified as “trade secrets” subject to the federal Defend Trade Secrets Act (DTSA). When this former CGW president then hired another former CGW employee, she also brought sensitive company information with her.

Everyone agreed that all of this “stolen” data was uploaded to Weldcote’s computers. Some was even shared with Weldcote’s sales people, who were specifically instructed to target CGW’s key distributors.

Given all of this, why in the world did CGW lose their case in Federal court? Because they hadn’t taken adequate steps to protect these “trade secrets.”

“Trade secrets” must meet two criteria

To bring a successful civil claim under the DTSA, the plaintiff must first establish that the alleged trade secret is indeed a trade secret. This is done by demonstrating two things:

- The alleged trade secret is “sufficiently secret to impart economic value because of its relative secrecy” AND
- The plaintiff made “reasonable efforts to maintain the secrecy of the

information.”

Unfortunately, meeting just one of these criteria isn’t enough.

What steps do you need to take to attempt to protect your trade secrets?

In this particular case, the Court pointed out a long list of things that CGW did not do. One can extrapolate from this that the “fundamental and routine safeguards” you should have in place include:

- Require employees to sign non-disclosure and confidentiality agreements
- Train employees about their obligation to keep certain information confidential
- Enact specific policies regarding the confidentiality of business information
- Train IT managers about data security practices
- Require password protection and/or file encryption
- Label documents “confidential” or “proprietary”
- Restrict access to sensitive information on a need-to-know basis
- Include standard questions in your exit interview regarding if the person possesses any of the trade secret information, and instructing them to return or delete this information if they do possess it
- Ensure the measures you have in place to protect your trade secrets go

Continued on back

NATIONAL ASSOCIATION NEWS

Heidelberg to Exhibit at Inaugural PRINTING United Expo

The future of the printing industry will be converging at the inaugural PRINTING United expo on October 23-25, 2019 in Dallas, bringing together all aspects of the “ink on” industry. From garment, wide format and functional printing applications to the commercial, packaging and in-plant segments of the market, the exhibition will provide “one-roof” access to all printing technologies.

Heidelberg, of course, will be there. “This expo is all about the convergence of the industry,” says Randy Wiersma, Regional VP for Heidelberg USA’s West Region, “which mirrors exactly what we’ve been seeing in the field. Commercial printers have expanded into wide formats and digital. Garment printers have expanded into commercial printing. And so on. Because many of those from outside of the commercial printing world may not have been exposed to Heidelberg, we view this expo as a unique opportunity to both strengthen our relationships with our existing customers and introduce Heidelberg to those who are looking to expand and build their businesses.”

From workflow to post-production

Heidelberg’s product and service offerings have grown dramatically over the years, well beyond the sheetfed presses for which they have historically been known. One of the most recent ways Heidelberg has grown is through their integration with Gallus in 2018, which widened the company’s product portfolio

to include narrow-web label presses as well as rotary screen print solutions.

Heidelberg continues to be unique in the graphics world with its ability to connect the entire printing process together, from workflow to post-production. In addition to offset and digital presses, Heidelberg’s solutions for the commercial, packaging and label markets include complete pre-press software as well as post-production equipment.

“Heidelberg’s presses are all connected to the Cloud,” Randy points out. “We can take a customer’s press data, analyze it against industry benchmarks (including some that are market-specific) and use this information to help that company improve its throughput.”

Booth 10143 will showcase Heidelberg’s new subscription model

Above all, Heidelberg seeks to help customers maximize their productivity and profitability. The company’s 3,000 square foot exhibit space at PRINTING United will be showcasing how their new subscription-based business models achieve this. These subscription models are an ideal way for printers to get new software or equipment into their facilities without a large upfront investment.

Every workflow software license that Heidelberg offers is available through this subscription model, with the fees based entirely on the volume put through the system—not the number of licenses held.

Continued on back

HUMAN RESOURCES

Potential Legal Pitfalls of Workplace Wellness Programs

Workplace wellness programs have gained in popularity over the years. After all, these types of programs seem like a win/win for everyone. Employees get the tools and encouragement to improve their health, and employers get a healthier (and hopefully more productive) workforce.

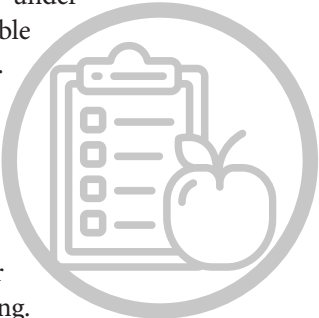
However, as with most employee benefits, there are some important legal pitfalls that you should be aware of. These include:

- Incentivizing employees to provide otherwise-protected medical information – Programs that ask participants to either undergo medical testing or answer health-related questions are inherently problematic under the Americans with Disabilities Act (ADA) and Genetic Information Nondiscrimination Act (GINA).
- In response to a court ruling, in January 2019 the Equal Employment Opportunity Commission (EEOC) changed the rules. The EEOC used to consider it acceptable under the ADA and GINA for an employer to offer penalties or rewards of up to 30% of the cost of self-only medical insurance coverage in exchange for information that would otherwise be protected under these statutes. Anything beyond 30% was considered coercive and therefore not “voluntary.” Now, thanks to EEOC’s response to the court ruling, there is no clear guidance in this area at all.
- Implementing an outcome-based program – Some workplace wellness pro-

grams reward employees for simply taking steps in the right direction. These are always allowed under the Affordable Care Act (ACA). Others base their rewards on achieving specified outcomes, such as losing weight or stopping smoking.

To be legal under the ACA, these outcome-based programs must meet strict criteria that ensure they do not discriminate against those for whom the goals are unsafe or unrealistic.

- Creating tax liability for your employees – Many wellness programs reward employees who reach specified participation or outcome-based milestones. If these rewards are in the form of a reduction in the employee’s medical insurance deductible, premium or copayment, this does not create a taxable event for the employee. However, if your rewards consist of pretty much anything else of value—cash, gift cards, gym memberships, exercise equipment, etc.—the value of these rewards must be reported as taxable income to the employee. What about program-related “swag”? Very inexpensive items such as water bottles and t-shirts would probably qualify as nontaxable “de minimis fringe benefits.” Golf clubs and Fitbits would not.



FEATURE ARTICLE

What A Vibrant Graphics Night! *Continued from front*

Best Unique Fold
Dual Graphics
Sponsored By: M1 Core Traction

Best Use of Paper
Dual Graphics
Sponsored By: Kelly Paper & Spicers Paper

Best Design
Stoughton Printing Co.
Sponsored By: Mona Solutions



D'Andrea Visual Communications, 2019 Best of Show. L-R, Denise Okata, D'Andrea Visual Communications, David Melin, Meridian Graphics, Steve O'Keefe, Spicers Paper

A complete list of the 2019 Print Excellence Awards winners is available online at <http://bit.ly/PEAwinners>



Janet Steiner, 2019 Executive of the Year

“Once again,” says Lou Caron, “Kristy Villanueva, PIASC’s Director of Member Services, and her team put on an incredibly successful evening. It was wonderful to see so many members, preferred partner companies, vendors and others there to enjoy the event and celebrate the vibrancy of today’s graphic arts industry.”



Upcoming Events

Certified First Aid and CPR Training **NEW DATE**

Including Bloodborne Pathogens
Wednesday, May 15, 2019, PIASC Conference Center, Los Angeles
\$65/member

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.”

PIASC, through Occupational Safety Training Systems, is offering

a four-hour seminar on First Aid and CPR and a one-hour seminar on bloodborne pathogens. Individuals completing the training will receive national two-year certification in CPR/First Aid and one-year certification in bloodborne pathogens. In addition to compliance with Cal/OSHA safety requirements, this program is an opportunity to have trained persons in your workplace who can deal with basic medical situations or emergencies where well-trained response may save a life.

The full 5-hour attendance is mandatory for certification, so please be prompt. Casual attire suggested, such as tennis shoes, jeans, walking shorts.

Only 12 spots available, so register today at www.piasc.org/events.

NATIONAL ASSOCIATION NEWS

Heidelberg *Continued from front*

If a printer wants to expand, they simply pay for the additional training; the volume-based fees remain the same.

On a selected basis, Heidelberg is also expanding their subscription model to their presses. Participants make a small upfront investment to cover installation and training, and then pay for the labor, power, facility, insurance and paper. Everything else—from ink to chemicals to service—is included in the monthly per-impression fee. When the five-year contract ends, the printer even has the

option to change out the equipment for a different press.

Conclusion

Just like PRINTING United itself, Heidelberg is helping to define the future trends in our industry with state-of-the-art technologies and innovative business ideas. To learn more about what they have to offer, be sure to stop by and see them at booth 10143. To register for PRINTING United, visit www.PRINTINGUnited.com.

BUSINESS & MANAGEMENT

Trade Secret *Continued from front*

above and beyond the measures you have in place to protect other data

The Court ruled against CGW in large part because its data security was so lacking...a very painful lesson for CGW.

Action item: Take a close look at what your company is doing to protect its trade secrets. If your measures would not pass the Defend Trade Secrets Act criteria, take action now to remedy this.

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CLASSIFIEDS

FOR SALE: Xerox Versant 180
Assume lease, \$800 per month through 11/30/20, Booklet Maker, Envelope Kit, Large Impression Tray, High Capacity Feeder, Decurler, FreeFlow Print Server, meter 171K. Like New. Was in use only nine months. jcongela@apgprinting.com, 714 287-5228.

FOR SALE: PTSCC375 Digital Finisher
Graphic Whizard PTSCC375 digital finisher, \$8,995. This machine, in excellent shape. Machine will slit, cut, crease, and perforate. Includes six independently programmable slitters, cross cut module, creasing module, and perforating (both directions on the sheet). Machine will store up to 100 job templates for easy quick set up. Includes 9” color touch screen with job programmer software. This machine is the perfect complement to any digital press to quickly cut and finish short run digital jobs. Sets up in under one minute. Machine is great for short run business cards, post cards, greeting cards, and most other jobs that will fit on a 13” X 19” or 12” X 18” sheet.
Max Sheet Size 14.5” X 25.5”
Max Stock thickness 380 GSM (16Point)
Up to 32 creases or perforations per sheet
Air Feeder
Machine is located in Burbank and can be inspected running. Contact Patrick at 818.843.8355

Want to place a classified ad? Contact Erica Sanchez, 323.728.9500, Ext. 209, erica@piasc.org

GOVERNMENT & LEGISLATIVE

On Our Radar *Continued from front*

for DOL complaints – AB 403 would extend the period of time during which an employee can file a wrongful discharge or discrimination complaint with the Division of Labor Standards Enforcement, from six months to within three years of the alleged violation.

• **Reducing use of single use plastics** – SB 54 / AB 1080, the California Circular Economy and Plastic Pollution Reduction Act, seeks to greatly reduce the use of single-use plastics. The Act would, among other things, require manufacturers of single-use plastic packaging or products to demonstrate a specified recycling rate as a condition of sale.

• **Banning certain arbitration agreements** – AB 51 would in essence prevent employers from requiring their employees to bring all employment-related claims (including discrimination, retaliation, harassment, and wage and hour claims) in arbitration instead of state or federal court.

• **Exposing employers to double penalties** – AB 673 would expose employers to being penalized twice for the same wage violation, by allowing both an employee and the Labor Commissioner to recover the same civil penalties through civil litigation.

• **The Paycheck Fairness Act** – H.R. 7, which has been considered by Congress a

number of times since 1997, is back. This federal bill attempts to close the gender pay gap by enacting various measures, including making sweeping changes to the Equal Pay Act and imposing new data collection obligations.

Updates to items we’ve been following:

• **“Skip the Slip” bill** – AB 161, which would require all businesses to offer e-receipts starting in 2022 unless a customer asks for paper copies, has passed through Committee. However, some amendments were made, including an amendment that the bill would not apply to “small” businesses with less than \$1 million in gross annual receipts.

New tax by SCAQMD – As we reported in March (see “State Happenings by RJ,” <http://bit.ly/StateHappenings>), the South Coast Air Quality Management District (SCAQMD) is proposing new regional sales taxes for Southern California. SB 732 would authorize the south coast district board to impose a transaction and use tax within the district’s boundaries. It is unclear if this bill authorizes a “sales tax” or if it will create a “special district.” Our lobbyist in Sacramento, RJ Cervantes, has formed a coalition of affected groups to fight this bill.

PIASC Events Calendar

MAY 15

Certified First Aid and CPR Training with Bloodborne Pathogens
8:00 am – 1:00 pm
PIASC Conference Center, Los Angeles Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

JUNE 18-19

PIASC Sacramento Legislative Fly-In
12:00 pm – next day 12:00 pm
Sutter Club and Halls of Capitol Building, Sacramento
Details: www.piasc.org/events
Contact: Kristy Villanueva, Ext. 215, kristy@piasc.org

MAY 17

PIASC Career Day
9:00 am – 12:00 pm
GrC Department, Cal Poly San Luis Obispo
Details: www.piasc.org/events
Contact: Kristy Villanueva, Ext. 215, kristy@piasc.org

SEPT 17

PIASC Paper & Substrate Show
5:00 pm – 9:00 pm
Andreï’s Conscious Cuisine Event Center, Irvine
Contact: Kristy Villanueva, Ext. 215, kristy@piasc.org

MAY 22

Preventing Workplace Violence Training
8:00 am – 12:00 pm
PIASC Conference Center, Los Angeles Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

For full list of workshops and virtual classes, please visit www.piasc.org/training.