

## Are You Underinsured? Most Small Businesses Are

A recent Manta and Insureon survey revealed that fewer than 30% of small business owners have basic business insurance. Even fewer, just 6%, have business interruption insurance, and only a rare few (2%) have cyber insurance.

This lack of insurance can be a costly mistake. These policies are essential for the proper protection of a company in today's marketplace. Here's why:

- **Business owner's policy:** The basic coverage for a small business is a business owner's policy (BOP). This typically provides general liability and commercial property coverage. The liability portion offers protection in case a customer is injured on your property or you cause damage to a customer's property. Business and Industry Connection Magazine reports the average cost for a slip-and-fall injury is \$20,000. An annual insurance premium is clearly the more affordable option.
- **Business interruption insurance:** When disasters cause damage to a business, operations may be shut down for hours, days or weeks. The



resulting loss of income can be devastating to a company. How much revenue would you lose if you couldn't open your doors for 10 days? Business interruption insurance replaces the income lost while your business is temporarily closed.

- **Cyber insurance:** Modern businesses are typically dependent on online services in one form or another. This

makes their business vulnerable to cybercrime. A study by Kaspersky found that the average cost of a cyber breach for a small business is \$86,000. These costs can be avoided with an affordable cyber insurance policy.

Source: PIASC Insurance Services, (323) 400-6705, [www.piascins.com](http://www.piascins.com)

### BUSINESS & MANAGEMENT

#### Stop Overthinking Marketing and Start Growing Print Sales

Despite all of the marketing options available today, many print and mail providers continue to struggle with the ability to consistently execute an effective long-term strategy. What works? Drip Marketing.

##### Drip Marketing works because it:

- Creates awareness for your brand and services
- Positions your brand as a trusted and credible resource for your services
- Differentiates your brand from your competition
- Significantly increases customer retention rates
- Supports your sales staff and enables them to sell more effectively

Drip marketing should utilize both print and digital media. The core requirement is engaging content that promotes your brand as a trusted provider.

Source: Patrick Whelan, Great Reach Communications, [www.greatreachinc.com](http://www.greatreachinc.com)

### RISK MANAGEMENT

## Data Encryption: Another Valuable Layer of Cybersecurity

"When it comes to cybersecurity," says Rene Kolga, Product Manager for cybersecurity software maker Nyotron, "no single security solution is a 'silver bullet.' Not even ours! That's why you must build multiple layers of defense. You want to make your business less appealing to cybercriminals, so that hopefully they'll go elsewhere."

As we discussed in our previous article on ransomware (see <http://bit.ly/ransomware2>), some of the elements of a multi-layered cyber defense include using both traditional antivirus solutions and "second layer of defense" security solutions such as Nyotron's aptly-named Paranoid software, installing software security updates in a timely manner, having strong password policies, educating end users about how to recognize common hacking scams, and more.

Data encryption is also an important part of the cybersecurity arsenal.

#### Cybercriminals want your data

When cybercriminals attempt to get into your company's systems, they're rarely interested in your actual computer or network system. It's almost always your data that they're after. They want your intellectual property, credit card records, sensitive emails, etc. Ensuring they don't get these things is paramount. Data encryption helps ensure that if attackers do access your data, they will not be able to use it anyway.

At any given point in time, data in your system is either at rest (meaning not being used), in transit (i.e. being moved around or transferred within the system) or in use. Encrypting data while it is at rest and in transit is now considered "table stakes" for any organization.

#### Using data encryption tools

The industry standard for most data encryption situations, especially when talking about data at rest, is called AES-256.

When encrypting data that is at rest, the easiest approach is to implement "full disk encryption," where all the files on a workstation or server are encrypted at once. Another option is file-based encryption, where encryption is done file-by-file. If you have moved your data to the cloud, many cloud services providers will encrypt your data by default.

"There are also tools in the Information Rights Management (IRM) area that allows encryption to travel with your data," explains Rene. "Wrapping encryption around your data in this way allows you to revoke access after you have shared a file or piece of data with someone else. For example, say you attach a sensitive data file to an email, hit the 'send' button, and then realize that you sent the email to Dave Roberts instead of Dave Robertson. Using IRM tools you can revoke access to that sensitive data before Dave Roberts sees it. This ability is also useful when working with contractors. After the project is over you can simply revoke their data access."

#### Watch out for USB drives

There have been many well-documented security breaches caused by the use of USB drives. Although these drives are usually not encrypted or password protected, they're so small that they're very easy to lose. A better solution is to share files using cloud-based collaboration or sharing tools instead, such as Google Drive, Dropbox, etc. With these solutions you share a link instead of the actual file, and then retain the ability to revoke access at any time.

#### Conclusion

When it comes to cybersecurity, you just cannot be "too safe." Data encryption is one of the many things you should consider implementing to thwart cyberattacks.

### GOVERNMENT & LEGISLATIVE

## On Our Radar

Updates to proposed legislation, regulations and other issues we've been following:

- **Emergency wildfire smoke regulations enacted** – As of July 30, 2019, Cal/OSHA's emergency regulation requiring employers to protect workers from haz-

ards associated with wildfire smoke is in effect. Employers of outdoor workers and workers in semi-indoor places must take specific steps to protect those who may be exposed to wildfire smoke. Requirements kick in when the Air Quality Index for airborne particulate matter (PM 2.5) is 151 or greater. The emergency regulation is effective through January 28, 2020, with two possible 90-day extensions. For

more information, see <http://bit.ly/wildfiresmoke1>.

- **Dynamex decision may not be retroactive after all** – In June we ran an article about the 9th Circuit Court of Appeals' ruling that the Dynamex decision (the ruling that established the new ABC test for determining if someone is an independent contractor for the purposes

of wage orders) was retroactive. Since then, on July 22, the 9th Circuit withdrew its decision about the ruling being retroactive and has asked the California Supreme Court to address this issue.

Of course, there's a bill that's still in play in the Legislature that would codify the Dynamex decision into law, so the future California Supreme Court ruling may be unnecessary.

### TECHNICAL & TECHNOLOGY

One of the benefits of membership is the technical expertise provided by Printing Industries of America. Our technical experts from the Center for Technology and Research discuss common production problems and issues. The Center for Technology and Research helps members with environmental, health, and safety concerns; consulting and on-site technical assistance; and technology training.

#### Q. I am considering purchasing an inkjet press. What timeframe should I expect from the initial delivery to the point where I'm able to print customer jobs?

A. The installation and training time frame depends on the complexity of the configuration and size of the device, but generally most current installations take about three to four weeks. The first week or two is generally unpacking and installing the RIP, press and related components. By the third week, there are printed sheets coming out of the delivery of the press and initial operator training will commence. It's wise to have a few customer jobs ready to go as part of the implementation process, so that real-world examples can be incorporated into the training process.

#### Q. We printed a job on a plastic sheet with no problems on the first side, but when we printed the back side some of the images had a mottled appearance and it appeared there was a faint image of the first side appearing in the mottle. What could have caused this?

A. This may be a "trapping ghost." In the pile, drying ink solvent vapors from the first printed side can be deposited on the back of the next sheet. The vapors can change the surface energy or dyne level of the plastic, resulting in mottle and a ghosted image. You might want to try winding the delivery piles when the sheets can be handled. It may also be helpful to contact your ink manufacturer as they may have an ink with a lower solvent content. This mottle would not occur with a UV ink.



Download & print individual articles at [bit.ly/NN-09-16-19](http://bit.ly/NN-09-16-19)

### BUSINESS & MANAGEMENT

## Best Practices when Drafting Independent Contractor Agreements

As we explained in a previous article (see <http://bit.ly/contractors1>), in California determining if a worker can be classified as an independent contractor depends on the situation.

To avoid misclassification problems, start by ensuring that the appropriate classification test is met. In addition, you should also draft an appropriate contract to govern the independent contractor relationship. Here are some of the do's and don'ts to keep in mind when drafting independent contractor agreements...

#### Don't:

- Use the word "control" and similar terminology to describe the company's role in the contractual relationship.
- Require progress reports.
- Pay by the hour, day or week. If possible, pay by the project or task.
- Require specific hours of work.
- Specify the location where the work must take place (if possible).
- Include "termination at will" in the contract provisions.
- Specify who must provide the services. If possible, don't state that the independent contractor's services to the company must be provided personally.

#### Do specifically state that the independent contractor is responsible for:

- Controlling the manner and means of the work and that the company is

interested only in the result.

- Providing all necessary tools, equipment, and related items.
- Paying/obtaining taxes, insurance, business licenses and the like, including general liability insurance.
- Hiring/managing their own employees, obtaining and paying for unemployment and workers' compensation insurance for all their own employees, and paying all employment taxes applicable to these employees.
- Determining its business format (for example, corporation or LLC).

#### Do specify:

- The length of the contractual relationship. If possible, don't leave it open-ended.
- That the independent contractor can perform services for others.

#### Also be sure to:

- State that the relationship is one of independent contractor.
- Include a waiver of any right to participate in any company benefits (even if the individual in question is found by a court to be a "common law employee").
- Consider requiring that they provide proof of compliance with these obligations, such as by providing certain representations and warranties in the written independent contractor agreement.

## NATIONAL ASSOCIATION NEWS

## Ben Franklin Honor Society Publishes the First BFHS Book Of Wisdom

Published by the Ben Franklin Honor Society (BFHS), the BFHS Book of Wisdom reveals the untold success stories of the Society's membership. The 248-page book is comprised of 47 essays. Each essay was written by an Honor Society member—successful and accomplished men and women who defined the growth and direction of the graphic communication industry in the latter part of the 20th century and the start of the 21st century.

The book was conceived and edited by BFHS member Harvey R. Levenson, Cal Poly Professor Emeritus and former head of Cal Poly San Luis Obispo's Graphic Communication Department. Levenson said, "The *BFHS Book of Wisdom* unleashes and preserves the experiences of successful industry leaders for all in our industry to learn from, students and present industry members alike. The book is a body of knowledge that has been acquired from actual experiences that can be used to contribute to critical forward thinking and potential-

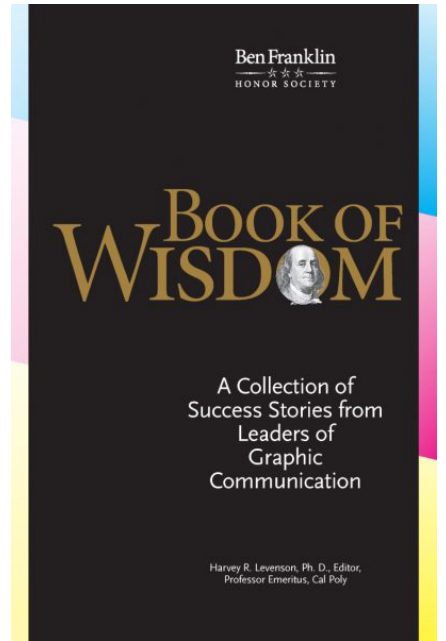
ly positioning the BFHS as a contemporary 'think tank' of the most practical and visionary ideas that have formed our present industry. We hope that it will inspire young people to reach a level of achievement in our industry worthy of being nominated for BFHS membership in the future and attract the interest of a growing diversity of nominees for induction."

A completely volunteer effort, the book was designed by BFHS member Marina Poropat Joyce, founder of INTAGLIO, one of Los Angeles' top 100 women-owned companies, and author of the textbook *Designing for Print*. Printing was donated by Dave DeLana, president of Heritage Integrated in Oklahoma. A BFHS historical account was provided by June Crespo, Director, Board & Affiliate Relations, Printing Industries of America, and overall administrative support was provided by Gerald Nathe, BFHS Chair and former Chairman of Baldwin Technology Company, Inc.

Nathe said, "Collectively, the essays are stories about endurance, perseverance, stamina and problem solving that led to the success of these unique individuals, all BFHS members. These professionals have worked at every level in the industry: as entrepreneurs, product development professionals, corporate leaders, association executives, educators, publishers and consultants. Their stories and experiences are now a mentorship for the success of present and emerging leaders of our industry, including students."

The *BFHS Book of Wisdom* will be launched at the BFHS Annual Meeting and Induction Ceremony on November 15-16 in Houston, Texas, where book signings by the essay authors will also occur. While all BFHS members will receive a free copy of the *BFHS Book of Wisdom*, the book can be acquired by non-members for a donation of \$50 per copy. All proceeds will go towards any of three scholarships: a) the Ben Franklin Society Scholarship, b) the Society of

Fellows Scholarship, c) the Order of the Black Leaf Scholarship, as well as d) other worthy projects/activities supporting the growth and development of the graphic communications industry. For additional information about acquiring one or multiple copies of the *BFHS Book of Wisdom*, contact: June Crespo, Printing Industries of America, 412-259-1778 or [jrcrespo@printing.org](mailto:jrcrespo@printing.org).



## CLASSIFIEDS

## LOOKING FOR BUSINESS

Glendale printing firm is looking to acquire a small digital print company (sales of \$1MM or less). We have open capacity on our Canon/Oce Color Stream roll fed inkjet press. We also can

support your work with our 7 digital presses, including HP Indigo and complete in-house finishing capabilities including PUR glue perfect binding, UV coating, CASE hard cover book binding, spiral, wire-o saddle stitch, etc. Call

Keith at 818-335-1928

Want to place a classified ad? Contact Wendy Ferrer-Ferruz, 323.728.9500, Ext. 262, [wendy@piasc.org](mailto:wendy@piasc.org)

## CONTACT US

Address:  
5800 S. Eastern Avenue, Suite 400  
Los Angeles, CA 90040

P.O. Box 910936  
Los Angeles, CA 90091

Phone: 323.728.9500  
[www.piasc.org](http://www.piasc.org)

## Key Contacts

Lou Caron, President  
Ext. 274, [lou@piasc.org](mailto:lou@piasc.org)

Dennis Bernstein, Commercial Insurance  
Ext. 222, [dennis@piascins.com](mailto:dennis@piascins.com)

Evie Bañaga, Employee Benefits  
Ext. 224, [evie@piasc.org](mailto:evie@piasc.org)

Kristy Villanueva, Member Services  
Ext. 215, [kristy@piasc.org](mailto:kristy@piasc.org)

Cheryl Chong, Human Resources  
Ext. 218, [cheryl@piasc.org](mailto:cheryl@piasc.org)

## Upcoming Events

## Paper &amp; Substrate Show: Dia De Los Papers

Andre's Conscious Cuisine Event Center, Irvine, CA

Tuesday, September 17, 2019

5:30 p – 9:00 pm

Join us for a day of honoring our beloved... papers! We'll welcome the spirits of long lost sample books with an ofrenda (altar) that pays tribute to the difficult task of selecting stock. We'll eat, drink and make memories to celebrate the wonderful cover, text, book, linen, vellum, felt and even smooth papers of our time. To set the spirited mood, the room will be decorated with calaveras de azúcar (sugar skulls), and of course papel picado (meticulously made paper art).

All that's left to prepare for your Día de los Papers celebration is to register now for PIASC's 21st Annual Paper & Substrate Show. From the latest substrates to the coolest samples, this is your chance to experience and share your life-affirming joy of paper.

To register contact Emily Holguin at 323.728.9500, Ext. 200 or [emily@piasc.org](mailto:emily@piasc.org), or visit [www.piasc.org/papershow](http://www.piasc.org/papershow).



## WEBINAR: Do you have the Proper SCQAMD Permits for your Equipment?

Wednesday, October 16, 2019

2:00 pm – 3:00 pm PDT

Got printing equipment in Southern California? Unless your facility qualifies under a special rule that primarily exempts those with very low usage of inks and solvents, you must comply with the South Coast Air Quality Management District's (SCAQMD's) permitting requirements. Permits are required for both printing equipment and corresponding air pollution control equipment. Affected facilities are those that operate in the region that is under the SCAQMD's jurisdiction: Los Angeles, Orange and Riverside Counties, as well as parts of San Bernardino County.

In this webinar, we will cover all the details on the printing equipment permitting process, including:

- How do I know if my facility is exempt from the permitting requirements?
- What forms do I need to fill out, and how exactly do I do so?
- How do I calculate the fees?
- What are the penalties for getting this wrong?
- What are the applicable rules and regulations?
- And more...

To register contact Emily Holguin at 323.728.9500, Ext. 200 or [emily@piasc.org](mailto:emily@piasc.org), or visit [www.piasc.org/events](http://www.piasc.org/events).

## PIASC Events Calendar

SEPT  
17

## PIASC Paper &amp; Substrate Show

5:00 pm – 9:00 pm

Andre's Conscious Cuisine Event Center, Irvine  
Contact: Kristy Villanueva, Ext. 215, [kristy@piasc.org](mailto:kristy@piasc.org)

OCT  
3-5

## Print 19

McCormick Place North,  
Chicago, IL

Contact: Thayer Long, (703) 264-7200,  
[tlong@npes.org](mailto:tlong@npes.org)

SEPT  
17

## WEBINAR: Who is Buying Graphics Businesses Today

11:00 am - 12:00 pm

Online

Contact: Maribel Campos, Ext. 210, [maribel@piasc.org](mailto:maribel@piasc.org)

OCT  
19-20

## The 11th Annual Los Angeles Printers Fair

10:00 am - 4:00 pm

The International Printing Museum, Torrance

Contact: [fair@printmuseum.org](mailto:fair@printmuseum.org)

SEPT  
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## DTC WEBINAR: Making Print Valuable and Relevant

11:00 am - 12:00 pm

Online

Contact: Maribel Campos, Ext. 210, [maribel@piasc.org](mailto:maribel@piasc.org)

For full list of workshops and virtual classes, please visit [www.piasc.org/training](http://www.piasc.org/training).