

Laboring Through a Challenging Year

During the last year I have talked to many members of the Printing Industries Association of Southern California about two converging themes: finances and human resources. For most of the last year, printers have been worried about balancing operating needs against one of their largest costs, labor.

Layoffs and Rehires

Unfortunately, the pandemic created the need for furloughs, layoffs or some combination of the two. Many printers used the pandemic to “retool” and optimize their operations, becoming experts at doing more with less. To keep the business open, employees were asked to take multi-tasking to a new level. To the degree that more efficient, productive and effective processing was achieved, the post-pandemic period will bear fruit.

Now, as we march into the economic recovery, printers are realizing that at some point soon, customer demand will result in the need for more employees. Printers must now find the balance between satisfying their customers and



increasing their workforce. The cruelty of the situation is that almost all surviving printers are vying for limited resources at the same time.

Of course, a big challenge here is which employees do they need to hire? I suggest that in seeking “new” employees, printers consider using this opportunity to recruit and hire talent that meets a desired behavior profile. While you cannot discriminate in the hiring process, an employer can be highly selective.

The key is to have a clear understanding of the position’s technical and behavioral requirements AND to start the recruiting process early. Too often the need is so urgent that the first breathing soul through the door is seen as the best solution, only to find out later that there was not a match and the result is an expensive separation.

I suggest that there are a few steps that should be considered during the hiring process:

- **Review and edit the job description(s) and develop a behavior profile** that works best in your environment. We apply the Predictive Index behavioral assessment as a tool in our process.
- **Determine who is going to be responsible for the day-to-day training** (assuming that training is going to be required). Give ample consideration to the “training” talents of this person, so that you are giving the new employee the best opportunity to succeed. Not everyone is suited to be a trainer.
- **If possible, involve several people in the interview process.** We include the supervisor, an employee at a similar level and a person completely outside the department in the interview process. Clearly this is an investment, but it is “pay me now or pay me later.”

COVID-19 Vaccination Policies

There is universal concern over how best to protect employees. There continues to be great concern over exposing staff to

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STATE HAPPENINGS BY RJ

Monthly Update from Our Lobbyist in Sacramento

4 Employment Law Bills to Watch

There are currently hundreds of employment law-related bills in play in the California legislature. As PIASC’s lobbyist in Sacramento, we’re keeping tabs on all of them. As you might expect, some of these bills are quite onerous.

The following provides an overview of four of the bills that are highly likely to pass in the Assembly and move on to the Senate...

AB 95: Creates expansive unpaid bereavement leave

Under AB 95, organizations with more than 25 employees would have to allow an employee to take up to 10 days of unpaid bereavement leave upon the death of a spouse, domestic partner, parent, parent-in-law, child, stepchild, grandparent, grandchild or sibling. The leave would not have to be consecutive but would have to be completed within three months of the death of the family member. Of particular note is that this would apply to all employees, regardless of how long they have been working for you.

The good news is, this bill has been temporarily shelved. The bad news is, it will be actively considered again next year (we are currently in the first year of a two-year legislative cycle).

AB 995: Expands paid sick leave mandate

AB 995 would increase the paid sick leave mandate in California from three

days to five days. It would also change how sick leave is accrued. Employees would have to accrue at least 40 hours or five days of sick leave by the 200th calendar day of employment or the 200th day of each calendar year or 12-month period.

AB 1041: Expands ability to take Family Care and Medical Leave

Under the existing California Family Rights Act (CFRA), an employee can take up to 12 weeks of unpaid leave in any 12-month period in order to care for a newborn child or a family member who is suffering from a serious medical condition. Covered family members include a child, parent, spouse, registered domestic partner, grandparent, grandchild or sibling. AB 1041 would add a “designated person” to this list. A “designated person” can essentially be anyone that is identified by the employee at the time that the employee requests this leave.

AB 1179: Creates mandate for employers to pay for backup childcare

As it is currently written (and I suspect the details may change), beginning January 1, 2022, AB 1179 would require employers with 1,000 or more employees to provide up to 60 hours of paid backup childcare benefits to employees who work in California for the same employer for 30 or more days within a year from the



commencement of employment. This backup childcare would be provided by a qualified provider to the employee’s child when the employee’s regular childcare provider cannot be utilized, and compensated at the state or federal minimum wage, whichever is higher.

Conclusion

Right now we’re at about the halfway point in this legislative session and there’s still a long way to go before the session wraps up in September. Rest assured that we’ll be working hard to get either get these bills amended to make them more amendable to your interests or, better yet, kill them completely.

GOVERNMENT & LEGISLATIVE

On Our Radar

Recently added to the list of proposed regulations and other issues that we’re following:

- **SAFE Banking Act** – H.R. 1996 aims to open up the federally insured banking system to cannabis companies. What’s important for the graphics industry is that under this Act proceeds from a transaction involving activities of a legitimate cannabis-related business would not be considered proceeds from an unlawful activity. H.R. 1996 has been passed by the House and is now awaiting action in the Senate.

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

- **Cal/OSHA Adopts Final Wildfire Smoke Regulations** – The emergency wildfire smoke regulations that went into effect in 2019 have now been revised and clarified. For the most part, the adopted regulation did not make many changes to the emergency regulation; it simply clarifies parts that were unclear. Cal/OSHA’s new fact sheet about these regulations is available at <http://bit.ly/CAL-OSHA-wildfire>.

BUSINESS MANAGEMENT

Why Interchange Downgrades Occur and How You Can Avoid Them

Since your business accept credit cards, you’re likely familiar with interchange fees. An interchange fee is one of the main costs associated with processing credit card transactions. Depending on factors such as card type and merchant type, all transactions are put into a category that determines which interchange fee will apply to them.

Sometimes, however, a transaction will change, prompting an interchange downgrade. Here’s what interchange downgrades are and how you can avoid them.

How interchange downgrades work

Each credit card transaction has its target interchange category. This target category has the lowest interchange fees, which means that a transaction going through smoothly is the best-case scenario for your business.

The issue is that transactions can move from this category to another one. This usually happens due to not meeting specific requirements or not providing enough information. Either way, this re-categorization will trigger an interchange downgrade, increasing your interchange fees. Over the course of a year, interchange downgrades can cause your business to lose thousands of dollars.

Why interchange downgrades happen

To avoid interchange downgrades, you need to understand why they would happen in the first place. Here are some common causes of interchange downgrades:

- **Delayed authorization:** This occurs when the credit card settlement process takes too long. The longer this process takes, the more likely the authorization is to go stale, forcing an interchange downgrade. The exact time it takes for the authorization to go stale varies, but most interchange categories need to be settled within 24 hours.
- **Poor security:** Payment processors take security seriously, requiring merchants to protect cardholders by following various security protocols. Your interchange category in large part depends on how you apply these security measures. For instance, forgetting to use an AVS to verify a customer’s billing address can be enough to force an interchange downgrade.
- **Authorization mismatch:** Let’s say that a customer buys \$200 worth of products in your store. You obtain the authorization to approve this transaction, but the

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Upcoming Events

Colorado Par-Tee on the Green



Date: Wednesday, August 11, 2021
Location: Arrowhead Golf Club, 10850 W. Sundown Trail, Littleton, CO 80125
Cost: \$159 per member, \$179 per non-member
(Includes: cart, breakfast, lunch & 5 raffle tickets)

7:00 am - Registration/Practice Facility Opens
 8:00 am - Shotgun Start

\$1500 worth of raffle items! Lunch, drinks and raffle on the 19th hole

Register today at <http://bit.ly/piasc-cogolf>.

For information, contact Cathy Skoglund at 602.999.1304 or cathy@piasc.org.

WEBINAR: What You Need to Know about Credit Card Processing



Date: Tuesday, June 22, 2021
Time: 10:00 am – 10:45 am PDT
Cost: Free for PIASC members

In today’s business world, accepting credit cards is a must. However, there is more to accepting credit cards than you might realize—and what you don’t know can be costing you.

PIASC has teamed up with CardConnect, a leading provider of payment processing and technology solutions, for a Preferred Partner Program that can reduce your merchant services costs month after month.

In this webinar, the experts at Card-Connect will provide an overview of the credit card processing world.

Register today at <http://bit.ly/Credit-Webinar21>

FEATURE ARTICLE

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disease, the probability of an outbreak and an outbreak’s consequences on a company’s economic recovery. The focus now is on COVID-19 vaccinations. There are various lines of thought, but our recommendation is that printers “strongly recommend” – rather than mandate – vaccination as soon as possible, not only to protect the person vaccinated but to also protect co-workers.

Remote Work

Finally, an upcoming challenge on the horizon is the new norm called remote work. For most printers, production staff are generally required to be onsite to perform their jobs. However, what about those who have been working remotely for much of the last year? There are concerns about supervision, productivity, efficiency and, I would add,

effectiveness.

Policy makers should consider the significance of in-person communications and the need to build and promote relationships. The time spent with email, Slack, text messaging, etc. just to get an answer to a question is frustrating and inefficient. Many will argue that Zoom does the trick, but it cannot replace body language, including one’s eyes, which are critical to determining whether a question is understood or if more discussion is required. When it comes to customer relationships, building value and trust always seem to require meeting a prospect in person.

The business environment is changing rapidly. Balancing the needs of customers, operations and the workforce is the big challenge employers now face.

BUSINESS MANAGEMENT

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customer decides to put one of the items back, bringing the sale total to \$150. If you don’t redo the entire transaction, you may face a downgrade.

Preventing interchange downgrades

Some interchange downgrades are unavoidable, but plenty can be prevented. Here are some tips that will help you in this regard:

- **Settle your batches daily.** This is the easiest way to prevent delayed authorizations. Most POS systems allow you to do this automatically at a set time each day.
- **Use updated equipment.** On top of security concerns, using outdated hardware increases the likelihood of collecting certain pieces of key data. Inspect your

equipment regularly and make sure it’s secure and set up correctly.

- **Don’t force transactions.** Many merchants have the option to force transactions to their processors by bypassing certain security protocols. Don’t go down this route, as it’s very likely to end up in an interchange downgrade.
- **Review downgrade reports.** Ask your processor for reports of your interchange downgrades. This will make it much easier to figure out which interchange requirements you aren’t meeting.

Source: MONA Payment Solutions, [www. MonaSolutions.com](http://www.MonaSolutions.com)



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PACIFIC PALMS RESORT

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TECHNICAL & TECHNOLOGY

Ask the Technical Experts!

Q. What is paper sizing?

A. There are two types of paper sizing: internal and surface sizing. Internal sizing is added to paper furnish before forming the paper and gives the paper “wet strength” or resistance to penetration of water and ink oils. Blotter and filter papers are examples of unsized papers. Lithographic papers are sized to give the paper some resistance to absorbing the fountain solution and falling apart. Surface sizing is applied to the paper by sizing rollers before the paper web is completely dry. Surface sizing bonds the surface fibers together, increasing the paper’s surface strength. Some of the surface sizing penetrates the surface of the paper reducing ink penetration and increasing the ink holdout. Excessive surface sizing contributes to the paper fibers not bending and cracking in folding operations.

Q. I just purchased a used 40-inch, 5-color sheetfed press to replace a smaller-format press. What installation issues, if any, do I need to consider?

A. We posed your question to Ray Hartman, a PIA consultant who specializes in press issues and plant layout. Ray said to ensure that you can power the press with 480V x 250A x 60Hz and to ground it with a 3-foot solid copper rod. The press floor should have compacted gravel and 14–18 inches of concrete (depending on soil type) reinforced with steel rebar. Finally, the press should be positioned so that there is adjacent space for at least four pallets..

Source: Originally created by the now-dissolved Printing Industries of America as part of their services to its members.

PIASC Events Calendar

<div>JUNE</div> <div>22</div>	WEBINAR: What You Need to Know about Credit Card Processing Tuesday, June 22 at 10:00 am PT Online www.piasc.org/events	<div>JULY</div> <div>15</div>	Print Excellence Awards Winners Celebration “Revived Inspiration” Thursday, July 15 Pacific Palms Resort, City of Industry www.piasc.org/events
<div>JUNE</div> <div>30</div>	WEBINAR: 2021-The Best Time in Over a Decade to Sell your Company? Wednesday, June 30 at 11:00 am PT Online www.piasc.org/events	<div>AUG</div> <div>11</div>	Colorado Par-Tee on the Green Wednesday, August 11 Arrowhead Golf Club, Littleton, CO www.piasc.org/events
<div>JULY</div> <div>3</div>	International Printing Museum: Independence Day Celebration Saturday, July 3 International Printing Museum, Carson, CA www.printmuseum.org	<div>NOV</div> <div>6-7</div>	International Printing Museum: Los Angeles Printers Fair Saturday, November 6 to Sunday, November 7 International Printing Museum, Carson, CA www.printmuseum.org