



PIASC WEEKLY UPDATE

Printing Industries Association, Inc. of *Southern California*

March 26, 2018

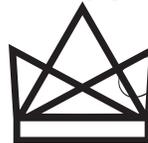
Sales Tax Issues

Printers buy a wide variety of items in the course of doing business which are subject to California sales tax if they are tangible personal property (paper, ink, supplies, machinery, etc.). They may properly give a resale certificate to the seller if the material purchased is physically part of the job that is delivered to their customer. This includes paper, ink, toner, stitching wire and the like. It does not include press or plate processing chemicals, raw plates or paper used as an intermediate in dye sublimation printing as these are not physically part of the job delivered to the customer. It may include dies if they are specific to the customer's job and retained for their use. In digital presses, the click charges are taxable to the printer even if they include toner as they are a combination of the capital cost of the press and its maintenance as well. Note also that when a job is sent to a binder or mailer, sales tax would not be charged to the printer as they are simply working on the printer's property. Of course, when the printer bills the job to the customer, sales tax is added (based on the point of delivery) and remitted to the BOE, unless the job is exempt (interstate shipment, printed sales message, etc.) If you have any questions about sales tax, call us at (323) 728-9500.

Contribution Makes It Work

The first step is to realize that *contribution* is what it's all about. The more contribution that you have during the month, the easier it is to get to profit. Practically this always means that you've got to sell more and produce more. This is far more important than focusing on "cost sheet margin" as wanting to sell only jobs with a good margin results in walking away from sales opportunity. Realize that your cost sheet ascribes the overhead to individual jobs, thus the \$400/hour press. But overhead doesn't work that way—the press is there whether you get the job or not. So, the \$10,000 job that sold for \$9,000 might have resulted in little to no margin, but it is still likely contributing \$2,500 toward overhead. If you turn it down, you're \$2,500 further away from profit for the month. Of course, you shouldn't leave money on the table, but you must get sales and contribution. Following this course of action, means that you'll be handling more work, but that's not a problem until you actually run out of capacity

PIASC



graphics night 2018



13 April 2018 • Pacific Palms Resort See page 2 for details

(remember that there are 24 hours in a day). It's also useful to pursue an expansion of your capabilities by buying work out. There will likely be a positive contribution to overhead on the farmed out work—which is good—and you're also broadening your base of service to that customer. As you expand your contribution, you should also resist the machinery sales rep who tells you that their new press will do your work in one-third the time. While that's probably true, it will also increase your overhead and make the mountain harder to climb. Put off expansion until you've really used up 24/5 or 24/6.

Ok, I'm On Board, But How Do I Get The Team Behind Me?

It's natural to be concerned about minimizing production cost. In thinking about this, it's important to remember that the machine hour rates that we have in our system are irrelevant to this. If we can find a way to reduce makeready time by 15 minutes, we have not saved \$100 (\$400 times 0.25). We have saved, at most, 15 minutes of crew time and that only if we can reduce overtime by the 15 minutes. Thus the savings is about \$15 assuming a crew cost of \$60/hour. As we move to full utilization of our equipment a substantial amount of labor inefficiency goes away because there is work to do which takes away the Parkinson's Law effect. Because printers are custom manufacturers driven by buyers with changing demands and short turn-arounds, there will still be situations where the file, OK, paper, etc. is not in the right place at the right time. It is usually hard to make much of an impact on these. For this reason, a major investment in a MIS system with shop floor data collection seldom provides a return which justifies its cost.

Thought for the Week

Since the world is round, the place which seems like the end may also be the beginning.

Upcoming National Events Calendar 2018

4/8-4/11	Continuous Improvement Conference	Loews Chicago O'Hare Hotel, Rosemont, IL	Jim Workman	412-259-1710	jworkman@printing.org
4/25-4/26	OSHA Compliance for Printing Workshop	Warrendale, PA	Gary Jones	412-259-1794	gjones@printing.org
6/19-6/20	Print & Packaging Summit	Washington Marriott Marquis Hotel, DC	Lisbeth Lyons	202-627-6925	llyons@printing.org
10/17	Franklin Event	New York City, NY	Kim Tuzzo	716-691-3211	ktuzzo@pialliance.org

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

PIASC April-June Activities

<p>Apr. 13</p>	<p><i>Event Number</i> GN</p> <hr/> <p>5:30 p.m.</p> <p>Cost: \$100 ticket \$1000/table of 10 \$800/table of 8</p> <hr/> <p>Location: Pacific Palms Resort One Industry Hills Parkway Industry Hills, CA 91744</p>	<p>2018 GRAPHICS NIGHT <i>Ideas. Solutions. Achievers.</i> Contact: Maribel Campos, Ext. 210, maribel@piasc.org</p> <p>PIASC invites printing industry members and partners to join us at the upcoming Graphics Night event, where we will celebrate the ideas, solutions and achievers of 2018. We will honor the PIASC's Executive of the Year and announce the winners of the Print Excellence Awards, regional printing competition.</p> <p>Overnight Accommodations: 1.800.524.4557 (Room Reservation Code: PIASC) Spa: 626.854.2502 • Golf: 626.854.2531</p> <p>For all details visit www.piasc.org/GraphicsNight. Sponsorships are available!</p>
<p>Apr. 19 and 26</p>	<p><i>Event Number</i> CAC17</p> <hr/> <p>5:30 p.m.</p> <p>Cost: \$25 non-members: \$40</p> <hr/> <p>Location: See locations at right</p>	<p>COCKTAILS AND CONVERSATIONS Contact: Emily Holguin, Ext. 262, emily@piasc.org Connect with other local colleagues, meet some new friends and network, network, network.</p> <p>Check the box(es) below to register for these events:</p> <p><input type="checkbox"/> April 19th – Bodega Wine Bar, 300 E. Colorado Blvd. #208 - Paseo Colorado, Pasadena, CA 91101</p> <p><input type="checkbox"/> April 26th – Karl Strauss Brewing Company, 2390 E. Orangewood Ave., #100 Anaheim, CA 92806</p>
<p>Apr. 25</p>	<p><i>Event Number</i> CPR</p> <hr/> <p>8 a.m.-1 p.m.</p> <p>Cost: \$60/ member \$90/non-member</p> <hr/> <p>Location: PIASC Training Room 5800 S. Eastern Ave, #400 Los Angeles, CA 90040 Inside B of A Building</p>	<p>CERTIFIED FIRST AID AND CPR TRAINING <i>Includes Bloodborne Pathogen Training!</i> Contact: Emily Holguin, Ext. 262, emilyholguin@piasc.org</p> <p>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."</p> <p>The full 5 hour attendance is mandatory for certification so please be prompt. Casual attire suggested, such as tennis shoes, jeans, walking shorts.</p> <p>Visit www.piasc.org/CPR for full details!</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 2018	4/03/18	SGIA Free Webinar: Launching a Strong Sales Effort		http://info.sgia.org/sgia-webinar-strong-sales-effort
	4/18-4/20	Operation Sublimination	Roland DGA Corp, Irvine, CA	sgia@sgia.org 888-385-3588
	4/19/18	Grc Career Day	San Luis Obispo	lsing@calpoly.edu 805-756-2645
	5/8-8/14	AIGA OC's Mentorship Program	Orange County, CA	mentorship@orangecounty.aiga.org

Apr.
25
thru
26

Check here to REGISTER for this event

Event Number
OCFP

Cost: **\$397/**
members
\$550 /non-members

Location:
Printing Industries of America Headquarters (Warrendale, PA)

2018 OSHA COMPLIANCE FOR PRINTING WORKSHOP

Contact: **Kaitlin Rundle, 412-259-1779, krundle@printing.org**

Over the past year, OSHA's penalties have spiked and its officials have labeled the print industry as a high-risk occupation. In order to avoid fines and keep employees safe, staying OSHA compliant should be a top priority. However, legal jargon and comprehensive reporting requirements often make it difficult for printers to understand what is required to be compliant.

During this two-day hands-on workshop participants will:

- Gain an understanding of key OSHA regulations
- Dig deep into compliance strategies
- Learn the required elements of written programs
- Get insight on how to respond to an OSHA inspection
- And much more

Jun.
19
thru
20

Check here to REGISTER for this event

Event Number
PPLS

Cost: **TBA**

Location:
Washington Court Hotel
525 New Jersey Ave NW
Washington, DC 20001

PRINT & PACKAGING LEGISLATIVE SUMMIT

Contact: **Kaitlin Rundle, 412-259-1779, krundle@printing.org**

Join your peers in print and packaging as we address our legislators as one industry with one voice. The Print & Packaging Legislative Summit, co-hosted by Associated Industry of Corrugated Converters (AICC); Fibre Box Association (FBA); Idealliance; NPES-The Association for Suppliers of Printing, Publishing and Converting Technologies; Printing Industries of America (PIA); and Specialty Graphic Imaging Association (SGIA) will take place Tuesday, June 19 and Wednesday, June 20, 2018 in Washington, DC. This year we will again partner with the National Association of Manufacturers (NAM) for its 2018 Manufacturing Summit. A list of additional supporting organization is in formation. Past supporting organizations have included the International Association of Die-Cutting and Die-Making (IADD) and National Association of Print Ink Manufacturers (NAPIM).

This signature government affairs event will bring printers, corrugated converters packagers, suppliers and allied interests together for a powerful program of public policy and political education, issue advocacy, interaction with Members of Congress, and networking events on Capitol Hill. Recommended attendees are Presidents/CEOs and other C-Suite executives with responsibility for environmental/health and safety, human resources, legal, postal, tax, technology and/or sales. The highlight of the legislative summit are in-person industry lobbying meetings on Capitol Hill that allow you to take your company's story directly to decision-makers in Congress.

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InDesign Challenge

I've had customer InDesign files that, when I try to move an object, or image, or even edit text, the file will crash. What's going on? The InDesign file is probably corrupt. Many times, this happens with an InDesign file that has been around for a number of years that gets modified, saved, re-saved, and so on. A good example of this might be a job that gets updated quarterly, but the same file is edited and saved each time. There is a trick that works most of the time to remove the corruption, so that you can work on the file. Select File > Export > Format > InDesign Markup (IDML). Save the IDML file, then close the corrupt file that is still currently open. Next, open the IDML file you've saved, and confirm that no formatting or elements have been changed. You now have a clean InDesign file for the job. Call Dillon Mooney, the PIA technical expert, at (412) 259-1786 for help on this.

Leaders Need Followers

If you want to be a leader, you need followers but followership is voluntary. To get people to want to follow you should:

• **Become an information resource.** If knowledge really is the basis of success in the digital age, then people who have it are the ones everyone will turn to. Become an expert in your field. Share information willingly, and don't be afraid to express opinions that shape the data.

• **Don't rely on your job title.** Whether you're a manager, a senior VP, or the CEO, don't expect today's workers to be impressed with your ideas just because they originated in a nicer office. Concentrate on knowing your subject, listening to others, and being willing to modify your ideas when necessary.

• **Be a good follower.** Sometimes you've got to let others take the lead. They may have more experience necessary for a project, or skills you don't have. Commit to helping them succeed so you and your organization as a whole will prosper. It'll enhance your reputation as a leader.

• **Sell the team.** Forcing orders down employees' throats was never a good strategy (even when leaders could get away with it). Learn how to motivate people, to persuade them, to get inside their heads so you can use language and offer rewards that they'll respond to. Be a salesperson, not a dictator.

• **Be honest at all times.** Employees are more skeptical than ever these days. Your willingness to lay everything on the table will earn their respect. They may not like the bad news, but they'll accept it if they know exactly where you're coming from.

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

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www.LaminationDepot.com

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Affiliated with Printing Industries of America, Inc.



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