

PRINTING INDUSTRIES OF VIRGINIA

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10193 Maple Leaf Court
Ashland, VA 23005
Toll free: 866 550-7502
ph. 804 550-7500
fax: 804 550-4610
joinus@piva.com
www.piva.com

PIVA Newsletter First Quarter 2008

Logo

A total of 33 entries were submitted for the New PIVA Logo Competition this past fall. The entries were from both printers and technical centers in the state of Virginia. Three finalists were chosen by the PIVA Board and the final vote was made by the PIVA membership at the end of December. The winner of



the logo competition was Megan Fernandes. Megan was awarded \$500 and a plaque. Congratulations Megan!

The Premier Print Awards Call for Entries

The PIA/GATF *Premier Print Awards Call for Entries* has started. Entering the *Premier Print Awards* is an easy process. Watch your mail for the *Premier Print Awards Call for Entries* brochure. The brochure will give you all the background on the award, the judging process, the award categories, and how to submit your entry.

Don't wait--gather the print work you have produced since May 1, 2007

through the present (April 30, 2008) and enter before the May 19, 2008 deadline. Show everyone the terrific work your company produces and be recognized with the prestigious *Premier Print Award!*

Best in Print winners – Don't forget that you can submit your 1st place Best in Print winners to the Premier Print awards at no cost. For more information contact the PIVA office.

Cantor Breakfast

PIVA expresses their most sincere appreciation to the printers that were able to make Eric Cantor's campaign breakfast in February. Cantor has been a continual supporter of our industry, especially with Postal Reform. The event

featured special guest Mrs. Lynne Cheney and was well attended at the Richmond Convention Center. We also thank PIA/GATF for providing us the opportunity to be a part of this event.

Chairman's Column

The first quarter of 2008 is now in the books. One of PIVA's perennially successful events, the Best in Print show, occurred in this time frame and once again proved to be a winner. With over 1,000 entries and several hundred people in attendance, the gathering recognized the best printing in Virginia. It is truly becoming more difficult every year to select the award recipients, a compliment to all who participated. Congratulations to the winners!



Jim Mayes

On the other hand, the first quarter also saw quite a few in the industry experiencing light volume. With increased costs for paper, energy, transportation, wages, and benefits, most printers faced an extremely competitive pricing environment. At times like this, we all look for solutions. Of course, in better times, we tend to get caught up in meeting daily production needs. This can lead to a casual approach to pricing and cost control. The first thing to do, then, is to take a close look at any inefficiencies which may have crept into our routines.

But there are a few other actions you might take as well. Consider utilizing the PIA/GATF Ratios Studies to really get a handle on where you stand against your competitors. The surveys are our industry's best benchmark data. And it's also a good idea to stay active with PIVA. One of the primary benefits of membership is "associating"—networking with your peers. It keeps you up to date on the status of the industry, and often brings a new idea that can help you weather the tough times.

Speaking of Association opportunities, several will be coming up shortly. On May 7, a networking event (Siete de Mayo) will be held at PIVA headquarters, and will include an update on the industry's status by Dr. Ron Davis, PIA/GATF's Chief Economist. And a little further out is the annual Summer Management Conference with PGAMA, held this year on August 14-17 at the Boars Head Inn in Charlottesville. This event provides networking, educational, and social opportunities galore. If you haven't attended previously, make a commitment to be there this year.

I look forward to seeing many of you at these events.

Thank you for your support.

Jim Mayes
PIVA Chairman

Ambassadors for Print

The Virginia Printing Foundation's Ambassadors for Print program has awarded Heather Jones of Leesburg, VA an I-Pod Shuffle for her outstanding design promoting careers in print.

In addition, the Foundation awarded \$250 to the CS Monroe Technology Center's graphics imaging program. Heather's teacher, Pam Smith, plans to use the award money for scholarships for her students to attend Chowan University's Graphics Camp this summer.

Heather Jones is a senior at Freedom High School, and studies graphic imaging at CS Monroe Technology Center. After she graduates, she plans to attend a four-year college in Virginia. While she plans to study graphic design, she would really like to start her own magazine, combining her interests in design, photography, and writing into one career.

Heather's award-winning design will be used to promote careers in printing, and will be featured on the Printing Industry of Virginia's website. Heather says that she wanted to create something suggesting motion and growth. She used "gears to symbolize productivity and



advancement because the printing industry is growing so quickly."

Printing is Virginia's sixth largest employer, with 21,000 people working in this industry. Nationally, the industry will need over 60,000 new workers per year for the next ten years, and the Ambassadors for Print program is reaching out to high schools with printing programs to help promote these wonderful career opportunities.

For further information, contact Katie Gekker, Director of Ambassadors for Print, email address: kgekker2909@yahoo.com, phone number: 703-216-3714.

The Progress Through Print Education Scholarship

The Virginia Printing Foundation has launched a new scholarship, funded by Progress Printing in Lynchburg, Virginia.

This scholarship, the Progress through Print Education Scholarship, will benefit Virginia high schools with printing and graphic education programs. Funds may be used for teacher continuing education and/or capital expenditures for the program.

Michael Thornton, President of Progress Printing, believes that "reaching out to the good instructors and students around the state with focus and force seems to be the right thing to do." There is "no better time than now." Mr. Thornton believes that printers must "embrace and support their regional educational facilities robustly, monetarily, and morally." The Progress through Print Education Scholarship will accomplish this.

Scholarships will be awarded annually, in amounts up to \$2,500. Applications for scholarships are due May 1st, and

notification to winners will be made June 1st. The Virginia Printing Foundation, a 501c(3) non-profit educational foundation, was established in 1984 to promote the growth and development of Virginia's printing and graphic arts industry. The VPF created and maintains an endowment designed to fund scholarship, continuing education and industry awareness programs. The Foundation is committed to continually strengthening its support and involvement to ensure that Virginia's printing industry is able to successfully compete as a "world class" competitor on a global basis.

In addition to the Progress through Print Education Scholarship, the VPF maintains a scholarship program for selected students wishing to pursue a career in graphic arts.

For further information, contact Ron Hottle, VPF, 800-662-6912, or Katie Gekker, kgekker@yahoo.com, 703-216-3714.

PIFE and S&ME Become Core Services!

As of January 1, two of the top tier sections at PIA/GATF became core services for all PIA/GATF members at **no additional cost**. What does this mean for current S&ME and PIFE members? To start, you won't see an invoice pass

your desk for membership! All current members of the sections will start the core base.

Different segments of the industry, as well as different

Continued on next page

PIFE and S&ME Become Core Services! continued...

functions within the same company, have specific needs and challenges. Membership in the Print Sales & Marketing Executives (S&ME) and the Printing Industry Financial Executives (PIFE) helps your company address these challenges head on.

Both sections offer members unparalleled networking opportunities to help with today's tough challenges, in non-competitive, peer-to-peer forums. In addition, these groups hold national conferences that are extremely unique to the graphics arts community. S&ME and PIFE programming and services are carefully tailored to meet members' needs. Some of the most influential people in the industry proudly call themselves members within these groups. S&ME membership is made up of sales & marketing managers,

directors, owners, presidents and vice presidents, while PIFE touts CFOs, controllers, and directors of finance.

A membership entails a constant source of knowledge from a support network made of your peers. There are no other groups that are as helpful or as cutting edge in the industry today. Individuals wishing to become S&ME & PIFE members must be employed by PIA/GATF member companies.

Enrollment in these signature programs couldn't be easier. Simply email sme@piagatf.org or pife@piagatf.org with your complete contact information and "Opt-In." It's time to finally get that competitive advantage you were looking for and join our invaluable sections today!

Best In Print

This year 33 companies participated in the Best In Print Program with a total of 1,054 entries. A total of 249 First Places and 459 Awards of Excellence were awarded. Fourteen major awards were also presented. PIVA

celebrated the Best Printing in Virginia on February 2, 2008 at the Williamsburg Marriott. With over 300 people in attendance, the event included an annual pool tournament, a reception, banquet, and casino night.



Stafford Printing
Dietz Class 1



Winchester Printers
Dietz Class 2



Worth Higgins & Assoc., Inc.
Dietz Class 3



The Finish Line
Best in Show Class 1



Bassett Printing Corp.
Best in Show Class 2



Worth Higgins & Assoc., Inc.
Best in Show Class 3

A Historic Meeting for Printers

On March 7, 2008, Governor Timothy Kaine and members of his staff held a meeting in Richmond with members of the printing community. Our records indicate that this is the first time our industry has ever met with a Governor of Virginia.

The Governor and his staff recognize the important place printing holds in the Commonwealth's economy. Printing is Virginia's sixth largest employer, with over 21,000 workers, and had shipments of over \$3.3 billion in 2006.

Governor Kaine and Senator Phillip Puckett attended the meeting to listen to printers' concerns about the challenges we face attracting new workers to our industry. The Governor informed us of plans already in place to help with workforce development, and committed his staff to helping us accomplish our goal of attracting approximately



13,000 new workers to printing over the next ten years.

In addition, members of the Governor's staff met for over two hours with printers. Participating in this meeting were Daniel LeBlanc, Senior Advisor for Workforce, Office of the Governor; C. Ray Davenport, Commissioner, Department of Labor and Industry; Lynette Hammond, Deputy Secretary of Commerce and Trade; Mindy Fast, Regional Business & Industry Coordinator, Workforce Development Services; and Carrie Douglas, Economist, Governor's Office for Workforce Development.

Printers were represented by Doyle Rasnick, Clinch Valley Printing Company and his wife Linda Rasnick; Jim Mayes, Colorcraft of Virginia, Inc.; Ron Hottle, Winchester Printers, Inc.; Howard Owen, Stafford Printing; Benny Bowman, Worth Higgins & Associates, Inc.; Joseph Puckett, Campbell Printing of Bristol, Inc.; Alice

A Historic Meeting for Printers continued...

Fletcher, PIVA; Terry Heyer, PIVA; and Katie Gekker, Ambassadors for Print.

It was agreed that the Governor and his staff will help our industry strengthen and implement our current

Ambassadors for Print program to promote careers in printing. A team representing printers and state officials will implement this plan of action and work will begin in April.

President Bush Tours PIVA Chairman's Plant

Colorcraft of Virginia in Sterling, VA. hosted the President for a tour and brief remarks on the state of the economy and the recently passed economic stimulus act. The President highlighted employees at Colorcraft who will receive individual rebates and discussed the company's plans to take advantage of the enhanced Section 179 expensing provided by the bill.

PIA/GATF Government Affairs worked closely with Colorcraft and with the White House to facilitate this visit. Government Affairs VP Lisbeth Lyons was on hand for the tour.

PIA lobbied Congress to include small business-friendly tax provisions in the stimulus package. Printers can now take advantage of increased Section 179 expensing and faster depreciation to modernize and grow their business even in this economically difficult time.

Congratulations go out to Jim Mayes, President of Colorcraft, who put together this visit with little advance



notice. Jim is now more familiar with White House advance security and media operations than he thought he ever would be (or want to be)! This visit by the President underscores just how much our industry's profile has been elevated in Washington and how positively we are viewed by the administration. Kudos to Lisbeth and her team!

Governor Tim Kaine Promises Crackdown on Identity Theft in the Workplace

January 3, 2008, Gov. Kaine announced that it is his personal mission to require all businesses, schools, employers and any organization in possession of personal information to notify the citizens of Virginia when they have been victims of a breach so that they can take the appropriate steps to protect themselves against the pervasive crime of Identity Theft. Currently, 37 states and D.C. require that all breaches be reported. The number of breaches and victims of Identity Theft tripled in 2007 over the 2006 figures.

What can you, as a business owner, do to mitigate your damages under FACTA, GLB Safeguard Rule, The Red Flag Rule and numerous state laws which require that specific

policies and procedures are in place? PIVA has an exclusive agreement with Jean Wingo, Certified Identity Theft Risk Management Specialist and Independent Associate with Pre-Paid Legal Services and the Identity Theft Shield. Several PIVA members are currently using the Affirmative Defense Response System that she implements to protect their customers' and employees' information at no direct cost to the company.

For more information and a complimentary copy of the Federal Trade Commission's publication, *Protecting Personal Information-A Guide for Business*, contact Jean at 877-725-8739 by phone or email address: jeanwingo@aol.com.

Collection Services Rates Negotiated

PIVA met with our preferred collection services vendor CST, Inc. to negotiate new rates for PIVA members. The new rates for CST are now on a sliding scale. For more information contact Carey Houck by phone 828-292-2973 or by email at chouck@mail.cstcoinc.com.



National News

The PIA/GATF Economics and Market Research Department recently released its newest annual environmental scan of the economy and printing industry. It follows up on last year's environmental scan, *Navigating Printing Markets in 2007–2008*, which provided a fairly accurate assessment of economic and print market trends as they eventually unfolded in 2007.

Looking Forward is a 28-page report with 25 tables and 6 figures. It reviews industry financial performance, provides an overview of the performance of the economy and print markets in recent years, and provides strategies for success in the coming environment. The report stresses that the short-term future of the economy is uncertain and presents three possible scenarios for 2008–2009: continued strong growth, a slowing but growing economy (the most likely scenario), and a recession. This report is available free to PIA/GATF members.

Here is an excerpt from the report: "The most important determinant of print market health is the overall economy. At this time the economic outlook is extremely cloudy. Numerous negative forces are weighting down the economy—in particular the housing glut, the mortgage credit crisis, and high oil prices. The yield curve (short-term interest rates compared to long-term rates) has been inverted for the most part since July 2006, and this has been a fairly accurate predictor of a recession within the next two years. However, the \$13 trillion U.S. economy is extremely diversified and has an inherent momentum for

growth. The third quarter of this year marked the sixth full year of quarterly economic growth, and a positive number in the fourth quarter will start the seventh year. The last quarterly decline in the economy was the third quarter of 2001. Overall the economy has experienced three quarterly declines in this decade, two in the decade of the 1990s and six quarterly declines in the 1980s. Additionally, there have been no annual declines in RGDP so far this decade and only one in the 1990s (1991) and two in the 1980s. Further, the average difference between the highest growth and declining quarters has narrowed over the past three decades from 9.1 percentage points in the 1980s to 4.7 percentage points in the 1990s and 2.9 percentage points this decade. The average quarterly declines (for the declining quarters) have also fallen from 4.1 in the '80s to 2.5 in the '90s and 0.8 this decade. In sum, these numbers demonstrate that the economy has gained stability over the past few decades with less variability from high to low points. Reasons for this include the continuing shift from manufacturing to service, better inventory controls from computers lessening the "inventory cycle," and increased global economic integration. However, the economy is by no means a "recession proof" economy although it appears that recessions are now milder, are shorter, and may be more of a "growth slowdown" than a decline in actual output."

To get your copy of the article in its entirety, log on to www.gain.net.

New Member Service

AFLAC is excited about its new affiliation with PIVA. More importantly, we are excited to give PIVA member businesses the chance to offer Cancer, Critical Illness, and Disability coverage and Flex Spending Account administration from the nation's most recognized employee benefits company. By way of introduction, the following is a trivia contest about AFLAC. Answer the following questions in an e-mail to PIVA associate member David Hobbs for a chance to win AFLAC brand prizes (You know, the DUCK!)

- 1) What southern city is AFLAC's corporate home?
- 2) What was the last name of the brothers who founded AFLAC, and whose family still serve as corporate leaders today?
- 3) The AFLAC website (aflac.com) lists the number of people world-wide who own AFLAC benefits. How many million people own AFLAC benefits?



- 4) What is name of the NASCAR driver who will drive the AFLAC sponsored car during the 2008 NASCAR Sprint Cup season?

Please e-mail your answers to David Hobbs (david_hobbs@us.aflac.com). Winners will be chosen at random from the correct entries. All participants will receive a prize. Call David (804-382-3710) to learn how AFLAC can add value to your business and protections to your family.

Members Making News



(Petersburg, VA) **Owen Printing Company, Inc.** has recently added a new Xerox Docucolor 7000AP and the Xerox 4112

Enterprise Printing System. The digital team, run by Wert Smith, Jr., will cost-effectively assist customers with faster turnarounds and smaller runs. The press will satisfy requests and allow the company to partner with their customers to make the most of their budgets and ensure long-term business success.

The 4 color Docucolor 7000AP prints at the rated speed of 70 pages per minute for 8.5x11 paper. The press has a 2400 dpi resolution and prints accurately print after print, all while maintaining tight registration front to back. The Xerox 4112 Enterprise Printing System prints 112 pages per minute. This press is used for time-critical transitional documents and professional finished publishing applications. The options for the 4112 include variable-length stapling, hole punching, subset finishing, bi-fold output, and saddle-stitch booklet making.

Wert Smith, Jr. is energized about the high quality pieces produced from the new Docucolor 7000AP and Xerox 4112 Enterprise Printing System. Mr. Smith says, "We're now positioned with our 4112 to pull in work that we had

to outsource before due to run lengths our old machine simply couldn't keep up with. More importantly, with our 7000AP, we're not missing out on the short-run and quick turnaround jobs that we did in the past due to time constraints and customer objections to short-run offset cost."

(Waynesboro, VA) **The McClung Companies** has finished construction of a 10,000 square foot pressroom addition to its existing facility



in Waynesboro. The expansion allows the full service graphic communication organization to expand its printing, mailing and integrated marketing services.

Tom Trevillian, McClung President and CEO, is excited by the project. "This is our second addition in ten years," he noted. "Our need for more room is a testament to our great customers and our comprehensive graphics solutions business."

The pressroom has been named the M.E. Huffman Building after long-term employee Woody Huffman. Huffman began working at McClung in 1947 and was plant manager before retiring to part-time work.

Hall of Fame

The Virginia Printing Foundation and PIVA congratulates Katie Gekker (Ambassadors for Print) and Tony O'Connor (Coyne Textile Services) for being inducted into the Virginia Printing Hall of Fame. The event took place at the Williamsburg Marriott on February 1, 2008. Over 60 people were in attendance, including PIVA's former president Robin Worth and past Hall of Fame inductees. We thank Robin Worth, Chris Gekker (Katie's brother), Daniel Fannon (Fannon Fine Printing) and Mike Pucak (Coyne Textile Services) for speaking on Katie and Tony's behalf.



VPF Chair **Ron Hottle** presents awards to **Tony O'Connor** of **Coyne Textile Services** and **Katie Gekker** of **Ambassadors for Print**.

One of the benefits of PIVA membership is the technical expertise provided by the Printing Industries of America/Graphic Arts Technical Foundation (PIA/GATF). Each month, Brad Evans, senior research lab coordinator at PIA/GATF, discusses common production problems and issues. Evans has twenty-five years of experience in the industry and regularly consults on paper and ink interactions. He is frequently called upon as the contributing paper and ink specialist for industry publications and has served as an expert witness in court on issues related to paper and ink.

Dear Brad:

Q: How is proxylin paper made?

A: A sulfite base stock is coated with pyroxylin lacquer that creates a pearly iridescent appearance.

Q: What is papeterie?

A: Papeterie is a distinctive paper used for greeting cards and stationery.

Q: We have received paper with ridges that run in the machine direction. What would have caused this?



Brad Evans

A: This problem is referred to as moisture welts and is caused by uneven moisture content.

Q: What is microencapsulation?

A: This is when liquid particles are packed into tiny capsules that release their content under pressure. This is the technology behind carbonless paper.

PIA/GATF Resource:

Offering unbiased and confidential results, PIA/GATF offers a range of testing and laboratory services to help solve printing-related problems. For more information, please contact Brad Evans at PIA/GATF by phoning 412-741-6860, ext. 784, or emailing bevans@piagatf.org.

Upcoming Events

- Siete de Mayo Fiesta – May 7, 2008 – PIVA Headquarters
- Mid Atlantic Print Management Conference – August 14-17, 2008 – Boar's Head Inn, Charlottesville
- Jim Fannon Memorial Golf Classic – September 24, 2008 – Cannon Ridge Golf Course - Fredericksburg