Graphics
Journal

COSTS

**Overtime Reduces
Production Costs**

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**Great Lakes
Graphics Association**
Illinois • Indiana • Wisconsin

Great Lakes Graphics Association Partners With Paylocity
HR Support & Quality Payroll

Payroll
Improve efficiency by streamlining core processes and providing enhanced access to employee information.

HR & Benefits
Automate daily tasks, leverage key HR data to identify trends, and improve engagement with integrated tools.

Time & Labor
Control how and when employees access time and labor functionality, without sacrificing modern features.

Talent Management
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Mobile
Simplify tasks and engage employees with secure, 24/7 access to information where and when you need it.

WHY PAYLOCITY

Paylocity (NASDAQ: PCTY) develops industry-leading, cloud-based payroll and human capital management software solutions. With Paylocity, clients can leverage technology to automate business processes; develop, engage, and mobilize the modern workplace; and drive strategic decision-making through robust analytics.

INNOVATIVE TECHNOLOGY

Beyond everyday payroll functions, Paylocity provides solutions for nearly all aspects of human capital management (HCM), such as: benefit administration, talent management, time and labor management, applicant tracking, performance reviews, and more.

Paylocity is always a step ahead of the competition—developing solutions to meet the needs of payroll and HR professionals both today and well into the future. Industry-leading software is only as strong as the service that comes with it. Unlike other companies, every Paylocity client is assigned a dedicated Account Manager and support team who understands your company's specific needs.

GREAT LAKES GRAPHICS ASSOCIATION MEMBERS & PAYLOCITY

As a supplier partner of Great Lakes Graphics Association, receive a 10% discount on bundled pricing when you choose Paylocity for your payroll and human resources needs. From implementation and product customizations to ongoing support - the best Paylocity resources are available for all GLGA members. Call GLGA and we will put you in touch with a Paylocity professional today!

GLGA Hotlines

Technical Hotline
Do you have questions about a technical process? Call the PIA Technical Hotline at (800) 910-4283.

Free HR Hotline
Use the free InfoNow line to get answers from MRA's HR professionals. Call toll-free 24/7 at (866) 275-6721, or email infonow@mranet.org.

A Little Rain? Wisconsin Sporting Clays Has Fun Indoor Afternoon

GLGA members enjoyed an afternoon at the Waukesha Gun Club in Waukesha, WI, on October 10, 2018. When two days of rain showed no sign of easing up before our sporting clay round, participants simply moved inside to the 5-stand venue (an experience similar to sporting clays but without walking from station to station). The event wrapped up with a social hour in the clubhouse.

Left, top: Frank Lewinski of Burton and Mayer, Joshua Schroeck-enthaler of Specialty Finishing Group, and Kevin Kindt of The Fox Company.

Left, bottom: The HM Graphics team relaxes after their rounds: Jay Sandstrom, Pete Wiltzius, Tom Wasiak and John Donoghue.

Right, top: Inside the 5-stand house, Amanda Johnson of Eagle Printing & Graphics and a gun club safety officer look on while Bill Johnson of Eagle Printing reloads.

Right, bottom: GLGA President Joe Lyman and Sean Arney of EFI.

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Games, Food and Holiday Spirits - the Hottest Night Around Is the Indiana Holiday Celebration

Join us on Wednesday, November 28, 2018, at Topgolf in Fishers, IN, for a fun evening of networking and holiday spirits. Come and play at Topgolf for games, food and music.
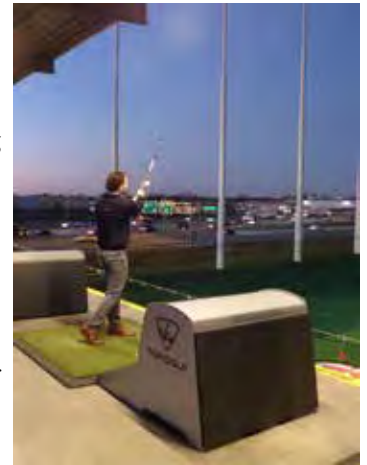
Mix and mingle with your colleagues from the Indiana printing industry; enjoy appetizers, complimentary soft drinks and a cash bar; and test your shot in Topgolf's signature game in climate-controlled hitting bays. Microchipped balls instantly relay your shot's score, accuracy and distance to a TV screen in your bay. Whether you're an aspiring golf pro or picking up a club for the first time, Topgolf is everyone's game.

Pictures from the 2017 Holiday Celebration.

We are still buzzing about our inaugural holiday celebration at Topgolf in 2017 - and we're looking forward to another great night out!

Teams and singles welcome! Register online today at www.glga.info.

THANK YOU TO OUR SPONSORS:

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Illinois Oktoberfest Features Delicious German Feast

Members gathered on October 17, 2018, at Jimmy's Charhouse in Elk Grove Village, IL, for the return of the Illinois Oktoberfest Member MIXer. Jimmy's conjured up a wonderful German-themed dinner menu that went perfectly with relaxing with friends of the industry. "Lots of laughs and networking!" said GLGA Illinois Director Bill Gibson.

Gene French of Heidelberg helps to welcome the Oktoberfest attendees before dinner is served. The group enjoyed a wonderful meal.

THANK YOU TO OUR SPONSOR:

State News

Wisconsin

By
Joe Lyman
President

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As most of you are experiencing, finding individuals to help grow your business is almost as tough as it was finding projects to print during the great recession. It is brutal. The national unemployment rate is currently 3.7 percent, meaning everyone who is able and willing to work already is. And, individuals you can find are sometimes less than attractive.

This creates a competitive situation for finding and retaining the best available talent. The question is, "Do you have the programs and resources available to attract and retain the best talent in the market?"

The Great Lakes Graphics Association is here to assist you, providing its members with a wide array of solutions to some of the most important benefits to employees. With health insurance, the Association's Board of Directors passed a resolution to create an association healthcare plan (AHP). With retirement planning, GLGA offers one of the best and least expensive 401K plans on the market with the Printer's 401K program. The Association also offers members with an affordable program for short- and long-term disability. And, it goes without saying that GLGA offers some of the best professional development and training programs specifically for print professionals. Finally, GLGA offers its members with assistance in the most important area to employees – pay. GLGA's annual Wage and Benefit Report provides you timely wage and benefit information so that you can ensure that you are paying employees with the most accurate amount to attract and retain talented individuals.

Interested in learning more about the programs above? Simply contact me at (262) 522-2212. Now is the time to ensure that you provide the best possible benefits so that employees and prospects envision you as an employer of choice.

By
Bill Gibson
Illinois Director

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Illinois

RULES, LAWS AND REGULATIONS

The title of this column says it all in a nutshell…what we face every day in operating a business in Illinois and keeping up with changes as we look at the possibility of new faces in our legislative body and leadership this month. Staying in front of these RULES, LAWS and REGULATIONS is part of the mission of the Great Lakes Graphics Association. We keep an eye on each state and hold a local presence to monitor legislation and changes in the law that will directly affect our industry.

Having a significant win in our favor in Illinois in regards to sales tax regulations was part of a single piece of the sales tax puzzle. The next step: REGULATIONS. In working with the Illinois Department of Revenue and the Illinois Joint Committee on Administrative Rules (JCAR) committee to establish regulations on sales tax exemptions, I have made our survey position known and the committee has accepted the first "brush." However, the industry must continue to comply with the existing rules until proposed changes are approved - specifically the regulations on filing the ST587 exemption form.

In Illinois GLGA offers resources from member accounting and legal firms to help answer your tax and legal questions along with updates in our e-newsletters and printed magazine. Presently I recommend that you search the new Illinois Department of Revenue web site for rules related to sales tax exemption in regards to manufacturers. You also can call the department with questions at (800) 732-8866; I have found them very helpful and responsive.

Our continued lobbying efforts in Springfield have paid off in the industry's favor but we still have a lot to do. With your continued support we can keep a watchful eye on changes that will affect sales tax rules and regulations and keep your opinion known to the legislative and governing bodies. All in all your opinion counts and will be heard in Springfield.

By
Brent Eckhart
Indiana Director

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Indiana

There are "Ah Ha!" moments and "Oh No!" moments, and sometimes they occur simultaneously. I think that was the case at our Indiana *Lunch with the Printers* event in October when we heard a presentation from David Mauro about cybersecurity. David is the managing director of All Covered IT Services of Konica Minolta, and he has worked extensively with printing companies and other businesses throughout North America.

Did you think the dark web was an obscure and remote realm populated by Russian hackers and malicious techies? I did. But it turns out that most high school students know how to access it as well and becoming invisible on the web is darn easy. The point being, hacking – and being hacked – is simpler and much more common than we think. David cited some shocking statistics about the prevalence of businesses that have encountered data breeches, theft and being held hostage for ransom to regain control of one's IT system. He shared some stories of real-life situations in the print world that have even brought some businesses to closure.

What to do? We all hope that in the ever-escalating arms race between the hackers and the software vendors that the guys in the white hats will continue to stay a step ahead. But you can, and should, do more than hope for the best. I would encourage you to periodically investigate your business and personal IT systems with the help of professional support. Make it a point to regularly review the payables list. Take the attitude that password maintenance is as important as press maintenance. Make sure your employees are educated on what to look for as red flags and what they can do to minimize the chances of being victimized. Like so many other things in life, when it comes to cybersecurity the best defense is a good offense.

MANAGEMENT

Overtime Reduces Production Costs

By
Steve Rice
Director
EFI Business
Consulting

Many of my clients are concerned about managing overtime. They fear that the additional cost of labor will reduce the profitability of jobs run over extra shifts, often passing upcharges to their clients. I argue that these are the most profitable jobs they'll run all week. I'll tell you why.

Budget Hourly Rates Are Not Labor Rates

Most of the printing and packaging industry uses the BHR model to establish cost rates for equipment and supports the "Cost Plus" method of price setting that dominates this business. Other methods exist, but (in my opinion) methods that focus on production payroll given the high levels of automation and productivity found in the modern plant.

Let's look first at the components of a BHR, then we perform some quick calculations to make the case for the benefits of overtime.

- BHR = Budget / Productive Hours, where:
- Budget = Fixed Costs + Variable Costs
- Productive Hours = Planned Operating Hours - Downtime

There are two key points to take away from these simple equations:

1. Fixed Costs are intended to be recovered in the hours built into the rates.

2. Productive Hours are typically much less than the 8,760 hours in a year.

When we run additional or extended shifts, our Fixed Costs should drop out of the equation and the Productive Hours number increases. Both of these changes counteract the increase in cost caused by time and a half or double time labor.

Budget

There is a lot of information and decision making contained in the calculation of a machine budget. The short version is that the budget has four components in two dimensions.

- Fixed vs Variable: Fixed Costs do not change whether a machine runs for one hour or one thousand hours. Variable Costs are incurred whenever the machine is running (or staffed).

- Direct vs Indirect: Direct Costs include operator wages, electricity, and other elements needed to operate the machine. Indirect Costs are better known as "overheads" and are elements that support the operation of the machine.

Some examples of these:

- Variable Direct Costs: wages and payroll taxes, electricity, supplies, some maintenance.

- Fixed Direct Costs: depreciation, employee benefits and training, rent, some maintenance.

- Variable Indirect Costs: hourly supervisors, helpers and materials handlers.

- Fixed Indirect Costs: front office space, salaried office workers, insurance.

Of these, only the Variable Costs are incurred when running an extra shift. Wages and payroll taxes are incurred at a higher rate, but unless these make up 50 percent or more of the total budget they will be less than all four categories combined.

Hours

Few machines in our industry are able to run nonstop for an entire year. Even if the press can do it, it is likely that there will not be sufficient staff to cover all of those hours. Even when employees are on the clock, it is likely that they are not 100 percent productive.

Many factors reduce the availability of an employee in a 40 hour shift. All US states mandate breaks during the workday. In my home state of Illinois, the rule is 20 minutes unpaid for a shift of 7 1/2 hours or more. Unless you have staff to cover operations during breaks, at least some of your work centers go down during some of these breaks.

Preventative maintenance also should be deducted. Of course there is "unplanned downtime" to account for, unless you are very optimistic. Environments also are impacted by holidays, meetings, weather, staffing shortages (sick days), company picnics, and other events.

All of these elements reduce the realistic planning number for Productive Hours by up to 20 percent. This means that a single shift may operate for only 1,700 hours in a year vs. the 2,080 one expects from 52 x 40 hour weeks. In a 5 x 24 operation, this means one should expect roughly 5,100 Productive Hours.

The Impact of Overtime

To tell the truth, there are two ways to look at this. Only one of them can be true at the same time. We can either spread the budget over a larger number of hours, or we reduce the hourly cost.

Both methods are reasonable, but the results are not the same. Let's imagine the following:

- A press is staffed for three shifts, five days per week: 5,100 hours.

- The Hourly Rate of the Press is $250/hr, supporting an annual budget of $1,275,000.

- Variable Costs account for 35 percent of the total, so we call that $446,250.

- Direct Labor Costs make up 50 percent of the Variable which is $223,125 ($43.75/hr).

Increasing Costs and Hours

Using the first method, we increase the total costs and the total hours to create a new hourly rate for the entire year.

Based on this model, our costs increase by $875 to $1,275,875 and our hours increase to 5,108; so, our new hourly rate is $249.78. The $0.22 is small, but multiplied back into our 5,108 hours it means that we save $1,123.24.

If each of our three shifts work one extra day per month, the annual savings increases to $38,335.19.

Incremental Costs and Static Hours

If we calculate a new hourly rate for our overtime hours, we take our $875 in incremental costs and divide it into the additional 8 hours - resulting an hourly rate of $109.38, an hourly savings of $140.63 and a one time savings of $1,125.

Extending this model to three overtime shifts per month for the year, we calculate $40,500 in savings.

The Preferred Model

The second method is a little easier to envision: multiply the revised costs rate by the hours worked and we see the marginal cost of the extra hours. This machine time is clearly less expensive and it is likely that this job is the most profitable job of the week.

The first method more accurately describes what we expect to see in the accounting system. If our general ledger is correctly structured, we should see an "over absorption" or an increase in "profits" in a manufacturing P&L.

The results differ slightly between the two methods. It is likely that reality is somewhat different, but the direction of the results is clear: incremental overtime is profitable even when selling costs remain the same.

There are Limits

Occasional overtime is clearly profitable. That doesn't mean that the gains are limitless. At some point, it becomes less costly to hire more workers and add another shift. Several factors influence the potential savings from overtime.

- Increases in the labor portion of the BHR decrease the savings.

10 Ways Printers Can Help Designers

By
Marina Poropat Joyce
Author
Designing for Print

Designers are visual people, and the best way to teach a visual person is to show them. Graphic designers also are curious people who generally like to see how things work. We all walk around with our cameras all day, lauding their efficiency for email, Slack, Twitter and more. But, it is the instant transmission of images and videos that make showing easy-as-pie.

Here are 10 ways you can use your smartphone to reach out to your designer clients, add value to your company website and make life easier for yourself. (Sales managers, appoint one person to collect this kind of knowledge and disseminate to the whole sales team.)

1. Coated vs. Uncoated. Sit down with a designer and have two paper swatch books in front of you and explain coated paper versus uncoated paper. You will have saved yourself countless hours of "it looks like postcard paper" descriptions and the like.

2. Bleeds. Take a video of your guillotine cutter in action, preferably a job with a bleed. Zoom in on the crop marks, and text it to your designer client. Put it on your website!

> *"Focus on the little things with intention and planning, and then the 30,000-foot questions aren't as scary."*

3. Grain. Look in your sample room for something with a nice black solid. Pull two samples. Fold one sample with the grain. Fold the other sample against the grain. Put them side-by-side folds-up and photograph with your phone. Open the image and crop to relevant image area, and mark as a favorite in your phone for quick retrieval.

4. Waste=Cost. Show your client an illustration of paper waste for various page sizes. Here are some examples you can use (Figures 1 and 2). Put that on your website, too!

Figure 1.

Figure 2.

5. Quantity matters. Walk into your pressroom and film a sheet-fed press at the delivery end while it is running for 30 seconds. Confirm run speed with pressman. Text video to the client explaining that's how long it takes for (insert quantity here) brochures/posters, etc. to run through the press and why they should opt for digital printing on this short run. (At 15,000 iph 30 seconds is 125 sheets, 8-up that's 1000 pieces!)

6. Printing is green. Calculate how many pounds of trim, corrugated and electronics you recycle each year (if your trim is picked up and weighed by a recycler they have this info). Next time your vendor picks up a container, run out to the parking lot and take a pic. Put the photo on your website with an infographic of the tonnage you recycle annually. Explain that the trim and corrugated goes into future recycled paper products.

All images in this article are from **Designing for Print** *and have been used with the author's permission.*

7. Ink can change color. Show your client this photo (Figure 3). Explain that the ink formulas with a high percentage of opaque white (basically all pastels) will shift within a year (swatch on left was two years old, on right 6 months, when photographed). Share that pastel colors are great for a short-lived item like an invitation, not so great for an identity system.

8. Paper makes a difference. Next time you've got an attractive job with photos that's going to run on white paper, order some extra sheets of ivory, canary and grey uncoated paper. Add those colored sheets to the job and photograph the same detail area of all four colors. Make a montage (easy with the Layout app for iPhone). Send this montage to a client who is wondering about running a job on colored stock. Put the montage on your website, too.

Figure 3.

9. How to read a swatch book. Oh boy, if I had a penny for every time a customer found the "perfect paper" in a swatch book and placed an order specifying that sheet only to find out there wasn't enough, or it wasn't stocking or that the chosen color had been discontinued… This is a great topic to discuss at a quick lunch with a new customer. Text her an image showing how to look up the date of a swatch book. Then, bring her some lunch and a few swatch books and show her how to "read" it.

10. Art takes time. Text your idea of a rudimentary schedule (Figure 4) to your client as a pdf graphic they can print out and pin to their idea wall. Next time they are working with a client to develop a timeline they won't guess, and it saves them and you a call/email.

Figure 4.

I know that some will think that answering questions and fielding problems bring value to a client, and they do. But, do they bring value to a business owner? If staff is reacting/interacting at the 100-foot level, how are they going to interact at the 30,000-foot-level with intention?

Focus on the little things with intention and planning, and then the 30,000-foot questions aren't as scary. What are your clients' plans for next year? Are you discussing budgets internally? Are they planning on launching any new products or services within the next six months? These conversations are really easy when "what do I need a bleed for" is taken care of.

Marina Poropat Joyce has been marketing, graphic designing, publishing and printing her whole life. She fell in love with design and printing early on, and she founded one of the first design-to-print companies in Los Angeles. She wrote the book Designing for Print *to explain printing in graphic designer-speak. Contact Marina at (213) 842-8039, marina@designingforprint.com.*

Designing for Print *Discount Code for GLGA Members*

Marina Poropat Joyce is providing GLGA members with a $20 discount off of the purchase price of her book, *Designing for Print.* For more information about the book, visit www.designingforprint.com. To purchase, use this link: https://designing-for-print.myshopify.com/ and enter this discount code: **GLGAROCKS**.

Human Resources

End-of-Year Checklist for Retirement Plan Sponsors

By
Joe Trybula
Vice President
Diversified Financial
Advisors, LLC

It's hard to believe we are in the home stretch of 2018 and it is now time to start planning year-end and looking forward to 2019. We have provided a Plan Sponsor's Outlook Calendar below that will outline some key housekeeping items for your 401k program.

October

- Audit third quarter payroll and plan deposit dates to ensure compliance with the Department of Labor's rules regarding timely deposit of participant contributions and loan repayments.

- Verify that employees who became eligible for the plan between July 1 and September 30 received and returned an enrollment form. Follow up for forms that were not returned.

- For calendar year safe harbor plans, issue the required notice to employees during October or November (within 30 to 90 days of the beginning of the plan year to which the safe harbor is to apply). Also, within the same period, distribute the appropriate notice if the plan features an EACA (Eligible Automatic Contribution Arrangement), QACA (Qualified Automatic Contribution Arrangement) and/or QDIA (Qualified Default Investment Alternative)

November

- Prepare to issue a payroll stuffer or other announcement to employees to publicize the plan's advantages and benefits and any plan changes becoming effective in January.

- Conduct a campaign to encourage participants to review and, if necessary, update their mailing addresses to ensure their receipt of Form 1099-R to be mailed in January for reportable plan transactions in 2018.

- Check current editions of enrollment materials, fund prospectuses and other plan information that is available to employees to ensure that they are up-to-date.

December

- Prepare to send year-end payroll and updated census data to the plan's recordkeeper in January for year-end compliance testing (calendar-year plans).

- Verify that participants who terminated during the second half of the year selected a distribution option for their account balance and returned the necessary form.

- Review plan operations to determine if any ERISA or tax-qualification violations occurred during the year and if using an IRS or DOL self-correction program would be appropriate.

January

- Send payroll and employee census data to the plan's recordkeeper for plan-year-end compliance testing (calendar-year plans).

- Audit fourth quarter payroll and plan deposit dates to ensure compliance with the Department of Labor's rules regarding timely deposit of participant contributions and loan repayments.

- Verify that employees who became eligible for the plan between October 1 and December 31 received and returned an enrollment form. Follow up for forms that were not returned.

Consult your plan's counsel or tax advisor regarding these and other items that may apply to your plan.

Diversified Financial Advisors powers the Printers 401k, a GLGA Group Buying Power program. Contact Joe Trybula at (800) 307-0376 or joe@printers401k.com to request a free Plan Analysis Report which provides you with a snapshot of your plan investments, costs and plan operations compared to other plans in the industry. This analysis can reveal strengths and areas of concern along with solutions to improve your retirement plan.

RESOURCE REQUEST

Members often call the GLGA offices looking for help to find resources to solve business problems – problems that many other companies have, too. In this new feature, we share some of the most frequent resource requests we hear along with the GLGA and PIA resources that are available to you through your association membership.

Q. We just hired an employee who is new to the printing industry. What resources are out there for orientation and training of a newbie?

A. GLGA and PIA can help you get your new hire up to speed on industry knowledge.

Printing Industries of America's iLearning Center - www.printing.org/ilearning

- The **Integrated Learning (iLearning) Center** is PIA's online training and professional development portal, featuring printing industry-focused courses presented by industry expert instructors. Most classes are free for GLGA printer and postpress members; associate members may purchase an annual description for $195. (The cost of an annual subscription for non-members is $995.)

There are free courses for every professional in categories such as print production, sales, marketing, customer service and lean manufacturing. For a newcomer, the iLearning Center has six Orientation to the Graphic Arts courses:

Basics of Cost Estimating	Binding and Finishing
Color, Preflighting, Trapping, and Imposition	Offset Press, Digital Press, and Paper & Ink
Overview of Printing Processes & Graphic Arts Workflow	Prepress Hardware, Software, and File Formats

The iLearning Center also has a library of recordings from previous PIA webinars on topics including sales, safety and prepress.

To start taking courses or watching webinars, all you need is a user name and password to the PIA website. If you don't have one, contact PIA Member Central at (800) 910-4283 ext. 770 or via email at membercentral@printing.org.

Printing Industries of America's Bookstore - system.printing.org

- PIA has a number of **printed texts, e-books and recorded webinars** in their bookstore; log in with your PIA website user name to get the member discount: Some popular titles:

  - *PrintScape: A Crash Course in Graphic Communications*.
  - *Introduction to Graphic Communications*.
  - *Basics of Print Production*.
  - *Bindery Trainee's Kit*.

- Also available through the PIA bookstore are subscriptions to **online press simulators**, interactive programs that simulate the running of a printing press to reproduce a wide variety of printing conditions and problems:

  - *SheetSim-SHOTS (Sheetfed Offset Training Simulator)*.
  - *PackSim-Flexo Print Simulator*.
  - *PackSim-Gravure Simulator*.
  - *WebSim-Heatset Simulator*.

PRINTING INDUSTRIES OF AMERICA
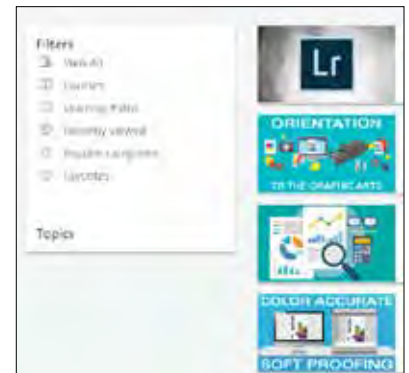
Ask the Technical Experts!

One of the benefits of membership is the technical expertise provided by Printing Industries of America. The technical experts from the Center for Technology and Research help members with environmental, health, and safety concerns; consulting and on-site technical assistance; Technical Association of the Graphic Arts; technology training; and simulators. In this column, they discuss common production problems and issues.

Q. Can you direct me to an ink calculating formula for the amount of ink needed based on coverage and number of impressions?

A. Due to the differences in paper hold out and absorption, ink strength, and press conditions, no one ink estimating formula is particularly accurate. Any formula needs to be tweaked for the conditions at your location or even for different presses and papers; ink estimating still involves some witchcraft. Most ink manufactures can provide ink-estimating tables or have online calculators.

The Printing Industries Press publication *Handbook of Graphic Arts Equations* contains ink-estimating formulas. The book includes a link to download PC/MAC software that has all the equations from the book in a desktop calculator. For more info about this book, visit https://tinyurl.com/y6vbw8bo.

Q. Are there any components of spray powder that might be considered hazardous or injurious to health?

A. Spray powder is composed of food starches, but some spray powder can contain unsafe ingredients such as talc, clays, calcium carbonate, and silicone. If you are concerned about spray powder's health effects, use a food grade spray powder.

Spray powder should not be allowed to accumulate in thick layers in the pressroom. Spray powder particles in the air at high concentrations can cause explosions and fires and are regulated by OSHA.

Q. Do transparent UV inks require less energy than opaque UV inks to cure, and what dryer settings would you recommend?

A. Transparent inks are always used in process inks so that the colors blend to make the other colors. Spot colors may be opaque depending on the pigments.

As for the UV lamp settings, I would refer to the ink manufacturers recommendations. Transparent ink may allow slightly more UV radiation to penetrate and reach the photo initiator, but the amount is insignificant. The ink coverage and lightness/darkness of the form will determine the amount of UV energy required to cure the ink.

Q. Does California's Proposition 65 regulation impact me if I am printing in another state?

A. Only if you are shipping products for direct distribution or to clients that will distribute them in California.

In that case, the warning requirements that took effect at the end of August apply to the products if they contain a regulated chemical above the "safe harbor" level. There are more than 800 chemicals that are recognized as either carcinogenic or reproductive hazards. If your products contain any of those chemicals that could result in exposure above the "safe harbor" level, then the revised regulation requires specific language and format for the warning label that must appear on the product.

Not all chemicals have a "safe harbor" threshold. If your product doesn't contain those chemicals, your clients may ask you for a document verifying compliance.

You can read more at our Prop 65 webpage at https://tinyurl.com/yc54vest.

Offering unbiased and confidential results, Printing Industries of America provides a range of testing and laboratory services to help solve printing-related problems. For more information, please contact Jim Workman at (800) 910-4283, ext. 710 or direct at (412) 259-1710, visit www.printing.org/labservices or email labservices@printing.org or jworkman@printing.org.

Member2Member Connection

In this new feature, we put the spotlight on GLGA member companies that offer trade printing, postpress and mailing services to other members. To have your company featured, contact Sharon Flick at (262) 201-4730 or via email at sflick@glga.info.

LETTERHEAD PRESS LLC

16800 Ryerson Road
New Berlin, WI 53151
www.letterheadpress.com

Michael Johnson, Sales
(262) 787-1717
mikej@letterhead-press.com

Year founded: 1984

Members of Letterhead Press' CSR team are joined by Frankie, one of the office dogs. From left: Jaime Weileder, Department Manager Beth Bellante, and Emily Flagge.

Q. Tell us about your company.

A. Letterhead Press is the leading print and packaging finisher, with our prime location in the Midwest covering the entire U.S. and Canada. We are SQF Level 2 certified, enabling us to produce packaging for direct food contact. We offer a wide variety of capabilities including foil stamping, embossing, die cutting, folding / gluing, mounting, POP, tipping on, rigid set-up boxes, and puzzle making. We also have one of the largest private solar fields in Wisconsin on site to provide power to our plant on a daily basis.

Q. What is your specialty?

A. Packaging, from the design stage through manufacturing, all the way to the customer filling lines.

Q. What is your favorite kind of project to do?

A. Speaking personally, I take satisfaction in a packaging project where the customer knows the brand message they want the package to deliver, and involves us early enough in the design where we can offer options that enhance the visibility of that message on the store shelf.

Q. What has been your most memorable project?

A. For me, it was designing and making a new product launch sales kit, in the form of an attractive, sturdy, and practical briefcase.

The custom briefcase protected the new product samples with multi-level dividers, and allowed room for leave-behind brochures. Enhanced with attractive graphics on the exterior, the kit made for a professional presentation of the new product with each sales call.

Q. What's new at your company?

A. We're continuing to add capacity - we now have twelve 40" and 50" high-speed auto-platen presses for stamping / die cutting / stripping / blanking, along with five folder / gluers and a complete structural design / laser die making department. We've grown our Customer Service and Estimating teams as well. Not to brag too much, but I consider our customer service to be truly "Best in Class."

Q. When should another member call you for help?

A. Any time they have a print or packaging finishing project, that's our business, especially packaging projects. The earlier that we get involved in projects, the better we can serve our customer's needs.

Michael Johnson of Letterhead Press accepts a Gutenberg Best of Category award from PIA Chairman Bryan Hall at the 2018 Graphics Excellence Awards.

New Products and Services

Textile Businesses Win with EFI Reggiani TERRA Pigment Solution

New EFI Reggiani TERRA solution from Electronics For Imaging, Inc., is a high-performance digital production offering featuring a new pigment ink set and binder for fast, sustainable, and cost-competitive industrial textile printing. The newly available offering uses a greener, more-efficient, in-line polymerization process that allows users to print the finest designs using less water, less energy and in less processing time, with no steaming or washing needed on direct-to-textile applications. Read more at https://tinyurl.com/yabxuphu.

Midland Paper Launches New Specialty Paper and Film for Dry Toner Catalog

Midland Specialty Paper & Film, a division of Midland Paper, Packaging + Supplies, is extremely excited to announce the official launch of its 2nd Specialty Paper and Film for Dry Toner Catalog.

Midland's new Dry Toner Specialty Paper and Film Catalog has been expanded to a 190-page resource guide with the most extensive offering of Dry Toner compatible Coated Paper, Uncoated Paper, Text and Cover, Pressure Sensitive Films, Non Pressure Sensitive Films and Pressure Sensitive Paper in the industry. See what sets Midland Specialty Paper & Film from the rest of the pack at https://tinyurl.com/ybwnk86n.

RICOH Pro TF6250 Wide-Format Flatbed Printer Delivers Impressive Media Versatility and Productivity

Ricoh USA, Inc. has unveiled a new wide-format flatbed printer designed to deliver a broad set of applications for the sign, graphics and décor markets. The RICOH Pro TF6250 puts unmatched productivity within reach for sign shops and commercial printers alike due to its impressive print speeds, one-touch automated daily maintenance and diverse substrate flexibility. Read more at https://tinyurl.com/y869vhxk.

SCREEN Unveils New Near Infrared Dryer for Truepress Jet 520HD Inkjet Web Press

SCREEN's flagship, high-speed production, inkjet web press has made yet another leap toward becoming the preferred technology for printers looking to either augment or replace aging offset equipment.

The new SCREEN NIR Dryer technology, built into the existing press frame and structure of the 520 HD, extends drying performance for both lightweight uncoated stocks and heavier weight, coated litho substrates. The result is an expanded range of applications and even higher productivity on difficult to dry substrates. Read more at https://tinyurl.com/yd3fcp2l.

MEMBERSHIP NEWS

ADDISON, IL, September 26, 2018: Richards Graphic Communications, Bellwood, IL, was among the exhibitors at the Greater Illinois Postal Customer Council National PCC Day. From left: Steve Richards, Mary Lawrence, Rita Richards, and Kevin Richards.

LAS VEGAS, NV, October 22, 2018: Yunker Industries, Elkhorn, WI, took home three gold, one silver and one bronze in the 2018 Specialty Graphic Imaging Association's Golden Image Awards competition. Yunker's Dickies Brand Sign (center) won a Gold in the Unique Applications/Digital Entries category.

GLGA Is on the Move

GLGA's Wisconsin offices have moved. Effective November 1, 2018, our new address is just around the corner from our former location on Roundy Circle East:

Great Lakes Graphics Association
N27 W23960 Paul Road Suite 200
Pewaukee, WI 53072

The addresses for our offices in Illinois and Indiana are unchanged.

The main phone number, (262) 522-2210, and Joe Lyman's, Bill Gibson's and Brent Eckhart's phone numbers remain the same. The direct phone numbers for Sharon Flick and Debra Warner have changed:

Debra – (262) 439-8992   Sharon – (262) 201-4730

Overtime Reduces Production Costs, continued from page 9

- Increases in the planned Productive Hours decrease the savings, i.e. the hourly savings from overtime on a work center with two shifts are greater than the savings for a work center with three shifts.

- Increases in the overtime multiplier (i.e. time-and-a-half to double-time) decrease the savings.

- Employees may burn out with too much overtime and become less productive; however, the pay associated with occasional overtime will likely be considered a bonus.

Conclusion

This exercise shows us that overtime should not be feared. It can be more profitable to run a job in overtime that it would be to run it in regular time. The savings from overtime operations may not be visible in your job cost analysis, but you should expect to see a favorable gain in overhead absorption on your manufacturing P&L.

It also is important to remember that it is not necessarily the job run over the weekend that is the cause of overtime. Instead, the lack of capacity during the week prevented the running of the job during the standard shifts.

I hope this has been helpful for you. If you contact me directly, I would be happy to send you my spreadsheet so that you can run some experiments of your own.

Steve Rice is the Director of Business Consulting at EFI. Educated as an economist, he has worked in technology and consulting for more than 20 years at a major consulting firm, with Fortune 500 companies to small businesses. He has spent the last 10 years with EFI focused on printing and packaging, working with clients in multiple industries around the world. Contact Steve at steve.rice@efi.com.

CALENDAR

Upcoming GLGA Events and Activities

To learn more or to register, visit GLGA's website at glga.info.

Indiana Holiday Celebration
November 28, 2018, Fishers, IN

SAVE THE DATE:

Annual Bowling and Bocce MIXer
February 13, 2019, Oak Brook, IL

Indiana Golf Outing
June 19, 2019, Carmel, IN

Chicagoland Printers Scholarship Golf Outing
July 17, 2019, Bensenville, IL

Wisconsin State Golf Outing
August 14, 2019, Cambridge, WI

Upcoming PIA Events

To learn more or to register, visit PIA's website at www.printing.org.

Inkjet Ready! Virtual Conference
November 15, 2018

Webinar: The WOW Factor–Digital Embellishment Effects, Techniques, and Best Practices
November 29, 2018

Color '19 Conference
January 12-19, 2019, San Diego, CA

Presidents' Conference
March 3-5, 2019, Phoenix, AZ

TAGA Annual Technical Conference
March 17-20, 2019, Minneapolis, MN

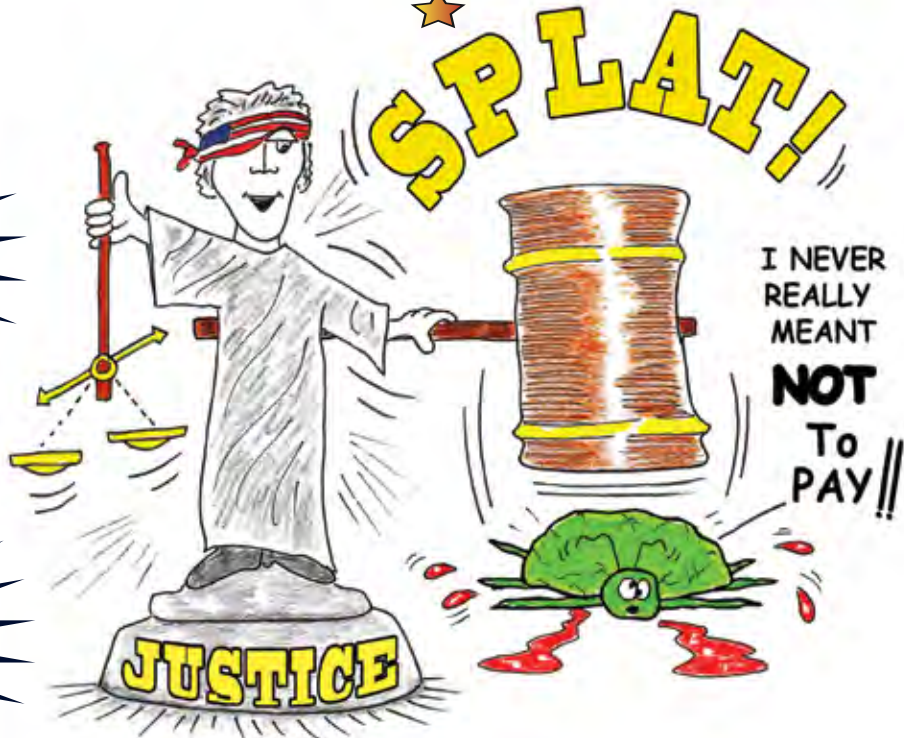**Continuous Improvement Conference**
April 14-17, 2019, Dallas, TX

Great Lakes Graphics Association
Illinois · Indiana · Wisconsin

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Pewaukee, WI 53072

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