BOTTOM LINE

It's Time to Upgrade to 'Mail 2.0'

The Years Ahead: Opportunity for Growth Exists

Mail Tracking & Reporting: The Future is Now

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Future is Now for Mail Tracking & Reporting

Mail tracking and reporting is a vitally important component to the industry which will soon experience a tsunami of sorts related to demand for these services. Here's how to stay in front of the pack.

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Opportunity Exists for Growth in the Industry

Given the number of unpredictable factors that can affect the future of our industry or any individual business, from new technologies to national and local economies and even international events, it is difficult, and perhaps even dangerous, to try and predict what will happen in the next few years. Here is what companies who participated in our State of the Industry research said about the future of print. Their diverse, thoughtful responses provide many insights into what's ahead.

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It's Time to Upgrade to 'Mail 2.0'

Mail is going through an evolution. Or at least it should be. It is time for an upgrade and a great many mailers are still on the "old version."

TIP**IN**

Goss Joins Forces With Alwan Color Expertise

Goss International Americas Inc., Durham, NH, has entered into a strategic agreement with graphic software provider Alwan Color Expertise, Sainte-Foy-lès-Lyon, France, with the intention of establishing a new benchmark for color quality in the packaging market. The agreement will ensure repeatable color accuracy for Goss Sunday Vpak press users across all applications, including labels, carton and board, and flexible packaging printing. Customers for the Goss Sunday Vpak series will benefit from a turnkey package printing solution including hardware, software, installation, training, and ISO certification. Software will include on-press color matching, press calibration, and print proofing and verification, all available for CMYK and extended gamut printing, spot color, and HiFi color production.

GMC Launches Multichannel Communication Portal

GMC Software Technology (GMC), Boston, MA, has launched Inspire Interactive for Remote Authoring, a Web-based, self-service portal that lets print service providers and service bureaus easily create, edit, proof, and instantly deploy changes to their clients' multichannel communications. Companies can now provide value-added content management services that help clients bring new offerings to market up to 70% faster. The package of Web portal, tracking systems, email provider, and online dashboard uses templates and workflows that connect seamlessly by a single click. As a result, email and SMS marketing campaigns can send and track without the need for additional IT skills, software investment, or third-party services.

EFI Acquires Polymeric Thermoforming Technology

EFI, Fremont, CA, has acquired key intellectual assets for digital inkjet printing of thermoformed products from Polymeric Imaging of North Kansas City, MO, a specialist provider of UV and LED inks for industrial and graphic arts applications. "The technology we are acquiring will allow EFI to continue expanding our efficient, high-quality inkjet platforms into new markets," said Stephen Emery, Vice President of EFI's ink business. EFI has hired key Polymeric Imaging employees responsible for technical and market development of digital ink and coating products. They are currently assisting EFI's ink operations in the development and testing of new formulations for use in EFI inkjet products.

Barclay Joins BCC Software

BCC Software, Rochester, NY, a supplier of postal products and data marketing services, has announced that Rich Barclay has joined the company as Vice President of Sales and will leverage his decades of data industry experience to drive the company's strategic outreach and meet growing customer and partner needs. "We are excited to have Rich Barclay join BCC Software," said company President Chris Lien. "His proven sales leadership and impressive knowledge of database marketing will enable BCC Software customers to expand their business, leveraging our expanding suite of postal solutions and Data Marketing Services." Barclay will serve as a member of the BCC Software executive leadership team.

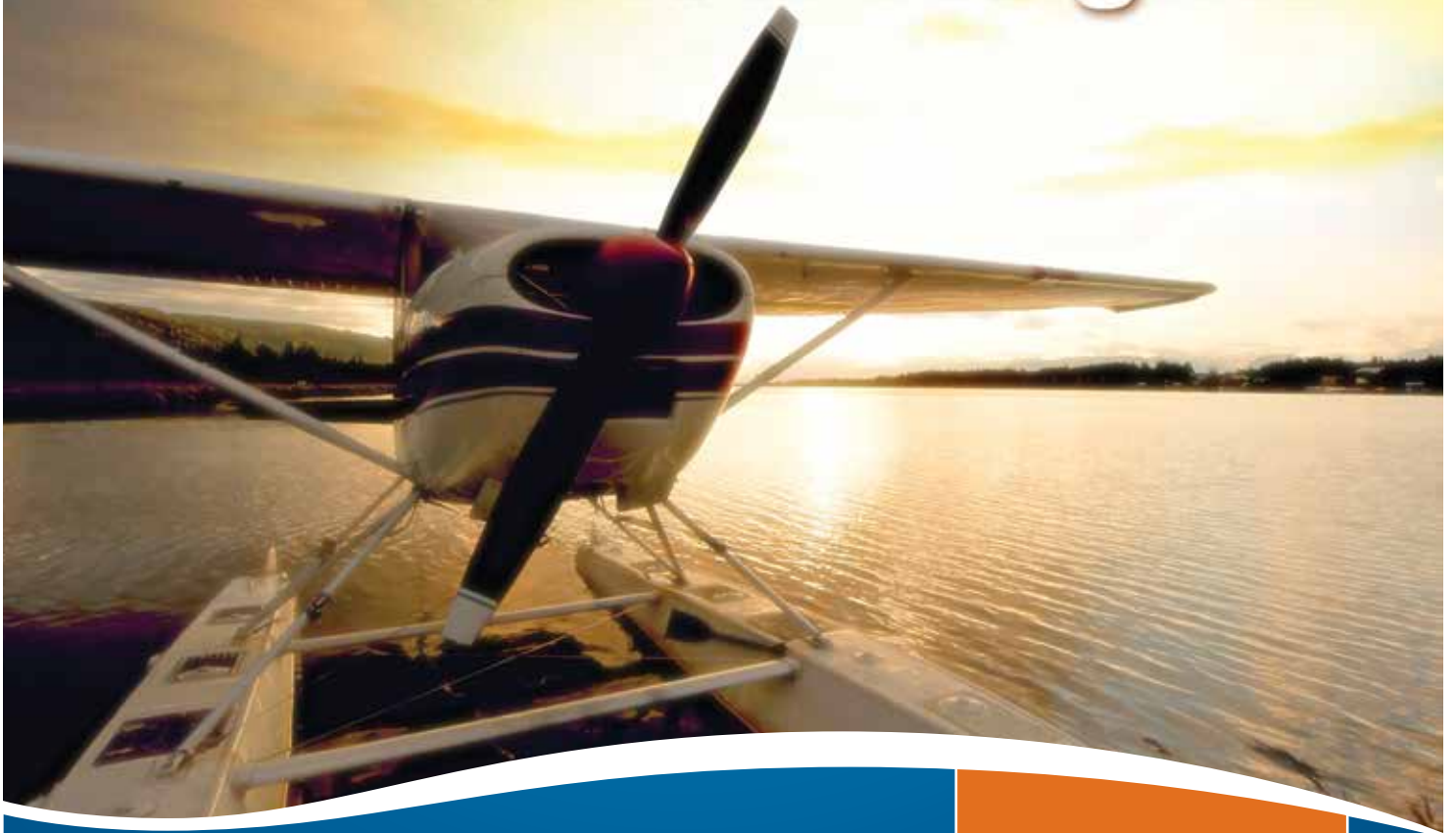## Pantone Announces Fashion Color Report Spring 2015

To coincide with New York Fashion Week earlier this fall, **Pantone LLC,** Carlstadt, NJ, unveiled the PANTONE® Fashion Color Report Spring 2015, a comprehensive overview of designers' use of color in their upcoming collections. The report features the top 10 fashion colors for Spring 2015, along with designer sketches, quotes, and headshots. Spring colors follow a "minimalistic" theme, says Pantone Color Institute Executive Director Leatrice Eiseman, as "soft, cool hues blend with subtle warm tones to create a soothing escape from the everyday hustle and bustle." The complete report is available at www.pantone.com/spring2015.

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Chairman's Note
WHAT'S IN YOUR FUTURE?

We've all heard the old saying before, and maybe even used it with our own kids…

"The past is history, the future is a mystery, today is a gift—that's why they call it the present. Time waits for no man."

And like most old sayings, there is a bit of truth in the sentiment. We've just completed our national mid-term elections and regardless of your political leanings, we all know that change will occur in the not-too-distant future. How the upcoming changes will impact us and our businesses is the biggest question on my mind.

One of the main reasons for the existence of your trade association is to help members understand the changes we are all experiencing, using the lessons of the past to try and predict or at least get a handle on future trends This issue of *Bottom Line* is focusing on that future, trying to see how the trends of today will help to predict the future direction of our industry. What are the trends in hiring today? How will passing of the leadership baton from Baby Boomers to Gen Xers translate into new workplace cultures? How can their differences help us to drive our businesses forward? What are the next steps in the evolution of print and mail as communication channels? What are the experts telling us about the state of our industry today and what the future might bring? Learn this and more by just turning the pages of *Bottom Line.*

Looking back on what has been a historic year for our newly merged association is almost breathtaking. Our membership is expanding, along with new and exciting service offerings for all of us. Our Board of Trustees and numerous committees have solidified, signaling greater member engagement and participation. Our conferences and chapter meetings have been well attended and the educational content has been both first class and extremely valuable to both our membership and our sponsor vendors.

And the coming year promises even greater strides towards unification, growth, and new member services. Look for upcoming announcements about an important member survey, new marketing plans and…even a new name!

Time truly waits for no one…it just keeps marching on. But with your continuing commitment to our Association, we can all reap the "gifts" of membership…our networking, our fellowship, and our friendship.

As always, I welcome your comments and input. It has truly been an honor to serve as your Chairman in 2014. Happy Holidays to each of you… and Happy New Year to all of us!

Together: Building a **Better Association** to Help our Members Grow!

In the System

ELECTION RESULTS YIELD TWO LOSERS: DEMOCRATS AND POLLSTERS

The voters have spoken—at least those who showed up and voted in the normally lower turn-out midterm elections. There were two big losers in the elections: Democrats and pollsters. While polls generally showed the Republican gains in most races, they missed almost every race in terms of the numbers. Also, there were a couple of real glaring "misses" in the Virginia Senate race and the Maryland governor race. In the case of the Virginia Senate race, incumbent Senator Mark Warner was ahead in polls by seven to nine points and as of this wrting is in a recount against heavy underdog Ed Gillespie. In the Maryland governor's race, no one predicted Republican Larry Hogan would win and he did so decisively.

The net gain for Republicans in the Senate was generally what had been forecast, although the gains were more than many had thought. It is probable that after the recounts and runoffs, Republicans will hold 54 seats in the Senate, giving them a clear majority with additional gains in Louisiana and Alaska. House gains were also greater than projected, with Republicans gaining 12 seats with six more (at this writing) either too close to call at this point or subject to recount. In addition, Republicans picked up three new governors and now hold governorships in 33 states.

Very similar to 2012 when President Obama won reelection, the losing party will spend a few months soul searching and wringing hands to determine what went wrong. The most likely answer is that in a midterm election, candidates are tied fairly directly to the President and President Obama's favorability numbers are very bad.

AMSP/NAPL is continuing to push for at least a partial solution to the USPS financial problems in the Lame Duck Congress but such an effort faces very long odds. It has been difficult to get consensus from all of the parties and there are Senators, particularly from the new Republican majority who believe all legislation should be held until 2015 to have a stronger Republican stamp.

Over the next few weeks, Republicans in the House and Senate will pick their leaders, including committee chairs. We have reported on this before but these selections will be critical to the future of the USPS. If history holds true, new chairmen do not exactly hit the ground running on issues like postal legislation.   Neither Reps. Jason Chaffetz (R-UT) nor Mike Turner (R-OH), the leading candidates for the House Oversight Committee, has indicated a plan for 2015 although Rep. Chaffetz has been a leader in the effort over the last two Congresses.   Also, both have fairly good relationships with AMSP/NAPL/NAQP and should listen to our concerns.

In the Senate, the jury may still be out on the potential chairmanship of Senator Ron Johnson (R-WI). While Johnson was generally hostile to industry concerns in this Congress, two key factors may guide his thinking in 2015. Those factors are that as a committee chairman, he may have to take a broader view and he is also up for reelection. Of course, his selection is not assured at this writing. We continue to hear rumors that Senator Susan Collins (R-ME) may want to return to be chair of the Homeland Security Committee an action which would require a waiver from the leadership.

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Senators, particularly from the new Republican majority, who believe all legislation should be held until 2015 to have a stronger Republican stamp. Current Homeland Security Chairman Tom Carper (D-DE) and his Republican counterpart Tom Coburn (R-OK) continue to oppose the agreement reached by the mailing industry and the postal unions but some of that opposition may dissolve in the face of the reality of the election results.

Other Issues Will Emerge

While we have tended to focus on postal issues in this Congress, the elections will open a range of new issues which had been tied up in partisan fighting. Among those issues are tax reform, federal regulatory relief, changes to the Affordable Care Act, and immigration. Each of these issues will affect AMSP/NAPL/NAQP members either directly or indirectly.

Republicans generally believe the issues referenced above have been a drag on the economy and "fixing" them the right way will boost the economy. Aside from the notion of lifting all boats, AMSP/NAPL/NAQP members of different sizes will need to pay close attention. For example, some tax reform proposals have the potential to

actually increase taxes on S Corporations. Many companies in the industry file as S Corps. While a number of companies are directly affected by regulatory issues, particularly EPA regulations, many of their suppliers are in the crosshairs of these proposals and their implementation will result in higher costs of operations. The implementation of the Affordable Care Act with respect to the business mandate has been delayed, but these mandates are scheduled to begin January 1, 2015, for some and January 1, 2016, for others. And, finally, the degree to which Congress is successful in developing meaningful immigration legislation may also be a boost to the economy.

Over the coming weeks, we will analyze these issues and how you will or could be affected.

Ben Cooper is the association's lobbyist, and is the founder and c-chair of the Coalition for a 21st Century Postal Service. Contact him at bycooper@wms-jen.com.

Executive Insights

THREE STEPS FOR SUCCESS IN 2015

Recently, I was asked to look ahead to 2015 and what I would recommend to business owners in the printing, mailing, fulfillment, and marketing services industry. Three things come to mind.

The first suggestion is for owners and senior executives to get closer to their customers. And I don't mean through their sales team or customer service representatives. I mean the owner/senior executive having direct, frequent, and meaningful conversations with key customers about their needs and objectives.

I often ask industry business leaders about their key accounts. They can identify them, no doubt, but the criteria they use cause me concern. A key account is usually defined by the volume of sales it accounts for, sometimes followed by factors such as longevity, profitability, and contribution to value added. While these factors are not inherently wrong, they do paint an incomplete picture of what makes for a key account. I suggest turning the definition on its head. Instead of talking about what makes the account important to us, I'd suggest we attempt to determine how important we are to it!

When you are so imbedded in your customers' business processes, or you have well-developed expertise that solves problems or exploits opportunities for customers, you create a barrier for the competition. While no one is ever completely indispensable, you move further in that direction, ultimately creating what, in my definition, would be a key account: a relationship where each party would suffer greatly were it to end.

High-Level Competency

Second, I would have owners focus on developing lead generation and prospecting for new accounts/business as a high-level organizational competency. Again, this is far different from most of what I have seen in the industry, where new business development is assigned to sales representatives who, once they have their "book of business," have little interest (and sometimes even less skill) in doing the needed, challenging work of new account development. Lead generation and business development should

be an essential core competency of the organization. I can't tell you how many times I hear business leaders lament the fact that their sales team members are doing very little in the way of prospecting. My colleague, Mike Philie, refers to most industry salespeople as "CSRs with cars." We try every way imaginable to change the behavior of the sales team, with little or no progress. Maybe we should go at it another way.

The companies that systematically develop prospect lists of the kinds of accounts with whom they want to do business; set up a prospecting campaign that is consistent, focused, and purposeful; secure an introductory meeting and bring a team of experts to that meeting (a team that includes the CEO/owner) will take a giant step forward in growing the business and winning new accounts. Senior leadership owns prospecting and new account development. Make up your mind to do this and do it now!

Go World-Class

Third, set a vision of becoming a world-class sales organization. I am generalizing here to make a point, but I have long felt that if we spent as much time on developing our sales process as we do on the production/manufacturing side, there would be many more success stories in our industry.

Make a decision and plan to develop a world-class sales organization as an essential part of your business. Some years ago, it seems that all we had to do to increase sales (well, almost, anyway) was add new equipment and new capabilities. Unfortunately, many companies operate as though this approach still works. It doesn't. Building a world-class sales organization requires planning and investment—lots of investment. Careful, highly selective recruiting, extensive and consistent training, ongoing coaching, and a team approach to account development are just some of the characteristics you will find.

None of this is easy, but if it were, everyone would be doing it. And that's just the point. For industry companies desperately trying to escape the commodity trap, what better way to separate yourself from the competition than by embarking on a new, different, and far better path?

> **Building a world-class sales organization requires planning and investment—lots of investment.**

Joseph P. Truncale, Ph.D., is association President and Chief Executive Officer. He is a skilled meeting facilitator, working with entrepreneurial business leaders and their management teams in developing strategic plans with a focus on differentiation and unique organizational ability.

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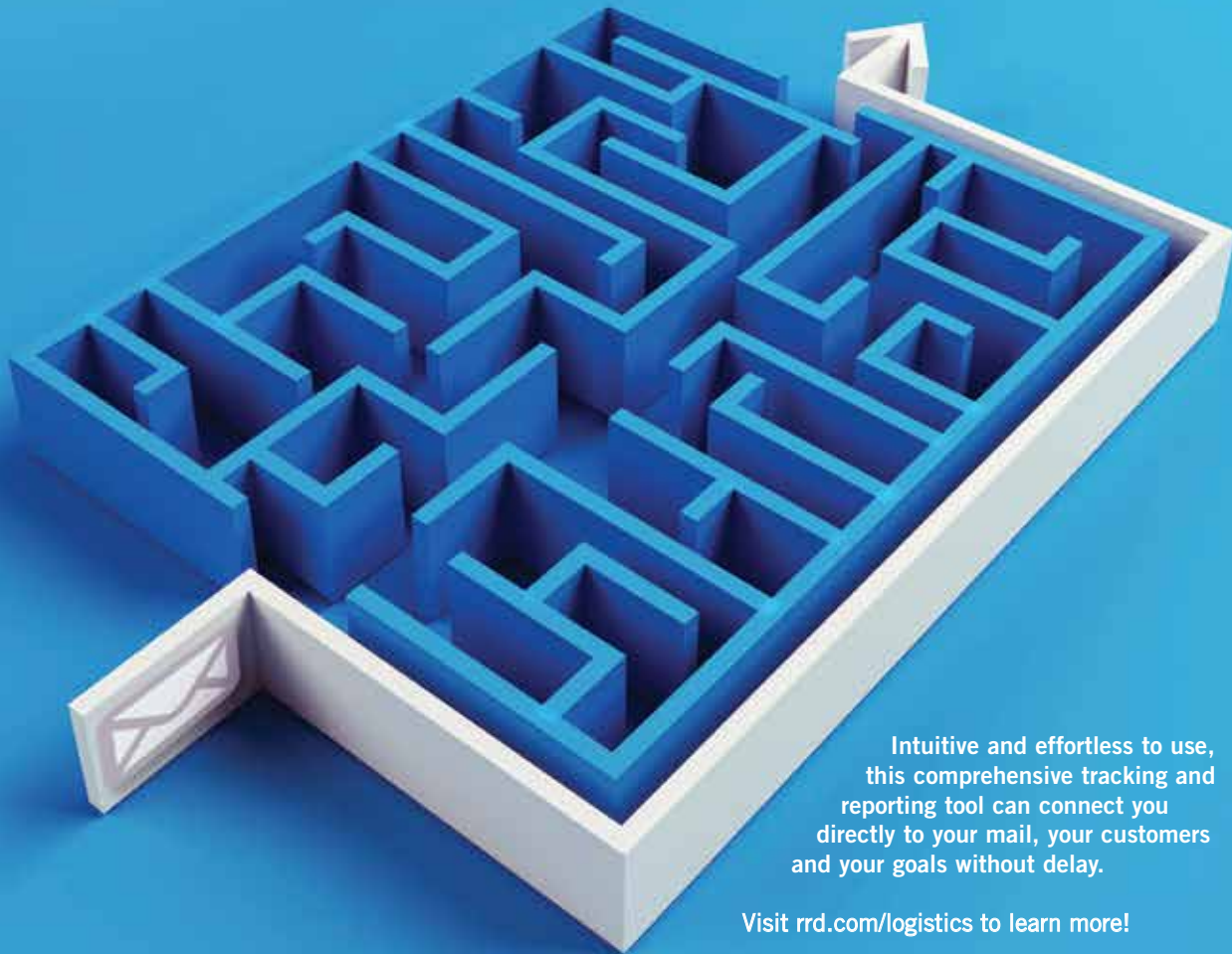
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Mail Tracking & Reporting: The Future is Now

By Mark Rheaume

At this time of year, I enjoy reflecting on our industry and trying to envision what the future holds. Working with the industry's printers, mailers, and managed service providers is a great experience. I focus a great deal of my time on postal affairs in my role at AccuZIP, so I think it is interesting to follow trends related to the United States Postal Service (USPS). I think its future is bright and that we all have the opportunity NOW to take advantage of the mail tracking and reporting information available today and the capabilities it continues to build and enhance.

Simply stated, mail tracking and reporting is a vitally important component to everyone in our industry. At this time, the "early adopters" have been utilizing this information from the USPS for some time. The "early majority" is just starting to see their wisdom, get on board, and recognize the importance, relevance and deep power of this information. Because the USPS has developed and implemented technologies enabling it to share it so freely, and it relates so directly with their processes (and mail in general), mailers owe it to their businesses and customers to integrate it.

Tracking A Tsunami

The industry will soon experience a tsunami of sorts related to demand for these services. I believe they will be a critical differentiator among providers. If you are in this industry and do not offer mail tracking and reporting services, you will be swept under the wave of demand and effectively out of the industry.

Customers are smart and perceptive; they will demand this information and migrate business to vendors who can deliver it to them. Our challenge as an industry is to explain to our customers that while the USPS provides the raw data to mailers as a part of Full Service mailing, it is our ability to interpret and then deliver the information in reports that holds great value and differentiates our ability to support their direct mail efforts. It is a service we perform, just like campaign ideation, design, printing, inserting, etc. The thought that it cannot be "billed" is simply untrue.

Once our customers get used to having tracking and reporting, incorporate it into their internal processes, and use it to measure everything from ROI to future value of a contact, it will become increasingly important to them. They struggle today to understand the mailing process once the mail pieces are turned over to the USPS because, for years, our industry has been unable to provide actual visibility data. We now have access to this information, but have been slow to share the value.

Time to Invest

Many of us do not deal with the actual "creative/marketing" staffs from our customers' businesses. That has to change, and this data is the key. As our customers understand the data and the insights it can provide, they will demand it and be very glad to pay for it. Now is the time to invest in bringing these services into your solutions mix.

Before the Intelligent Mail Barcode (IMb) was implemented, there was a great deal of work, knowledge-based forecasting, mystery, and generalization involved in mail tracking and reporting. This earned the USPS its "black hole" reputation. This is no longer something we all should accept for our business, staff, or customers. Today's technology enhances the value of multi-channel communication and marketing. I do not believe that it is customer service to assign more people to answering questions and managing customer accounts. How much time do people in your business spend answering questions such as:

- When did you enter my mail with the USPS?

- Where is it?

- When will it arrive in-home?

- How much of the mail will be "early," on-time, late, and how can I know where the mail in each of these categories is destined?

- Can you provide me a daily report on these and other statuses for the project?

Automating mail tracking and reporting with technology can allow you to move these questions right back onto the customer. Imagine being able to provide them easy access to all this information. Your organization enables them to access the tracking information when and as often as they like. You train them how to read the reports and help when problems occur.

An appropriate analogy about coal vs. gas furnaces comes to mind. Coal furnaces require frequent attention to assure delivery of the heat they produce. Gas furnaces are very low-maintenance and do their job very depend-

ably without frequent interactions. Mail tracking and reporting services will turn your customers into "gas furnaces." This should be the goal for any business: Dependable service and delivery without need for constant interaction. That in my mind is customer service!

As the pressure grows on everyone to lower costs, we all must look for ways to better utilize our staffs. Technology exists that brings visibility to the mailing process from receipt through the processes at the associated USPS facilities. Pushing non-revenue generating functions back to the customer ("gas furnace") by providing them this information will enable your staff to focus on revenue producing activities such as driving and supporting sales and onboarding new business.

Even if the only effect of adding these services is better staff utilization, you have won. Lowering your internal costs is much more profitable than raising prices. Your customers will value and respect you for controlling their costs and you will be providing better service and growing your business in the best possible way.

Natural Extension

Mail tracking and reporting services are a natural extension of the processes implemented while becoming a Full Service mailer. They facilitate optimization of the data available and are possibly the largest benefit of becoming a Full Service mailer. Using the data provided by the USPS is effective in many ways. It takes the "emotion" out of difficult situations when issues arise and enables everyone to focus on moving the mail (the ultimate goal we all share).

Addressing issues with data right from the USPS eliminates time spent arguing about its relevance. Having and providing this information to your customers can create the "stickiness" we all desire that makes your services difficult for them to replace.

I recently served as the industry lead for an MTAC (Mailers Technical Advisory Committee) Work Group focused on data provisioning latencies for bundles, containers, and trays. Currently there are data latency issues around the provisioning of bundle, tray, and container scans. There are interim solutions being implemented today to address these issues. The Informed Visibility project was just approved by USPS management in late

October and is viewed as a sort of "Promised Land" by the industry. It will provide visibility into bundle, container, and tray scan information in time frames similar to those for the piece level scans for the IMb today. Once that is achieved, there will be more mail "in measurement" for the USPS, and the industry will gain even greater amounts of data to share.

As I mentioned earlier, time will not wait for our businesses when we finally recognize that the demand exists. If we do not act now, we will be left behind by our competitors and customers. Technology is available today and the seeds are already planted to make it valuable going forward. Those who choose to be in the "early adopter" and "early majority" portions of the adoption curve will be rewarded richly. Those who adopt a "wait and see" strategy will be left behind as their customers move to providers who offer the services and have experience doing so.

Now is the time to start building and implementing solutions that can address this. This technology is amazingly functional and robust, but does not have to be expensive. The opportunity to scale a solution today that enables you to learn and grow as your business grows is available. In my opinion, the seeds for the "money tree" are available and all you have to do is integrate them into your product mix and tell people you have them! The rest will take care of itself.

Mark Rheaume is the National Postal Affairs Director at AccuZIP, Inc., Atascadero, CA. Reach him at mark@accuzip.com.

Continue the conversation: share your thoughts about mail tracking and reporting on the association's Commnet Community at ilink.me/community.

Ten Reasons to Implement Tracking & Reporting

Beyond compliance and postage discounts, mail tracking and reporting delivers ROI in many different ways. Regardless of your role in the mailing process, campaign integration with other media or with the vertical market your mail is targeting, it is vital that you leverage the power of this data to optimize your communications. Investing in mail tracking and reporting allows you to do all of this. Here are 10 reasons for implementing a mail tracking and reporting solution NOW:

1. Improve distribution planning
2. Enhance "Trigger Marketing" efforts
3. Accurately calculate ROI and effectiveness of mail campaigns
4. Call center management efficiencies
5. Maintain and improve customer relationships
6. Inbound mail tracking
7. Avoid date- or delivery-related disasters
8. Identify and proactively resolve processing delays
9. Monitor USPS performance
10. It is your responsibility (to your business, your staff and your customers)!

Given the number of unpredictable factors that can affect the future of our industry or any individual business, from new technologies to national and local economies and even international events, it is difficult, and perhaps even dangerous, to try and predict what will happen in the next few years. But we recently asked more than 325 companies who participated in our *State of the Industry* research about the future of print, and their diverse, thoughtful responses provide many insights into what's ahead. Two strike me as particularly important:

First, the number of companies that view print as "a form of distributing communication...as one source among many options" will continue to grow. These companies think print-*and*, not print-*or*, and see themselves in the communication business, not the ink-on-paper business. They stay abreast of communication trends because they know anything that affects how their clients communicate (digital, mobile, etc.) affects them. And they reject bleak views of the future: "I have never seen more opportunity in our industry. There are now so many ways to distribute communication—and clients need professional help to do it well."

They know that whether a change in a communications medium complements or displaces print depends on what's being communicated and the preferences of the target audience. As one survey respondent noted: "It's vital that we learn to tell our story to build and sustain relationships with customers. Part of that story is explaining/sharing with customers the continuing value of print."

This doesn't mean that industry companies have to become communications futurists, but they do have to stay on top of major developments by regularly asking questions such as, How are my clients' communications preferences changing? and How will those changes affect my business?

Second, print's future will increasingly be tied to customized, relevant communication. This is what our survey group talked about most, emphasizing that "customized content delivers unique value," and "delivering value still trumps everything else!"

They aren't just talking about changing names and addresses in form letters, either. They're talking QR codes on packag-ing that "link to background information about ingredients, responsible sourcing, etc." that is product and brand specific. And they're talking pURLS on direct mail that provide "immediate feedback on the success or failure of the piece."

"Integrated strategy programs including direct mail, email, data supply, and data analytics will be a significant growth area for us," said one survey respondent, "resulting in more static offset printing and much more digital variable-data printing and related mailing services."

Remember John Wanamaker's "half the money I spend on advertising is wasted; the trouble is I don't know which half" problem? We can now show clients which half is which.

Even more exciting, personalization is only in its infancy. Advances in information and database technologies will support customization far beyond anything we can do today. To benefit we'll have to know how to manage, access, and create complex databases. But the opportunity will be there for those who do.

The Winners Are...

We also asked *State of the Industry* participants who's going to win print's future. After all, that's just as important as what the future is going to look like. Here are some of the must-dos we discussed:

• **Collect, evaluate, and act on client feedback because that's where value creation starts.** We have more ways than ever to hear the voice of the customer. But hearing isn't enough: We have to carefully evaluate what we hear, because we can't do everything clients suggest, and then act on the most promising options.

Our survey group draws feedback from many sources, starting with sales, customer service reps, line employees, owners, and managers who are in regular contact with clients. Over three-quarters (75.4%) conduct periodic business reviews with clients; more than half hold educational events (56.3%), assemble client communities (56.3%), and conduct client surveys (55.6%); and more than one-third (35.9%) offer a client feedback portal. And nearly nine out of 10 (89%) use at least three feedback channels, two-thirds (68.8%) at least four, and more than half (51.4%) at least five.

Most (90%) count feedback from sales

reps and other customer-facing employees as valuable or most valuable, but more than half say that feedback quality would improve if they trained these employees to ask questions that helped them understand what clients really value and taught them how to listen to clients more effectively, collected feedback more consistently, or heard from a broader, more diverse range of client.

• **Create a culture of innovation.** That doesn't mean finding the next big thing. It means purging the "we've always done it this way" mentality because despite record consolidation—over 5,000 establishments lost since 2007, a 16.4% decline, and over 9,300 establishments lost since 2000, a 26.7% decline—our industry is getting more competitive.

A culture of innovation is much more than a suggestion box and an open-door policy. It is a formal process that not only encourages suggestions, but also monitors the number received, the number enacted, and the employee participation rate. And it's a culture that achieves credibility by ensuring that, in the words of one member of our survey group, "every employee knows his or her suggestions will be appreciated, taken seriously, and given appropriate consideration. They will not be dismissed or ignored."

• **Identify and address internal barriers to profitable growth.** It's so much easier to blame disappointing results on what's happening outside—the economy, the industry, the declining demand for lithography, the USPS, price cutters, uneducated print buyers, or something else beyond our control—than on what's happening inside our own business. And when business was much stronger we could get away with that. Now we either correct internal barriers to profitable growth or they take us down.

Our survey group identified more than 20 internal barriers to profitable growth, ranging from difficulty communicating company direction to staff to procrastination, poor interdepartmental communication and inflexible labor costs. Sales reps who lack the skills and motivation our industry now requires was the most frequently cited internal barrier to profitable growth, and the only one cited by a majority. Ineffective marketing came next, and trouble identifying new opportunities ranked third.

That does not mean there are no opportunities. For many, the challenge is not finding opportunity, but rather determining what really is an opportunity, given a company's specific resources, circumstances, and goals. We can't invest in everything, and in our shrinking-margin-for-error world, making the wrong investments will jeopardize our business.

Overall Demand

When we asked our survey group about their expectations about the overall demand for print in the next three years, eight out of 10 (82.1%) expected the overall demand to hold around the current level (46.6%) or to decline (40.5%), while only 8% felt that it would rise. The remaining 4.9% were not sure where demand was headed.

Demand is expected to decline for the same reasons it has been declining: shrinking run lengths as clients target their markets more precisely, and electronic alternatives to print. The more than half of those surveyed (54.6%) who do not expect demand to decrease cite two factors to offset the pressures of shorter runs and electronic alternatives:

• **A healthier economy.** As the economy picks up, so will marketing budgets, production of goods (that need to be packaged, tagged, labeled, promoted, etc.), and business formations. Few expect the economy to give print the kind of lift it once did—just to be less of a drag over the next three years than it's been over the last three years.

• **The willingness of more companies to give printing, particularly promotional printing, a second look.** "People are beginning to understand that electronic messages really do not sell," noted one survey respondent, while another offered this comment: "There is so much electronic/digital clutter that any printed piece that delivers relevant content will be valued."

Whatever direction the demand for print takes, it appears likely to account for a smaller share of the revenue of industry companies as this decade begins to wind down. Nearly two-thirds (62%) of our survey group expect print to be a smaller share of their revenue in three years than it is today, while a third (32.3%) expect it to be the same share. Just 5.8% believe it will be a bigger part of their revenue stream.

Among all companies surveyed, print is expected to average 73.9% of revenue by 2017, down from 79.4% today. This includes all processes, not just lithography, which continues to decline as a revenue source, already having fallen from 69.1% in 2006 to an expected 53.4% this year.

How will companies overcome this shortfall? Think diversification. Most of the companies we survey are diversifying and expect revenue from non-print services such as fulfillment, mailing, database management, response tracking, and webpage design to grow faster than revenue from print.

The bottom line? There's a lot of uncertainty and conflicting opinion about our industry's future. Some say we have to do this; others say we have to do that. Some say we have to be this and can't be that; others say the opposite. We have to cut through it all by focusing on what's best given our company's unique resources, circumstances, and goals. And let's keep the take of one *State of the Industry* participant in mind: "Profitable growth is out there for organizations that know why they are valuable to clients—and have a systematic way to pursue opportunities with the best fit." There is no better guide for navigating the future.

Andrew Paparozzi, AMSP/NAPL/NAQP Chief Economist and Senior Vice President, has been monitoring industry trends and economics for three decades. Reach him at (201) 523-6353 or apparozzi@napl.org or follow his "Economic Edge" blog at http://napl.org/author/apaparozzi/.

It's Time to Upg

By Mike Porter

Mail is going through an evolution. Or at least it should be. It is time for an upgrade and a great many mailers are still on the "old version."

Yes, we've gone through some changes, such as migrating from ZIP Codes to ZIP+4, or Postnet barcodes to IMb. In the span of my career, documents that used to be created on impact printers went to laser and then on to inkjet. And of course the Internet has had a profound effect on how companies communicate with their customers. It isn't as if the mailing industry has been sitting around in a vegetative state.

Despite all the technological changes, though, there are some ways in which mailed documents haven't really changed much in the last 30 years. Looking at printed and mailed documents as an interactive component of a comprehensive communication strategy is what needs to occur. I'm calling that Mail 2.0.

The Next Level

The document print and mail business has, for the most part, mastered the challenges of productivity and cost control. These two items have been key areas of focus for decades. On the whole, document operations does a pretty good job at meeting the requirements for turnaround times and resource utilization while keeping costs at a minimum.

Fortunately, the tools necessary to reach the next level of customer communications excellence already exist. Document producers needn't wait for vendors to invent faster, more automated machines. The problem in getting to Mail 2.0 isn't a mechanical limitation. It's more of an implementation issue or a mindset problem.

The next objectives for customer communication call for a great deal more integration with processes outside the typical document production workflow. Making progress in these areas will likely require the cooperation of several internal or external organizations. Up to now, document processing departments operated more or less as standalone entities. Little consideration has been given as to how the pages coming off the printer related to the overall customer relationship.

To maintain continuity in this new interlocking environment, corporate-level communications strategy groups will evaluate customer communications as a whole and regulate all aspects of outbound and inbound customer communications. This approach will facilitate the communication and cooperation of multiple departments and functions within an organization. Document operations or outsource print providers should be supplying input to these groups.

Individual Conversations

In a Mail 2.0 environment, documents are based on the characteristics of individual customers. This is a departure from the batch-centric approach that has been the standard procedure for decades. Which information appears on the pages, when the documents are created, what inserts or marketing messages are used, and whether documents are printed or go straight to digital delivery will be different for each customer. How messages are created and distributed will depend upon each customer's historical relationship with the organization and the past communications sent to and received from the customer.

Customer communication practices are gradually moving from a broadcast model to something that more closely resembles individual conversations. The technology available to document creators allows them to support this transition, but it is a departure from long-standing traditions. Areas where modifications are necessary to achieve Mail 2.0 include relevancy, channel

management, accountability, integration, and security. Let's take a look at each area in greater details:

Relevancy. We're all aware of the value of relevancy, and have heard the warnings about sending customers irrelevant messages. Some organizations have certainly embraced the concept and are on their way to developing more effective one-to-one communications with their customers. Judging from a majority of the mail generated today, though, there is still some work to be done.

Consumers still get duplicate catalogs, customer acquisition offers for products they already own, and solicitations for services they couldn't possibly use. And it isn't just direct marketing that seems to be stuck in decades-old methodologies. Customers may also receive repetitive statements on closed or inactive accounts along with bill inserts or statement messages that are clearly not targeted to any particular group and never change from month to month.

It seems that some of the simplest tasks such as deduping or suppression against existing customer files are not being executed in a lot of cases.

Channel Management. This requirement is fairly new. Keeping track of each customer's communication channel preferences, recording the delivery channel actually employed for each message, and monitoring message status can be mind-boggling tasks. All companies should be making plans for supporting channel preference in the future. Someday soon the inability to communicate through customer-selected channels may restrict an organization's ability to compete.

Accountability. Keeping track of each document and mail piece as it moves through the operation used to be a concern only when producing valuable or sensitive items such as checks or healthcare information. This is no longer the case. Lower print volumes increase the ROI pressure on the remaining mail. Each piece produced now represents a substantially greater investment than in the "spray and pray" days. Customers expect all their mail to go out; and they expect their service providers to prove it did.

For multi-channel marketing campaigns, document operations must have the ability to assure the marketer that each personalized message was successfully produced and distributed as scheduled. The ability to track the disposition of each mail piece and use tracking information (which may include tracking through the postal service) to trigger additional message generation

is becoming a minimum requirement for mail service providers.

Integration. Many companies are striving for a 360-degree view of customer interactions. That should include outbound and incoming mail. Few organizations are prepared to capture and deliver mailing information to centralized databases such as a CRM system where all the activity of a customer can be viewed and acted upon. But they are headed that way. As data sources are merged, analysis of integrated customer data can result in the creation, suppression, or modification of printed and mailed documents.

Security. Privacy breaches are serious events. Regardless of the legal ramifications, unauthorized release or loss of customer information is always embarrassing and expensive. Many document operations believe erecting a firewall to protect their servers from outside attacks is the only measure necessary to assure data security. This is just not true. Most privacy violations involve a worker or staff member, and many of those events are non-malicious accidents. This exposes the document service provider and its customers to unnecessary risk. Setting up security and quality control procedures and making sure they are followed needs to be part of security protocols in document operations everywhere.

Collaborative Approach

If mail is to remain a critical part of the ways companies communicate, it has to integrate with the overall customer communication strategy and provide the features and capabilities companies and their customers are coming to expect. Operating in isolation, as many mail applications still do today, is not the path to growth—or even to sustainability.

We don't need fancier software, faster inserters, or new printing technology to implement Mail 2.0. The tools already exist. They can be acquired at reasonable prices. The only things keeping document producers from migrating to the new generation of mail are a collaborative approach and the application of resources already at hand.

Mike Porter is an expert in print and mail operations and President of Print/Mail Consultants, an independent consulting firm that helps companies nationwide improve their production workflows and develop new strategies. For more tips visit www.printmailconsultants.com and sign up for Practical Stuff – the free newsletter for document operations. Your comments are welcome. Send them to mporter@printmailconsultants.com. Follow Mike on Twitter @PMCmike

EIGHT MARKETING TRENDS TO PLAN FOR IN 2015

A look at the emerging technologies and consumer trends at the end of 2014 can provide a clear idea of what to expect in the years to come. Increased focus on data analysis instead of data collection should allow marketers to target a specific demographic more precisely, and marketing across collaborative platforms allows more ways than ever to engage consumers. As we prepare to head into 2015, here is a list of expected trends for the marketing world:

Mobile: Mobile marketing is everywhere, but it is also in its infancy. The explosion of mobile marketing in 2013 and 2014 led to an influx of consumer habit and spending data, and you should expect to see an increased emphasis on analysis and action instead of collection. QR codes and other mobile technologies are expected to become increasingly popular throughout this next year. Visit QReateAndTrack.com to learn more about QR codes and how you can use them, along with their detailed reporting measurements, to enhance your marketing efforts for 2015.

Marketing Automation: Expect to see many businesses automating some tasks and using technology to create a cohesive plan that covers multiple channels. With a growing number of ways to reach consumers, from print media to email, social media, and mobile marketing, expect to see savvy marketers embrace automation. Automation platforms help a busy marketing team keep track of entire campaigns and manage the customer experience from lead generation to repeat sales.

Social Media in the Work Force: Savvy HR managers embraced social media several years ago. Employers have been checking out potential candidates on Facebook, Twitter, and other networks as part of the hiring process. Expect the employee/social media connection to grow in 2015, with most jobs prioritizing candidates with healthy social media accounts—and some employers requiring social media involvement.

Multi-Screen Experiences: Boosted audience interaction via multiple screens increases both customer engagement and brand loyalty. When your target customer attends an event, he can Tweet about it, capture an image on a phone or tablet or give commentary and updates in real time by engaging with multiple devices at the same time. Harness the power of multiscreen in 2015 by asking questions, offering quizzes or fun trivia, or simply acknowledging the conversation and images posted by fans and followers.

Marketing Solutions: Selling has always been about promoting the benefits of a product—social media and the small snippets of information consumers receive means that marketing will need to be laser focused in 2015. You need to be solving your audience's problems, not trying to hard sell them a product. Offering solutions to problems or answers to questions and showing the benefits of a product or service will be at the forefront of inbound marketing in 2015; simple images of an item for sale won't be enough this year.

More Focus on NFC: Since the iPhone 6 offers NFC, or near field communication, expect consumers to want to use it—and stores to embrace it. NFC offers a variety of benefits, but the big one is the ease of payment and processing at the point of sale. Apple's ApplePay is the best example of NFC tech at work, but expect to see a deeper focus on this emerging technology in 2015.

Adapting for Millennials: It's certainly no secret that Millennials don't shy away from parting with cash. Millennials embrace shopping online, via mobile device, and via app, so there are plenty of ways to reach this customer base. With a population that is 78 million members strong, this demographic is the one to watch; ignore the spending power of Millennials in 2015 at your peril.

Storytelling Used in Marketing: Telling the story of your product, brand, or people will be more important than ever in 2015. As consumers are able to access more information about your business, they'll have more tools to make buying decisions. Telling a captivating story about your brand history, your positions, your employees, or even your products and the people who make them will help you engage buyers in 2015.

John Foley, Jr. is CEO of interlinkONE and Grow Socially. John helps companies get inquiries and leads utilizing inbound marketing strategies (they come to you!). His approach includes consulting, Web development, software, and unique strategies. Learn more about John at JohnFoleyJr.com, and his companies, interlinkONE.com and GrowSocially.com.

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WHAT DOES THE FUTURE HOLD FOR GEN X?

Turn on the TV, open any newspaper or go online—however you choose to get your news, one thing seems clear: Millennials are everywhere these days. There is a lot of curiosity and excitement around this generation—and for good reason. Born between 1980 and 1995, Millennials will make up 50% of the American workforce by 2020. Understanding what inspires and motivates this generation has become more important than ever for organizations.

A Google search for Baby Boomers will also give you a slew of articles, covering a wide array of topics. With approximately 10,000 Baby Boomers (born between 1946 and 1964) turning 65 everyday, there is a lot of interest in this idealistic and hardworking generation. Are your Boomers mentoring the younger generations in your office? How do you work with Boomers on knowledge transfer before they retire? What is their next move after retirement? Boomers redefine every life stage they touch, and retirement is no exception. This has created a great amount of research and curiosity about the Boomer cohort.

Then there's Generation X. Full disclosure: I am a Gen Xer, and I love it. I love that I was a child of the 80s and 90s. I love that I can tell you what it's like to work on a Commodore 64 or a MacBook Air. I like that I grew up in a time when TV shows had theme songs and that I can remember wondering aloud if this "Internet thing" was going to last. But there is no denying, in the world of generations, Xers are sometimes the forgotten middle child.

First of all, Xers are 20 million fewer in population than both Boomers and Millennials. Gen Xers, now in their late 30s and 40s, are ready to take that next step at work. They're ready for the

promotion, the pay raise, the big office. But many Xers have found their career paths blocked, or at least stalled, by the vastly populated Baby Boomer generation before them. Xers are hitting "the gray ceiling," a phenomenon where existing Baby Boomers stay at their position instead of retiring, preventing an Xer from advancing or being promoted. And many organizations are at a loss as to what to do about it.

Where They Came From

But let's pause for a moment. Before we can talk about where Xers want to go, let's talk about where they come from. When you look at the formative years of Generation X, a couple of things stand out. First was the explosion and consumption of media that occurred when Xers were kids. Cable television, (MTV, CNN) and even the number of televisions per household were on the rise. By the age of 20, the average Generation Xer in the United States had consumed a whopping 23,000 hours of television. With so much access to media, Xers were exposed to a slew of institutions being called into question for one scandal or another. Corporations, professional sports, non-profits, religious institutions and politicians were all immersed in various scandals during the formative years of Generation X. Currently 35 to 49 years old, there are Gen Xers who can remember one President telling the world, "I am not a crook," and another President saying, "I did not have sexual relations with that woman." Turns out, neither was true.

The 80s transitioned from a time when you could ride your bicycle around the neighborhood sun-up to sundown, to missing children appearing on

> **The Xer generation is well-educated, entrepreneurial and independent. They are unfiltered, honest, and most of all, an asset to organizations.**

milk cartons. Sex, drugs, and rock n' roll turned into fear of contracting AIDS. The Challenger explosion, not the moon landing, was top of mind when someone mentioned NASA. Given everything that was happening around them, Xers developed a skeptical attitude early on that has followed them right into the workplace.

Things weren't looking up at home, either. The divorce rate in the United States tripled during the formative years of Generation X, leading many to become latchkey kids. Ask any Gen Xer in your office if they were latchkey kids. If the answer is yes, their routine probably looked something like this when they got home from school: make a snack, do your homework, watch TV… it was all about structuring your own time without supervision. No micromanagement, no group exercises, no "good job!" As a result, Xers brought that self-reliant, independent nature with them into the workplace. And in terms of how they want to be managed? Hands off, please! Xers have been managing their own time since they were 10 years old.

Today, the Xer generation is well-educated, entrepreneurial, and independent. They are unfiltered, honest, and most of all, an asset to organizations.

Feeling Trapped

The problem is that many Gen Xers today feel trapped in a career that is indefinitely stalled. For this reason, many Gen Xers are taking things into their own hands. Some are leaving for other companies, while others are starting their own businesses or freelancing to meet their professional and personal needs. The key to their retention is to offer real opportunities for advancement and growth. But what can companies do with restless Xers when there is no way around or through the gray ceiling?

First, try appealing to the values and traits of this generation. Show the Gen Xers on your team that their climb to the top, while perhaps currently in limbo, will be worth the wait because your company understands what's important to them. Help Gen Xers balance work and life commitments. Many Gen Xers are the children of divorced parents who placed a high value on professional growth at the expense of time spent with their families. As a result, Xers now prioritize work/ life balance. They want to be home in time for dinner. They want to make it to

the T-ball games. Many are choosing jobs closer to home over higher salaries. Moreover, Gen Xers are used to doing things on their own with minimal supervision. They value mobility and autonomy.

As an employer, you cannot afford to let them disengage, so appeal to what's most important to them. Here are some ideas:

- Offer telecommuting and flexible work schedules to help Gen Xers juggle work and family.
- Utilize comp days as incentives for productivity. Awards banquets and other incentives that take place outside of work hours rarely appeal to Xers, since it is keeping them from being with their family.
- Provide personal time-saving services (e.g. on-site dry cleaning) as perks.
- Keep red tape to a minimum. Instead, encourage free thinking and entrepreneurialism.
- Make sure meetings have a point and are beneficial.
- Avoid micromanagement. Allow Gen Xers to work independently, trusting them to get the job done.

Remember, an Xer's loyalty is not always steadfast and unwavering. This is an entrepreneurial and self-driven generation. Jumping into a different industry or starting a new venture may involve some risk for an Xer, but so does staying in a go-nowhere job. Work with them on their future before you become their past.

With 12 years of public speaking experience, **Scott Zimmer** has developed a uniquely personable style and uses insight, humor, and data to foster an environment where every generation feels valued and understood. As one of BridgeWorks' generational experts and resident Gen Xer, his keynotes clearly illustrate the stress points between these generations and provide clear solutions to help relieve tension and encourage better understanding and collaboration across generational divides.

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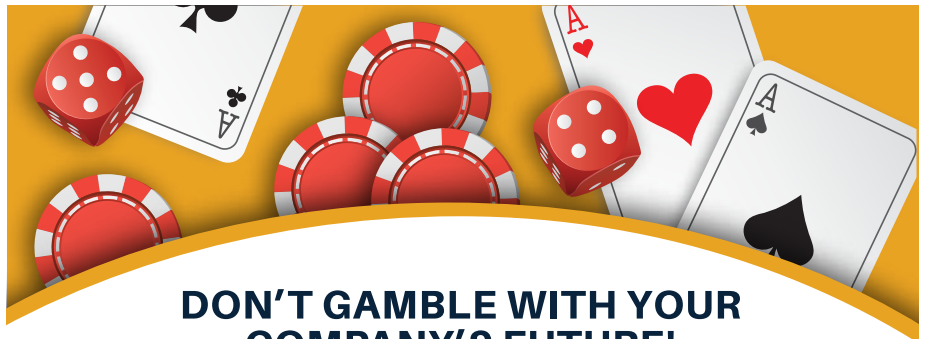
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Against the Grain

SHOW MARKETERS HOW TO BENEFIT FROM THE FUTURE OF PRINT

As the Marketing Director for a printing and mailing association, it is vital that I incorporate direct mail and print into my marketing campaigns. I have been fortunate enough to have access to the latest printing technology by attending trade shows such as GRAPH EXPO. This has given me the opportunity to see, touch, and interact with the future of printing.

Unfortunately, I am in the marketing minority, as there are a lot of marketers that don't attend print trade shows that would allow them to learn and experience the potential of this medium first-hand. Therefore, I'd like to share my thoughts on some of the future possibilities of using print collateral and direct mail so that you can share these ideas with your prospects and customers to help them think creatively about their future marketing campaigns.

Design Matters
You know the old saying, "Don't judge a book by its cover," and how whenever you are at the bookstore you do the exact opposite. Well the same is true of your print and mail pieces. While we shouldn't judge them based on their appearance, it is instinctively what we do. My most successful print and direct mail pieces have been those that have little copy on the front and are visually appealing. My goal is to create something that can be hung on the wall, so while it might not be applicable immediately, it will remain in front of the recipient and serve as a constant reminder.

Sensory Experience
Any time a marketer can create a piece that adds an element that his or her customers and prospects are not used to seeing—such as embossing, foil stamping, laser die-cut, or special coatings that add a touch of sparkle, shine, texture, or raised effect—the more likely they will be to read and remember the piece.

> **Start by talking to your current customers about creating exciting new campaigns in 2015 by taking a new approach to design and printing (be sure to do this before they finalize their budgets).**

It is amazing how machines, substrates, and coatings from companies such as Scodix, MGI, ACTEGA, and Sappi, can create an amazing 3-D raised effect through the use of digital spot UV coating. By touching the senses with textures that stand out, marketers can leave a lasting impression, delivering true message differentiation for their clients and their products.

Create Excitement
This doesn't apply to all types of printing and mailing; let's be honest, there isn't anything fun or exciting about bills. So excluding bills, the pieces that you create to promote your own company and the advice you give to customers about their projects should revolve around one simple concept: "If you don't get excited about the piece, how can you expect the receiver to get excited?"

A good tip for creating excitement is to do the unexpected. The campaign doesn't need to revolve around the specific thing you are promoting. For instance, for our energy program, we've used images of sharks; for a mailing that we did to in-plants, we used a "Get Out of Jail Free Card" concept.

Next Steps
Armed with these marketing insights, if you are looking to grow your business, start by talking to your current customers about creating exciting new campaigns in 2015 by taking a new approach to design and printing (be sure to do this before they finalize their budgets).

You can either call and speak to clients one-on-one or host an open house and invite current customers and prospects in and show them samples and discuss ideas. In regard to samples, I love the books I have from the vendors

mentioned above and I'm sure there are many others provided by various suppliers. Looking through one of these books with your customers—or showing them samples of projects you have done using special effects or finishes—is a great way to learn what your clients need and see if they are interested in taking their marketing to the next level.

Remember, this is your chance to shine and take on the role of subject matter expert and show them the possibilities. If you cannot offer these special effects, consider looking for a partner who can provide a sensory experience when it comes to printing. Establish how you would work with them and get a basic idea of pricing. (I promise you, clients or prospects who are interested in sensory marketing will ask about pricing.)

Lead by Example

I know you don't want to make printing a commodity, but the reality is marketers need to know what their options are, so you might break it down by saying, "You could send 10,000, four-color postcards using a great design and no special effect, for $XX, or you can do a targeted campaign with 500 postcards using that same great design, but enhancing it with spot satin varnish, spot sandpaper UV coating, or raised UV coating for the same amount.

Your job is to explain the pros and cons of each approach and suggest when it is appropriate to do the 10,000 vs. the 500.

Provide your clients and prospects with a tip sheet as a takeaway from a client meeting or open house and, if possible, incorporate some of the special effects above to make it memorable and illustrate how your company is leading by example. Make sure your tip sheet includes a strong call to action and your contact information.

Continue the conversation: Share your thoughts about your experiences with using special effects in marketing on the association's Connect Community at ilink.me/community.

Samantha Lake is AMSP/NAPL/NAQP Director of Marketing. An experienced marketing and communications expert, she holds a B.A. Degree in Media and Public Communication and an M.A. Degree in Professional Communication, both from Purdue University. Reach her at (201) 523-6306 of slake@napl.org.

Qualified Business Reply

PLAN TO MINIMIZE SPREAD OF FLU AND LEGAL RISKS IN THE WORKPLACE DURING FLU SEASON

Seasonal flu has received limited attention with Ebola recently dominating the media coverage. Each flu season, however, according to Flu.gov, nearly 111 million workdays are lost due to the flu. That equals approximately $7 billion per year in sick days and lost productivity. According to the Centers for Disease Control and Prevention (CDC), the timing of flu season is unpredictable and can vary from season to season. Flu activity usually peaks in the U.S. between December and February. However, seasonal flu activity can begin as early as October and continue to occur as late as May.

The CDC recommends a yearly flu vaccine for everyone six months of age or older by October. Now is a good time for employers to review and develop their policies and plans for minimizing the spread of influenza in the workplace without running afoul of a complex array of federal, state and local laws. This article addresses many of the recurring legal issues and questions that arise during the flu season.

Paid and Unpaid Leave

"Presenteeism" (i.e., being at work when one should be at home due to illness) is as much, if not more, of a concern during flu season as absenteeism. One sick employee at work can cause other employees to become ill. Thus, employers may find it useful to clarify policies that permit employees to take paid or unpaid leave due to the flu. Evaluating any attendance situation requires an employer to determine which statutes and employer policies apply.

In general, the Family and Medical Leave Act provides covered employees up to 12 workweeks of unpaid leave during any 12-month period if the individual has a "serious health condition that makes the employee unable to perform the functions of the position of such employee." In some situations, influenza-like illnesses may qualify as a "serious health condition" under the FMLA, but the majority of flu-related absences will fall under state and local leave laws or employers' absence policies. *(For additional information regarding the applicability of the FMLA for influenza-like illnesses, please refer to the Department of Labor's Q&A concerning pandemic flu and the FMLA at www.dol.gov.)*

In addition to the FMLA and comparable state laws, some states and municipalities require covered employers to provide paid sick leave to employees.

Connecticut, for example, enacted paid leave law that requires employers with at least 50 employees within the state (excluding most manufacturing establishments and the nationally chartered tax-exempt organizations described in the law) to provide non-exempt "service workers" with paid sick leave of up to 40 hours per calendar year.

Other states are considering similar legislative measures. New York City, Eugene, and Portland, OR, San Francisco, Seattle, several municipalities in New Jersey, and Washington, D.C. have enacted some form of paid leave for eligible employees. California and the City of San Diego also enacted paid sick leave laws this year; however, given the date employees can first use accrued paid sick leave under these laws, the flu season likely will be finished.

Regardless of the law in your state, to minimize lost productivity during flu season, employers should consider implementing absence policies that encourage sick employees to stay home, including paid time off (PTO) for short-term illnesses. Employers should make sure employees understand what human resources policies, workplace and leave flexibilities, and pay and benefits will be available to them. PTO and other workplace policies should be consistently enforced for all employees.

Chris Antone is AMSP's labor counsel. Antone is the managing partner of the Dallas office of Jackson Lewis LLP. Celebrating 31 years with Jackson Lewis, for the past four years Chris was named one of the top 100 labor lawyers in the country by the Labor Relations Institute.

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TECHNOLOGY, SALES, STAFFING POSE CHALLENGES

What does 2015 hold in store for the industry's small shop owner-operator? While much of what's ahead can't be known—the vagaries of the economy, political and societal change, government regulation, industry consolidation, competitive pressures, labor availability—it is certain that small business operators will be scrambling to maintain their bottom lines, serve current clients, woo new ones, stay up on technology, and juggle multiple roles.

And then not just hope for the best, but work hard to make it happen. The hands-on experience of the entrepreneur quickly demonstrates what works and what doesn't—and a personal commitment to excellence drives him or her to leverage that knowledge to achieve success.

After experiencing a significant revenue decline due to a client loss in 2014, Custom XM in North Little Rock, AR, is focused on increasing its sales growth to replace those lost revenues. The addition of wide format and aggressive marketing are helping make good progress toward this goal.

Managing continual technological change will continue to be a challenge in the industry, says Custom XM President Paul Strack, "and 2015 will be no different. We have to focus on continuing to find ways to take advantage of the technology available to us without continuing to chase technology."

For Cahill Jones, President of 24-year-old BizPrint in Boise, ID, the greatest challenge that lies ahead in 2015, as with so many other years, will be generating sales. "We need to be better at targeting the type of client that is a good fit and communicating our benefits to them."

Attract and Engage
Another ongoing owner-operator challenge, notes Strack, will be to maintain a staff that is both production-oriented and able to adapt to the digital and technological trends in the industry. "This challenge will also involve finding ways to attract and engage a younger workforce that finds our industry challenging, engaging, and full of opportunities."

Founded in 1966 by Strack's parents, Ira and Mary Lee Strack, Custom XM is a provider of innovative marketing, print, and signage services for its business clients. Offerings include a variety of digital print, direct mail, variable-data and wide-format printing. It has a staff of 10 and 2014 revenues of about $1.5 million.

Strack, NAQP's Printer of the Year in 2013, says he is not sure if his challenges are any different than those of other small business owners. "We are all continually challenged by the changes around us, whether they are financial, economic, healthcare, or any other numerous factors that may be out of our control."

Small business owners have to be flexible and yet remain focused on taking care of their internal and external customers, he adds. "I used to think that technology and the related digital revolution affected small printing firms only, but I continue to believe that it has affected most all small businesses to some degree."

Many Hats
If there is one issue unique to printers, Strack says, "I would guess it is the continued significant decline of the number of our firms in operation. Whether it is through consolidation or elimination, our numbers are dwindling. We must continue to find ways to make our operations not only profitable, but relevant as well."

The industry, Strack believes, seems to have adapted well to many of the challenges with new processes, technologies, and new ideas over the years. And, he adds, "I think its success will continue to be driven by enterprising entrepreneurs and innovative leaders more than just by a collective industry."

The small printing business owner, notes Jones, also has the challenge of having to wear many hats. "We have to be business manager, sales, sales manager, IT, HR, etc." The company and its nine-person staff notched $950,000 in sales last year, specializing in short-run full color.

One of the best solutions, Jones believes, is to be involved. "Being a member of a strong trade organization like NAPL helps. Also, being part of a performance group. Having others to share ideas, learn from, and hold you accountable for what you said you were going to do is valuable." Indeed, says Jones, NAPL is providing "opportunities for learning with meetings. They have consultants to visit your shop and make recommendations."

More than ever, Jones believes, commercial printers "must be in touch with our customers, finding out what they need and then doing it. We can't look at the technology, bring it on board, and then try and sell it. That doesn't work."