

EPISODE 735

[INTRODUCTION]

[0:00:02] DC: Print Buying UKvUSA is a series dedicated to helping printers create stronger, more meaningful, and more profitable relationships with print customers on both sides of the pond. I'm Deborah Corn, founder of Project Peacock and principal at Print Media Centr.

[0:00:20] MP: And I'm Matthew Parker, the champion of print at profitableprintrelationships.com.

[0:00:26] DC: We may not always agree, but that's when it gets interesting. Turn up the volume, get out your notepad, and welcome to the program.

[EPISODE]

[0:00:40] DC: Hey, everybody, welcome to the podcast. I'm Deborah Corn, your Intergalactic Ambassador to the Printerverse. And today, we are here with the UKvUSA series, and that means the returning champion for the United Kingdom is not on this podcast, but we do have Matthew Parker today. Hello, Matthew Parker.

[0:01:02] MP: Oh. Hi, Deborah. How are you doing today?

[0:01:04] DC: I'm sorry, I built you up and then I slapped you down. I'm sorry.

[0:01:09] MP: We know really that it is the returning champion and you just don't want to admit it, you Americans. But hey, there we go.

[0:01:15] DC: All right. Well, fine. You are the returning champion for the United Kingdom. I will give you that.

[0:01:22] MP: Thank you.

[0:01:22] DC: But our topic today might actually cause more tension than the global trade situation going on at the moment. It is a polarizing topic, I think at least. It's print management. Matthew, why don't you define what you think print management is or print management services, and then we'll take it from there. And I'm just saying. Because in the US, it could actually be two different things.

[0:01:53] MP: Yeah. And I think it's the same in the UK. I'd say there's two levels of print management company. There's those who call themselves print managers that are actually more print brokers, and they'll do your jobs for you, and they'll do a very good job at finding you the right supplier, but they're not really managing your print on its whole. How I define print management is to have companies who go, "We want to take all your print spends or a large part of your print spends, and we are going to manage all of that for you. And in doing so, we are aiming to improve the efficiency in the way that you work, take the headache away from you, and reduce your cost." That's their headline stance.

There's a variety of companies that do it. There's the massive, big corporate entities. But I'd say there's also a number of companies out there who've evolved from being print brokers into having a business model that is more developed than that. What do you say? Do you agree with that? Have I got it right?

[0:02:49] DC: I agree with that definition. And where it gets confusing sometimes to people is managed print services and print management services, which are two different things. The managed print services, based on my experience, is referring to people who help companies manage literally their office copiers and things like that, everything about them, including reducing the amount that they're printing or whatever that is. We're not talking about enterprise copy machines, or printers, or anything in the enterprise space. We're talking in, let's say, the regular area of printing in all of the lanes, by the way. It's not just commercial print anymore. As long as we are clear that we're not talking about office machines, I'm good with your definition.

[0:03:43] MP: Great. Okay, I'm totally with you on that. And I think it's great that everyone in the audience has a clear definition of exactly where our conversation is going to go.

[0:03:50] DC: Okay. One of the things that I have noticed is, over the last 15 years that I've been doing Print Media Centr, is that England and Australia, particularly, are in this print management system. Sometime, at least 20 years ago, you all decided that it was a better process to have these print management companies than buyers sitting in companies. I know that's a very general statement, but I think the system is way more predominant in the UK and Australia than it is in the United States. But it is there, and it is creeping around. And this is really a great time for those companies to start poking their heads in doors. That's why we thought this was a good time to have this conversation.

Matthew's going to lead it. I will say he's got way more experience in this subject matter than I do, because I would always be fighting against these companies coming into the advertising agency. Go ahead, Matthew. Take it over.

[0:05:07] MP: Okay. Thank you, Deborah. And it's worth saying that I've come across print management companies in various ways during my roles over the years. I have helped print management companies with their systems internally and help them look at how they buy things. I've also helped people who've been looking at implementing print management and looking at their contracts and going into those in some detail. It will be interesting as we have our conversation to see whether you're hearing about all the things that I might talk about that have gone on in the UK, whether you're hearing about those in the US as well.

Our topic for today isn't just print management, it's print management, good or bad. And of course, there's two different viewpoints to that. There's the customers and there's the suppliers. We're going to kick off with the customers first and we're going to talk about the goods and the bad. And then we'll move over and we'll talk about what it's like for the supply chain as well, and see how many punches we throw at each other during the way.

Let's kick off with the customers. Let's kick off with the good. I think it's always nice to start off with some nice things as well. Is print management good for the customer? And I think it's worth saying, again, it very much depends on the customer. It depends on their culture. It depends on the size of the company. And it depends on the type of print they're putting out. But I'm going to put out some broad ideas because there's so much variety. I'm just going to put out some broad statements here, and then we're gonna see how Deborah reacts to them. Basically, I'm going to

throw some sentences out there like the touch paper and retire gracefully and watch her explode it by statements.

[0:06:42] DC: Everybody likes to touch paper, Matthew. Didn't you know that?

[0:06:46] MP: Absolutely.

[0:06:47] DC: I'm sorry, you opened up the door for me to just take that. Everybody loves paper, they touch paper. Yay.

[0:06:54] MP: Right. I'm going to say that, broadly speaking, with a good print management company, and of course, there are print management companies of different standards out there, but with a good print management company, broadly speaking, a large corporate company can have the whole headache of print being taken away. It means that they don't have to have that specialization in the house. I can see Deborah. We do this with a video link as well. I can see Deborah –

[0:07:21] DC: I'm literally freaking out already.

[0:07:23] MP: Okay. But it means the expertise that is harder and harder to get in-house these days doesn't have to be worried about. They can just go, "Right. This is what we want from a company," and it all gets taken care of. Remember I'm talking about the good first, not the bad. Okay. Potentially, there's a reduction in headcount because a full print management service will allow you to take that buying element out of your company, and they'll manage it all for you. And it can expose inefficiencies in the print buying system, it can expose poor specification, and it can fix those. Those are some of the good things that I have seen happen with print management. Not always, but sometimes. Deborah is looking very, very concerned. I'm going to let her have her say now.

[0:08:16] DC: Okay. I'm going to remain calm during this conversation.

[0:08:20] MP: I give this about 15 seconds, by the way.

[0:08:22] DC: Well, you haven't said my trigger words yet. But okay. I can't disagree with what you just said, because there are benefits to using these companies and these people. Benefits. I can tell you that when I was working in advertising, there were a couple of times that there were projects that were going to take a long time. They needed research into – for example, we had to get copper dyes made because the embossing was going to be so deep. And it was just the testing process, honestly, it was just tedious. Not that it wasn't important. It was. But to do that, as the director of production, I couldn't do everything else, including managing the six people I was managing and all of their things.

In that case, calling in people I knew who were production managers from advertising agencies who now formed a print management company saved the project. They would run back and forth, get the dye samples, bring them to the office. We'd all look at it. They would manage the project with us being their client. It was their printers. That's the thing, though. They were working with their suppliers, not the agency's suppliers. I'm not saying that that was an issue at the time, but that's how it worked.

And I have to tell you that it was a godsend because there were people who understood exactly what we needed and exactly how to navigate the personalities of an advertising agency, which is really where the bottlenecks are. It's the people, not the things that are moving around. Because everybody wants to own their thing, whether it's the copy, or the design, or what the client wants, whatever it might be.

In that instance, it really worked out. And I think that it's a great option. Instead of looking for a freelancer or a consultant who could just work for a couple of weeks or a couple of months. And this project was a couple of months, and you just hired the company, and they took it over. It was very beneficial in that sense. But it did cost extra money that came out of our budget. Everybody had to agree that the agency was going to pay for this outsourcing, and it came out of whatever the profit was from that job because we could not keep it in-house.

[0:11:08] MP: And I guess that's fair enough. If you're going to pay for – you're going to have a service, it needs paying for. Otherwise you'd have had your own staff running around and they wouldn't have been doing other revenue-earning things as well.

[0:11:20] DC: We couldn't handle it. I'm being honest with you. It got to the point where we like something's going to break. We need to do something about this, whether it's another person working in the department or farming it out. But I just was bringing up that point because that is something to consider unless you can build the costs for this help into your budgets to begin with. But more than likely, you don't know you need the help until that project comes in front of your face.

[BREAK]

[0:11:49] DC: Print Media Centr provides printspiration and resources to our vast network of global print and marketing professionals. Whether you are an industry supplier, print service provider, print customer, or consultant, we have you covered by providing resources and strategies that enable business marketing and creative success, reporting from global events, these podcasts, Project Peacock TV, and an array of community lifting initiatives. We also work with OEMs, suppliers, industry organizations, and event producers, helping you connect and engage with our vast audience and achieve success with your sales, marketing, and conference endeavors. Visit Print Media Centr and connect with the Printerverse. Links in the show notes. Print long and prosper.

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[0:12:45] MP: And I think there's probably a difference as well between companies that can manage a project and don't want everything. And those companies that come in and go, we want all your print.

[0:12:58] DC: Okay. That's fair.

[0:12:58] MP: And outside the agency sector, yeah, and the corporate sector, the print management companies are going to say, "We want everything." And actually, the companies are going to go, "We want you to do everything. We don't want kind of yet another supplier in there." The whole idea is to make this efficient.

I've given the theory of what print management should do. And I'm not going to deny that there are times when it does that for companies very well. But the reality that I've seen for many companies over the years is rather different.

Now, when I act as a consultant for companies that are buying print, it is not untypical for me to go in there and to be able to save them about 30% on their printing costs. And that's not because I'm going in and I'm beating up suppliers and going, "You've got to drop your prices." It's because I can see the way they do things are inefficient. They've got the wrong specifications for products sometimes. You'd be amazed at the amount of business cards that go out to massive printers or big brochures that go out to small digital printers.

By moving a few things around, it's not difficult with the right company to make savings. And when print management came into the UK on a corporate level, that's where it succeeded. There was a lot of bad buying going on because there weren't enough professional print buyers left by that time. It was pretty easy for a print management company to go in, who knew what they were doing, and go, "Right, we're going to create huge savings for you and do that easily."

The trouble came in two to three years later when they went, "Right, we've done all these savings. What do we do now? How do we compete against the other print management companies that are around? Oh, I know. Let's compete on cost." And that's what they've tended to do.

What I've seen in a lot of cases is that print management, in order to exist, to prove its existence, had to go, "We're going to find you further cost savings." And that means that the measurement of everything that they're doing is done on cost alone. And that is something that I fundamentally don't agree with. Yes, cost is a part of it, but it's not the only thing.

It does mean that it's very difficult to be more creative unless there's a cost saving. There's little attempt to do things differently unless there's a cost saving. And print management is not incentivized to act in the customer's interest unless they're saving costs. And the other half of this is that some of those cost savings are very, very opaque.

When you start diving down into the way that things are done, measurement is not always in the customer's interest. I've seen that cost savings are measured by the key products that a customer might put forward. If you're producing, say, a certain set of direct mail or brochures every month, the print management company will go, "Well, let's measure those. That'll be our benchmark. And then we'll buy all the other stuff for you as well."

It is in their interest sometimes to approve full savings on the direct mail or the key products and to have an "open book policy" where they show that they've approached certain suppliers on those. And they may be encouraging those suppliers to put in falsely low prices for those particular products, telling their suppliers, their vendors that they're also going to get some other jobs where they're going to make a much heftier profit. And what is not measured is the day-to-day operational print, where it is very easy for them to make some very big profits because that's not being measured. Now, I don't know if you're seeing that in the US, but I'd be very interested to hear your thoughts on that, Deborah.

[0:16:53] DC: Oh, boy, Matthew.

[0:16:55] MP: Have I given you trigger words yet?

[0:16:57] DC: No. It's just depressing to me. First of all, if you're saving anybody 30% on their printing and you're not reducing the cost of printing, which is the biggest expense in the cost of printing, then you're firing people. That's how you're saving 30%. Humans are being put out of work. To your point, okay, I go in there, I tell the CFO. Because that's who – they walk right into the CFO's office. They bypass everybody else. They go right in there and they show them a big chart that they printed. It says, "We can save you 30%." And the CFO goes, "Great. Save us 30%." Right?

Then the next print management company comes along and says, "We can save you 30% on the 30% you've already saved." Now we're down 60%, right? How? And if the agency is not willing to get rid of more people, I'm sorry, but that comes from the printers. And that is where my problem arises. If you speak to the printers who have been displaced from their long-term clients because these print management companies come in, to my understanding, at first there's some negotiation, like, "Do you still want the work from your client? Then you're going to

have to do it for 30% less because we need to get our margins.” Or 10 % less, or whatever it is, so that they can prove this cost saving across the board.

Then I've heard that some of the print management companies then charge, let's say, a job tax on the printers that, “Oh, well, if you want to get the work from the clients that you've had for 10 years prior to this, you're going to also have to pay us to give you the work.” There's a system in there going because the print management companies aren't doing this for free. They need to make their money and their only place to make the money to pay the people who are now managing the print projects, which by the way, can sometimes be the print producers that used to work on the projects until the print management company came in. Then they hire them back at a lower salary to manage this client. They might even sit in the office at their own desk, but the company is no longer their boss. It's the print management company that's their boss.

Again, where I'm coming from, from an agency, that is just chaos, and I don't want any part of it. And if I want to help the agency lower the cost for projects. Because it's not just printing that's involved in it. There's art directors, there's people in photo shoots, there are a zillion things involved in a project to reduce overall costs of the project, 30% that doesn't have to come out of just specifically the printing area. And I just do not understand how you can say that the printers aren't affected by this. If somebody's paying less for printing, who are they paying less to printing for? The print management company? And then the print management company is paying the printers the same exact price that they were getting from the agency? Again , I keep saying agency because that is my experience with print management companies coming in and basically trying to displace me and my entire department.

[0:20:50] MP: Just to clarify what I said earlier, when I go in as a consultant, not as a print manager, probably not in an agency, but sometimes, there is a lot of inefficient buying going on to begin with. I can make that first 30%. And, yes, it's going to affect some suppliers and they may get different jobs. But what I'm not doing is any of the job taxes, telling people they've got to reduce their prices by 30% or they lose their job. And that was what was possible for print management in the very early days. Now they have to change what they're doing. And to be fair, they're not now offering a 30% reduction. It's more likely to be a two, three, or maybe 5% reduction. And that's as far as it goes.

[0:21:33] DC: Oh. Isn't that interesting?

[0:21:37] MP: Because the 30% has already been done by a previous print management company. I think that initial 30% can be done if there's been no previous print management or the skill buying done at a company, and it doesn't have to affect the prices that are being paid for print. It may mean that jobs go to different printers, but it doesn't mean beating up the suppliers. I'm not saying that that's what the print managers do. Because we'll come on to print management and suppliers in a little while and talk about that as well.

What I think is interesting, though, is, for instance, the job tax or the volume rebate that some suppliers have to pay if they get a certain amount of work. That's not shown in the open book policy. That's where the print management company can be making extra profits because they're paying less for a job than they're admitting to their clients. And they may also be demanding, agreeing, negotiating a monthly fee with their clients for the provision of that service as well.

As I said, I don't think there's many agreements that are very opaque where clients don't really understand what is happening. And that's an issue. But there are also companies who don't know what they're doing, who can't find the staff, who don't want the hassle, and that is a big cost saving for them to take on that headache going away. It is a game of two sides. Clients are paying for that service. But I think they're often paying a lot more than they think they are.

[0:23:14] DC: The best instance, I think, for these print management companies is exactly what you said in these growing businesses, maybe like a regional thing or just think of like a national insurance company, things like that, where the agency might be an agency or marketing department, internal, even corporate communications. When I worked at L'Oreal, we were in the procurement department, and we had a list of printers to work with, but we did not create the specs or anything like that. We just followed the orders from the in-house agency. Sometimes in this company, you do have a procurement person who is responsible for purchasing print, but they're also responsible for getting office chairs, and making sure that there's catering in the meeting, and anything else that an office manager might do.

In those cases, first of all, you have to hope that they have a trustworthy printing partners who aren't like, "Ha, this person's not going to negotiate with me because they have no idea what is going on. They're not a professional print person. They've been told to source business cards, or told to source signage for the office, or told to source posters for the lobby that need to change every three weeks." Who knows what it is? But they're calling somebody and they're going, "Help. Help. This is what I need. Give it to me."

In those cases, yes, they are probably not buying effectively and efficiently unless their printers are really partners for them. And in that case, if they were, they would be making sure that they were quoting and executing the jobs as effectively and efficiently as possible. Otherwise, there's a good chance that they're going to be run out by your print management company, right?

[0:25:12] MP: And I think this is what's happening with a lot of companies. Yeah, they're an experienced bystander, what they're doing. And there are printers who unreasonably are making profit out of that.

[0:25:12] DC: Correct. If no one's going push back on your price, then that's the price. I mean, we're not saying they're doing anything wrong. The price is always the price unless somebody says, "Hang on a second. What can we do about this?" But if I just say, "Great," then everyone's gonna go about their life. But this is what happened after 2008, the recession. People started looking at everything that they were spending money on, which is marketing is always the first list to look at, and they were like, "Okay, do we really need a printed annual report? We could do that as a PDF." And so they're still paying the designers and the marketing people or the in-house desktop publishers, we used to call them, to create these documents, but they're not printing them.

Or I worked in a corporation, the Katz corporation, and we had an "in-house print shop" downstairs in the basement. It was mostly just for like sell sheets and things like that. But anything that could be stuck down there was already built into the – there was no additional cost for it. You know what I'm saying? It was already built into the corporate structure. So then you start looking at what's out of house that can come in-house? And what is in-house that we don't have to do anymore, we could do digitally?

It is a double-edged sword there, you know. But I do think in those cases, a print management company can actually save a lot of the print work that would be relegated to digital files or just gone away because it can't be managed, it's costing too much money, and they're not seeing results because it's not like a professional print person going, "Hang on a second. What is the goal of this project?" If it needs to stay around, then we need to make it at least flashy or something that people want to look at it. Not just send them a trifold brochure and say, "Come have a vacation here." There are ways to be more effective and not print as much. And those companies, if they have a vested interest in that, that would be good.

I also want to say this last thing, and then let's move on to the other side of this, which is that the print management companies also have a vested interest of delivering the projects that they have been tasked with delivering. It's not like they sabotage them. They certainly want to do the best work possible so that they keep these clients. But to your point, they're not going to do anything that's going to add any cost to that job because the margins, the savings was the pitch. Not, "We can save you all this money and do spectacular print for you." It's, "We can save you all this money and basically get done what needs to be done, whatever that might be."

[BREAK]

[0:28:34] MP: Do you need some direction or new ideas for your business? Would sales goal setting and accountability improve your revenues? Or do you have a member of staff who could be performing better? I'm Matthew Parker, the Champion of Print at profitableprintrelationships.com, and I offer a personal mentoring service. Together, we work out exactly what you need. We create a personal mentoring program for you, and then we speak twice a month. You get set goals and action points to make sure you progress.

What makes me different is that I'm the buyer. I've been approached by over 1,400 different printing companies, so I know what works, and I know what doesn't. If you'd like to find out more, go to profitableprintrelationships.com, click the training tab, and then go to mentoring. Or, alternatively, just hit me up on LinkedIn. I look forward to working with you.

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[0:29:28] MP: Two trends, and then we'll move on. But two trends that you may be interested to hear about if they're not already happening in the US. One is print management companies are trying to broaden their services, and they're trying to take on the digital side of things. They're trying to take on the photo shoots. They want to manage all of that because it's more revenue for them and it allows them to safeguard their turnover should print be going down.

Secondly, in the UK at least, there is now a shortage of people who really understand how to buy print. Print management companies aren't necessarily using experienced buyers. And potentially they're going to begin to run into the same problems that their clients were in to begin with, in that they don't always know enough about what they're doing. Now that's not true of all of them by any means. But if you need a huge print buying staff, you are going to more than likely have quite a few people who are order places rather than print experts. And that's a great shame.

[0:30:33] DC: Yeah. I mean, I have to say this a lot of the times when the print production people lose their jobs because agencies are downsizing and all that other stuff, or remote work, and now there's not remote work, whatever the reason might be. And they get in touch with me, and I'm like, "I have to tell you, you might want to look into these print management companies because it is what you do. And they need people with our expertise to help other people."

Even though I don't necessarily think that these are the best systems, when it comes to helping people, which I think is my primary responsibility as the ambassador to the printerverse, it's one of the first places I tell them to investigate. Because there is work. And people of those calibers can only help the customers. And that is where my vested interest is in.

If, ultimately, the print customers are happy and the companies are happy printing and paying for it, then it's better to keep that print in the industry moving than to get rid of it just because it's not as open of a system for creativity and craft as I would want it to be. Next angle of this. Go ahead. Take it over.

[0:31:54] MP: Okay. Let's move on and let's talk about the supply chain now, because I think that's the other side that's really important to think about. And I'm going to put the good and the bad together. The good for the supply chain. Jobs without sales. They don't need as many

salespeople if they're turning on the print management tab. And that can be a good thing. Salespeople are expensive.

If you're talking to a number of print management companies, you can reduce your job costs and potentially increase your profits because you don't have that expensive salesperson or salesforce with their cars, their mileage, their expenses, who don't always get the results and are still being an overhead month after month. You can change the volume when you want it as well.

I know print companies that use print management. If they've got a lean month, they turn the print management tap on. If they've got a busy month, they go to the print management company, "Sorry. Not interested this month. You're going to have to find someone else." And it works for them as a model. I'm not sure that it's a good model to work on, but it does work for them. Those are a couple of the positives against that. Print management is basically making print a commodity-driven market. There is very little looking at, "Is this the right supplier for the culture of the project that's going on?"

You're going to disagree with me on this, but sometimes, particularly in the agency world, maybe projects were being looked at. Again, we have to have a certain type of printer, and it's a commercial print project rather than a really bespoke print project that needs a certain type of supplier. But print management is making it all about price. They're not loyal to any suppliers. You may think I've got my volume here. But if they find a cheaper supplier, you're going to lose your volume.

And printing companies do not have the chance to talk to the customer and add value to the project. And as print management is struggling to find knowledgeable buyers, they are unlikely to add that value themselves unless the customer is really demanding it. And finally, there are the golden handshakes. If you want to join us, you've got to pay a certain amount upfront. There's the volume rebates. If you do a certain amount of work with us, we're expecting this money back. All these things which add to the print management profits that are kept out of the open books that they say that they're showing to some of their customers. How do you feel about all that? It's kind of quite a depressing –

[0:34:34] DC: Well, yeah. My work here is done. You just did it for me for all the reasons. I have nothing to add to that other than I actually have a question for you about that. What do you think is the advantage or disadvantage for those same printers instead of – I was just going to say being extorted by the print management systems, because now my true feelings are coming out. Because that's how I feel. You want to print for the client that you've been printing for for 20 years? You gotta pay us, right? It's not as blunt as that, but that is –

[0:35:05] MP: Or you'll lose it. Yeah.

[0:35:08] DC: Yes. Or you're going to lose it for a second time, right? Why isn't it a better option for printers to join a network like Gelato, or Cloudprinter, or something like that and get the work from everywhere in the world and help with – I mean, there's a sustainability story there. There's a cost-saving thing. Everything you just said about. You don't need salespeople. I believe it solves that same issue. And it is the same situation. You don't talk to the customers. You could actually be printing for somebody who ordered print in Scandinavia that wants it for Sacramento and doesn't have to fly on a plane, which saves money. How would you compare the two if you were a printer looking at, "We need to do something on these down times or to keep the volume going?"

[0:36:05] MP: I'm a big fan of those systems. I think if you are a supplier to them, you can't just turn the volume on and off. You have to commit to having a certain amount of volume. You don't have that choice that you might do with the print management companies. The way I looked at it there, if you're a printer, if you can do both, then you're in a good situation because they're serving two different markets.

Cloudprinter, Gelato, people like that, they are more direct to consumer, and they are more at the smaller end of the market. They're not going to supply the solutions, certainly not all of the solutions, that the big corporates want because they're looking for something rather different. I think that the Cloudprinters of this world are serving a slightly different market to the print management companies of this world. They may disagree. But I think, effectively, print management is saying we'll do everything. I think areas like Cloudprinter, you still have to have someone putting those orders in. You still have to have –

[0:37:11] DC: Yes. Okay, fine, fine. Yes. For the print customers, they would have to know what they were doing and put the order through. Okay, fine.

[0:37:19] MP: Yeah. There are two different markets. If you're a printer and you want that low-margin work, because it is low margin, let's make no bones about it, then if you can get in with both, good on you. And well done.

[0:37:32] DC: All right. Fine. I'm making a formal statement. Matthew turned me around on that argument. Fine.

[0:37:40] MP: Thank you. Okay. As we work towards the end of this, I just want to throw something out there, and it's particularly for those printers in the US who are still serving traditional clients who don't want to get involved with print management. And I think in the US, print management is growing, but there's still a substantial amount of work out there that is not managed by print management. Is that fair in saying that?

[0:38:05] DC: I'm not an analyst, so I can't confirm or deny that. But if I just look at patterns, I would agree with you.

[0:38:13] MP: Okay, thank you. The reason print management got to this position of strength and market dominance in the UK is because printers let them.

[0:38:30] DC: Yes. Oh my God. Hallelujah. Thank you.

[0:38:34] MP: Yeah. If anyone says and complains about print management, and you're a print company, would you let them get there? It's your fault. And I make no apologies for saying that because, years ago, I was buying a substantial amount of prints at a magazine publishing company. And I was talking to my suppliers, going, "There's more you could do here. You could have more business from me. Here's what I'm looking for. And here's the way that we could make our work more efficient." And they were turning around and going, "Matthew, we're not interested in this. We just want to print. We don't want to think strategically. We just want to get your jobs, put them on, and try and get a fair price for them." And that is why they lost to print management, because printers haven't been thinking strategically. If you're a printer out there in

the US and you've got work from big companies at the moment, you are under the threat of print management.

[0:39:37] DC: 100%. Whether you know it or not.

[0:39:39] MP: Go and think about coopetition. Go and think about talking to some of the other people who are doing that work going, "Let's get together. Let's take the place of a print management company and let's do this ourselves." Because if you don't, the print management company will. If you want the profits, the print management company, then you've got to put that in place and you've got to go to your clients before the print management companies and say, "Here's what we can do for you and here's how we can do it better than print management companies." It's going to require a shift in culture. It's going to require you to work with people that you've traditionally been competing against. It's going to require you to invest in a certain amount of IT and maybe some salespeople and some management with a different strategic view. But if you don't do it, you're going to lose that work. That's what's happened so far.

And all I can say to printing companies who've lost out is you have no one to blame but yourselves. If all you've done is stuck to it, your guns and said, "We're a printer. We take your jobs. We print them." That's why you've lost out.

[BREAK]

[0:40:49] DC: Girls Who Print provides women in print and graphic communications with information resources, events, and mentorship to help them navigate their careers and the industry. As the largest independent network of women in print and a nonprofit organization, our global mission to provide resources, skill-building, education, and support for women to lead, inspire, and empower has never been stronger or more accessible. Through our member platform and program, as well as regional groups forming around the world, your access to Girls Who Print is just a click away. Gentlemen, you are most welcome to join us as allies. Get involved and get empowered today. Link in the show notes.

[EPISODE CONTINUED]

[0:41:35] DC: I want to take it from the other side.

[0:41:38] MP: Okay.

[0:41:40] MP: From the customer side. I have been sitting in my desk in my office and the CFO calls me and says, "Hey, we just had a meeting with this company and they said they're going to save us 30% on printing. What is going on here? Why is there 30% to be saving, and nobody has saved it before? What the hell is going on here?"

After the first audit, after one of those companies came into the agency – and let me tell you, that's what happens, because they start freaking out. They're like, "30% is a lot of money to save from the one department who spends the money in the advertising agency." Whether it's, I mean, the broadcast producers are under production, the media buyers are under production. Where we spend all the money, everybody else brings it in.

I learned that I needed to report on everything. As I'm saying, the print buyers have a responsibility in this, too, to fend off these people. Every job, I'm sorry, you have to report on it. Create a little report. Send an email thanking everybody. And CC people about thank you for helping us get this job in on time and under budget. And show that you really are in a partnership with your printers. It's not just this thing that can save you 30% without everything, all the other benefits of human relationships that are attached to that.

The other thing is that when those companies come in to assess where the savings can be, to me, there's a strategic list for the print customers to say, "Okay, let's see if we can't do the same thing here." Not with getting rid of people. That's their goal. Get rid of the people, then the agency doesn't have to pay salaries, health insurance, taxes, whatever else it is. Yes, there's a lot of savings in that, but it doesn't mean that these are the best people doing the jobs who understand the nuances of the client and all of that other stuff.

When they tell you where to save this money, I think it is the responsibility of any production person who gets called into that office and says, "What the hell is going on here?" To already have a response to it. Or to say, "This is what I've been sending you every Friday. We're already lean and mean. All they're going to do is change the quality of our jobs," which is not something

that an advertising agency wants to hear. They love saving money, but not if they're not going to win awards for the work that's going out.

If you can find out from the people that the print management companies met with where they said the savings are, you can then go to your printers and say, "Look, I'm not here to beat you up for 30% reduction in your costs. I'm here to tell you that both of us potentially are on the chopping block here. Let's figure out something within the legal parameters of Sarbanes-Oxley and all of the rules about publicly traded companies, no price fixing, nothing like that. But perhaps, if you get a disk to us in this time and we have more time to do the job, we can offer you some savings here.

It is actually a business process that allows you to, "If we don't have to fix any of your files, we can save you some money in the part that we've allotted to pre-press." If you're willing to – I'm sorry, paper people. If you're willing to change your paper sometimes. If we can look at an alternative stock to your brand standards that might be more accessible, or closer, or whatever it might be, and we can get the client to agree to that, then we can save some money for each job.

It might not end up 30% unless bodies are gone, but the point is that the agency sees that you're addressing it, you've done something about it, and nothing's going to change as far as the quality that the agency is used to. I will caveat again, print management companies are not about not doing what people want. Otherwise, they won't have jobs. But it's like in the beginning, when digital print first came out, and you called your printer and you're like, "Hey, there's this thing called digital print. What's that all about?" And if they didn't have a digital printer, they would go, "Ah, you don't want to do that. It's not going to give you what you want." That's what you're going to hear from people. That's my opinion on that.

It's equally on the print buyers, if they get displaced, that they should be doing everything they can now to keep telling people how much they're helping the agency efficiently, effectively purchase print, manage the projects. Let everybody know when you stay till 2:00 in the morning. And thank people. Just keep it very visible what is going on. And that is not the easiest thing for producers to do.

And I tell this story all the time, coming from 25 years as a print producer in an advertising agency, when the clients came to the office, they hit us. They were like, "You're all animals. Do not come out of your office. And clean your damn office. Nobody can see the hurricane that's going on in these offices and stacks of paper. Do something about this."

For us to kind of come out of that production hole and be like, "Hey, look at us. Look at what we're doing here," is not an easy task. But I'm begging everybody out there. I had to do it. I became a blogger, and a podcaster, and all that stuff that wasn't in my wheelhouse. If I can do it, you can do it. Just get in front of people's faces and you report on all the savings and efficiencies that you are creating for the agency, for your business, whatever it might be, at all times. And then that gives that CFO an opportunity to say, "You know what, I don't need to take this meeting. We're already on this, but thank you very much."

[0:48:34] MP: I'm going to go further. I agree with everything you said.

[0:48:37] DC: I win.

[0:48:39] MP: But I'm going to take it further. I'm going to say, if you're not constantly challenging your supplier base, I'm afraid, on price, on specification, on whether that particular vendor deserves their place on there, if you don't already maybe have, I'm going to call it an A roster and a B roster. Your awards roster and the roster for everything else, rather than just relying on your awards roster to do everything for you. If you're going, I want to keep this printer rather than somebody else because they take me out to lunch or they give me an easy time, you are not doing your job well enough. That is lazy buying, and it deserves to be lost to print management.

If you're not able, when a print management company comes in, to go through their audit and go, "Here's where they've got it wrong," not just in terms of this is a job that's a bit difficult for us to do, but here's where they've missed these bits out at the specification, here's where they've forgotten about these bits, here's where this is not going to work for us. Then if you're going, "Oh, yeah, I can't challenge that audit," then you have been buying lazily, and you deserve to lose your job. And there are lazy buyers out there. There are those who don't try and find the right supplier for everything. And that is where print management wins.

[0:50:02] DC: Yeah, because they don't know. Nobody's doing this to like be a bad buyer. They don't know. I didn't know that I wasn't buying effectively and efficiently until I learned about all these other printing techniques that I didn't know about because I was beholden to my printers who, like I said, when I wanted to do something different that they didn't have, and perhaps they didn't want to outsource to a trade printer or a trade finisher. It was always like it was the worst mistake I was ever going to make in my life. "You don't want to do that. It's going to mess up everything." And then you get terrified about these things.

But I do agree with you that – I love Jamie the printer. Jamie McLennan. Jamie the printer, who I do the PrinterChat podcast with. He sends to everybody. And I think this is something you've said too, a note with the job. Like, "How did everything work out? Is there anything we could have done better?" And I think that's great from the printers to find out if there was a process efficiency. Why did it take me three days to get an estimate? It pushed me back on my job. Whatever it might be.

And on the other side, it would be awesome if a printer who understands that their clients are right for this print management service. Land grab. For them to come back and say, "We've analyzed all the print that you've done last year. And if you're going to do some or most of it this year or next year, we can come up with a schedule that allows us to print a couple of things at the same time. We can imprint information later on or change it." I know people don't like to store shells, but it might be the most effective thing to do if you're just changing text of an offer or a date instead of reprinting the whole thing.

If I were a printer and I'm looking at corporate – I mean, especially now with the supply chain issues and all the stuff going on with tariffs and all that other stuff, people are cutting their marketing budgets already because uncertainty is a marketing budget killer. Now is a great time to assess if you can help your customers, and to your other point that you may be before.

I had never thought about printers forming a little printing ring there, and somebody who has white format, somebody who has offset, someone who has digital. She's not necessarily competing against the same things. But everybody can take something 100% of the time, and then the things that everybody can do, whoever is up, whoever has the best price at the

moment for whatever reason, can be the one that takes that job. And I'm assuming there's some revenue splitting going on there.

But the other thing I've been saying for years is the printers should hire somebody to do this for them, not a CSR that is working for the printer and helping work come in and managing the client's relationship, but somebody who's actually being a print manager for a printing company. You can pitch people and say, "Hey, we get it that this can be a confusing thing, a complicated thing. This is actually just a misunderstood thing, whatever it might be. We will help you figure this all out." And potentially train somebody who's there, who will be loyal to that printer forever, because they know that they don't know things. Or we can have somebody assigned to your account, which means they will go over to your company and discuss projects with you. They will come up with creative ideas. They will help, essentially, be the print production person. But all the work goes back to that printer and to your – I kind of like your system. Or the group. The group could get two out-of-work print buyers, or designer, or somebody who speaks clients. Not necessarily a financial person. But they have to be able to speak client, print customer, and you be the number one resource for that.

And like you and I always say, those customers will be sticky to that process because they don't know what they're doing. If it doesn't matter that the print buying role might move to another print shop. They're going to keep their process where their process is because they don't know how to move it.

[0:54:49] MP: I agree. I think the other thing to point out is that many print companies don't have the capacity to cope with the volume of print that the larger companies are putting out. Form that alliance, and then between you, you can manage that capacity. And I think that's a really important bit.

[0:55:04] DC: Yeah. I like this alliance idea.

[0:55:06] MP: But people have to think differently to survive. And sadly, the printing industry, both buying and the supply chain, have not always been good at doing that. And I think that's probably going to be my final words to say on that.

[0:55:21] DC: I know. But now I want to start a company where you and I are the print buyers for everybody, and we just have a ring of printers. I guess it's called a print broker. Yeah. Okay. Has anything been resolved? I'm not sure. But I guess the most important thing here is everybody on all ends of this has to be aware of the advantages and the disadvantages. And I would agree that they are different for every company, for every skill level, for the work that's being produced. But if you are a printer for a corporation that it's in an office building, anything like that, anything that buys enough print that they're going to be freaking out right now, you better do something to get in front of them and say, "Hey, we've got you. Don't worry about this. We can weather this storm together. Don't jump ship. Let's talk about printing less, printing smarter." I'm not even saying less. I'm just saying printing smarter, generating better results with your print, so we can keep doing this. And that's it, too.

[0:56:34] MP: I hope we've opened a few eyes on the podcast and warned a few people. If we've done that, then we've done our job.

[0:56:40] DC: Excellent. Thank you so much for your time and your attention. I also want to mention, and I'll put the link in the podcast, I did an interview with Stephanie Doyle. She's a packaging buyer, and she was talking about – she references these print management companies and what's going on in companies, agencies like hers, who are getting bombarded. Not her agency. I'm saying the agencies are on a full-frontal attack by these companies because everybody knows that times are tough and have been tough. And they might not be getting better this year. Anything you could do to keep your work, keep it. If you need some more advice, get in touch with Matthew or I. And until next time, everybody, thank you so much. Print long and prosper.

[OUTRO]

[0:57:35] DC: Thanks for listening to Podcasts From the Printerverse. Please subscribe, click some stars, and leave us a review. Connect with us through printmediacentr.com. We'd love to hear your feedback on our shows and topics that are of interest for future broadcasts. Until next time, thanks for joining us. Print long and prosper.

[END]

Mentioned in This Episode:

Print & Procurement Print Audit: <https://printandprocurement.com/consultancy/print-audit/>

Gelato: <https://www.gelato.com/>

Cloudprinter: <https://www.cloudprinter.com/>

Packaging, Design, and Printers with Stephanie Doyle, HBX Branding: <https://podcastsfromtheprinterverse.com/stephanie-doyle-hbx-branding/>

Matthew Parker: <https://www.linkedin.com/in/profitableprintrelationships/>

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