



APRIL 2008

TALK

CEO Corner

How sustainable is your business?

IN Europe and the United States, customers of the printing and packaging industries are paying increasing attention to the issue of environmental impact. Printing Industries of America, together with the Flexographic Technical Association (FTA) and the Speciality Graphic Imaging Association (SGIA) have formed an organisation called the Sustainable Green Printing Partnership that will monitor and certify registered printers and converters.

The so-called 'Mandatory Best Practices' required of printers includes the need to incorporate the '3Rs' of Reduce, Reuse and Recycle in the manufacturing and delivery process. Practices such as the recycling of solvents, scrap film, plates and the recovery of silver from prepress waste water are covered, as are procedures to minimise press waste and maximise energy reduction.

If you would like further information, please contact Erich Kuhl or Louise Moralee at our Johannesburg office.

While environmental issues are not going to go away, the setting of standards and targets for our industry is still some way off, and it's possibly something about which we need to educate ourselves rather than over react to.

True sustainability

A far more urgent issue, and one which will affect every single company in the industry, is that of ensuring that we have sufficient skilled people to run our businesses.

Far too many companies rely on the practice of 'poaching' to replace skilled staff – particularly in the prepress and press departments. This practice has at least two consequences.

Firstly, it creates upward pressure on wage levels as companies compete in a decreasing pool (or as Ken Leid calls it, a puddle!) of skills.

Secondly, it has a knock-on effect as the company losing the person now has to urgently replace him or her, and as a consequence, has to poach elsewhere. As an industry these increasing labour rates place further pressure on our competitiveness, domestically and internationally.

We all recognise the problem, but too few companies recognise that training and developing the talent they need is an investment and not a cost. International printing industry surveys consistently show that companies that invest in training and developing their people are more profitable, not less profitable.

We would be horrified if our local motor dealership was to take some untrained person 'off the street corner' to service our highly computerised and expensive motor vehicles – and yet some of us entrust far more expensive equipment to people who are not adequately trained.

We save for retirement; we invest in expensive equipment; we invest in property – all with an eye on growing the future of our companies. But too few of us are investing in our people. The best equipment is useless without the skills to run it.

My plea to everybody is to think carefully about his or her business strategy. A truly sustainable business is only possible if we develop our own resources, and don't rely on our competition to do it for us!



Chris Sykes
Chief Executive
Officer of PIFSA



Cape Chamber News

Estimating course graduation



HAVING successfully completing their studies in Estimating & Production Planning, students received their eagerly-awaited certificates at a presentation ceremony at PIFSA's Cape Chamber on March 18.

Ken Leid, PIFSA Cape Chamber director, opened proceedings by congratulating the successful students and encouraging them to continue on their life-long learning journey. He particularly thanked Alan Roberts for his service to the industry by presenting these courses over the past 22 years. In Alan Roberts' absence, students received their certificates from Lydia Davids and Cape Chamber chairman Ian Shepherd.

Eleven students successfully completed the Estimating course and five completed the Production Planning & Estimating course.

Top student was Michelle Twain from Pipeline Press boasting a 97% mark in theory and 97% in the practical exam. Close behind was Hugo van Eyssen from Die Burger with 96% in the practical exam.

Successful Estimating course students were Robert Clark – Formeset Printers; Lynette Rustin – Clarion Printed Products; André Fester – Modern Printers; Micheline Dampies – CTP Book Printers;

FA Christians – Die Nooitgedact Press; Michelle Twain – Pipeline Press; Hugo van Eyssen – Die Burger; Christopher Bates – Bates Screen Printing; Retha Kinnear – Retha Kinnear; Mark Sochen – Associated Printing; and Megan Arendse – Cambridge University Press.

Successful Production Planning students were J Beatie, R de Lucchi, F Wyngaard and O Jacobs, from the Cape Peninsula University of Technologies, as well as R May of Trident Press.

A number of last year's students have already taken steps to further their careers by enrolling for the Production Planning course, also presented by Alan Roberts on Saturday mornings.

Now in their 23rd year, these courses are still going strong, with 23 and four students enrolled in the Estimating and Production Planning modules respectively.

OBITUARY



Cedric Martin Doyle died on March 22, 2008, and his pleasant nature and expert knowledge of ink will be sorely missed in the printing industry.

Invisible Card Co increases visibility

THE Invisible Card Company (ICC) of Somerset West was recently named the runner-up in the 2007 Business of the Year competition organized by the Helderberg Afrikaanse Sakekamer, reputedly the largest in South Africa. The owners were also jointly runners-up as Businessmen of the Year.

The company specialises in manufacturing products with secure variable data, such as prepaid phone recharge cards and lottery tickets, and has grown rapidly to a medium-sized business since it was started by Frank Land and Nico Smuts in 2003. It uses flexo and litho for printing full-colour base stock, and then personalises the products according to customer specifications.

From the outset the partners concentrated on developing an international customer base, and export over 90% of their products, mainly to Africa. By tapping into this niche market, the company has grown rapidly, and has won several awards.



Proud of ICC's success are Nico and Zenita Smuts and Maatchen and Frank Land.

KZN Chamber News

Good mix of work and play

THE first quarter of 2008 has seen a good mix of work and play for the printing and packaging industry in KwaZulu-Natal.

Early in the year, PIFSA's KZN Chamber hosted its sixth annual golf day at the Kloof Country Club, an event that had been postponed in October owing to the rain.



The organising committee included Paul Knock, Barry Lynch, Martin Conway, Peter Tubb and Geoff Warren.

The day was greeted with fair weather and a full field of 132 players; and the organising committee under the chairmanship of Paul Knock did an excellent job in ensuring that the event ran smoothly.

The competition was run on the basis of a Four Ball Betterball Stableford; and winners were Russell Cumming and Mike Atkinson with a score of 47. Runners up were Martin Conway and Jason Staats with 46.



Chamber president, Pops Ramdhani (right), congratulates the winners – Mike Atkinson and Russell Cumming.



Runners-up Jason Staats and Martin Conway with Pops Ramdhani.

Successful Estimating for Printers course

HAVING worked through a year-long after-hours course at the KZN Chamber's offices, all 14 students who started the Estimating for Printers course were rewarded for their hard work when a 100% pass rate was achieved.

This course is intensive and candidates require a great deal of dedication and self discipline to work through it.

A special awards ceremony was held at the Chamber's offices to honour the class of 2007.

Leon Nair of Pinetown Printers, top student with a pass mark of 96.5%, receives his certificate from Chamber president Pops Ramdhani.



The successful estimating class of 2007.

Chamber elects new president and exco

THE KZN Chamber held its Annual General Meeting on March 13, 2008, a meeting that saw a change in the presidency, with Pops Ramdhani of Pops Print and Stationers stepping down after two years at the helm.

In his address to the meeting, Pops thanked the Chamber executive and staff for their support during his tenure, and remarked that he was pleased to hand over the reins of office with the Chamber's affairs in such a positive position.

Kevin Moore-Boyle of Hirt & Carter takes over the reins as president, having served as vice president and a committee member for a number of years.

Vinesh Gokool (Atlas Printers), Craig Hardman (Mailbox Printshop) and Mike Boatwright (Paper Print) take on the positions of first, second and third vice presidents.



IDC entrepreneurs start their training

SPONSORED by the Industrial Development Corporation (IDC), five students have been selected to continue their training in entrepreneurial skills. This forms part of an IDC-sponsored training project for 40 students to receive basic training at the Cross Media Training Centre.

These students will receive training in managerial, sales, computer, supervisory, business writing and other skills necessary to develop an entrepreneur. They will also spend time at companies to learn the fundamentals of business.

Once they've completed their training, the IDC will assist with financing to set up their own businesses.

IDC-sponsored students graduate

In March, 40 IDC-sponsored students graduated from the Cross Media Training Centre after receiving initial training. They received their certificates from Lesé Matlhape, IDC's divisional executive: Human Capital and Support Services.

Established in 1940 to promote economic growth and industrial development in South Africa, the IDC is a self-financing Development Finance Institution (DFI), whose primary objectives are to contribute to the generation of balanced, sustainable economic growth in Africa, and economic empowerment of the South African population.

This is achieved by encouraging entrepreneurship by building competitive enterprises, based on sound business principles.

Speaking at the graduation ceremony, Lesé Matlhape encouraged students to use the skills learnt at the Cross Media Training Centre in order to overcome the many hurdles they'll encounter during their careers in the printing industry.

Students from around South Africa were selected using psychometric tests and have been trained in five trades – Electronic Origination, Litho Sheetfed Machine Minding, Rotary Machine Minding, Flexo Machine Minding and Screen Printing. Now that they have received their basic training, they're

ready to placed into apprenticeships at companies to complete their training.

Cross Media Training Centre MD, Nick Delport, believes the development of human capital starts at the centre. 'Implementation is the focus of training and it is with the assistance of the IDC that this can take place,' he commented at the graduation event.

'Cross Media has trained 10 000 students over 15 years. These people now have earning potential and are able to contribute to the economy of the country. This is also only possible thanks to the dedicated Cross Media staff, under the guidance of training director, Chris Mason,' Nick added.

He also thanked Moses Silinda, head of Media & Motion Pictures, Eric Mahamba-Sithole, head of learning and development, and Lucky Dladla, human capital consultant of the IDC.

'The Cross Media Training Centre is grateful and proud of this association with the IDC, without whose help these projects would not be possible,' Nick concluded.



Mr Lesé Matlhape, Divisional Executive Human Capital and Support Services IDC (Industrial Development Corporation) talking to the successful CMTC course graduates.



IDC Entrepreneurs start their training.

IDC Students and CMTC staff members at the recent IDC students Graduation.



Techno Chat

Increased due diligence required for pharmaceutical labels



Containers made from porous plastics may allow ink substances to migrate into the filled product. Therefore, when printing pharmaceutical labels for these types of containers, it is essential to use only low-migration inks, the same ones which are also used for food packaging. It is the printer's responsibility to ensure that he uses inks and varnishes which meet these requirements.

Every label printer should know that his printing ink must possess the required end-use requirements when printing labels for solvent containing or alkaline products. Otherwise a small splatter of the contents can render the label illegible. Similar due diligence must be observed when printing labels for pharmaceutical products. If labels are to be attached onto glass containers or secondary packaging, there is no risk of migration. However, this does not apply to phials or containers made of plastics. The risk of undesirable migration is relatively high, especially in the case of eye drops and similarly small containers. Small phials often have very thin walls. There have been several incidents where pharmaceutical firms have detected increased concentrations of printing ink components within their products. For this reason, before starting to print pharmaceutical labels, the printer must know what their intended use will be. If the label is attached to containers that have insufficient migration barriers, the printer absolutely must use low-migration UV inks and varnishes, as used in the food industry. For this purpose Siegwerk recommends for UV flexographic printing:

SICURA FLEX UV 39-9P SF for UV offset printing;
SICURA LM100

Erratum

Determination of Earnings Threshold - Basic Conditions of Employment Act 75/1997

Please note that in the last issue the notice regarding the Determination of Earnings Threshold refers to the Basic Conditions of Employment Act 75/1997.

From the 1 March 2008, all employees earning in excess of R149 736.00 (One hundred and forty nine thousand seven hundred and thirty six Rand) per annum are excluded from Sections 9,10,11,12,15,17(2), 18(3) of the Act.

FINANCIAL FITNESS

Business travel and input tax CLAIMING input tax (ie VAT) on business travel expenses can be tricky as there are many 'pot holes' along the road. Here are a few hazard warning signs:

Rule #1: The traveller must have spent at least one night away from his/her usual place of residence.

Rule #2: Air tickets for local travel can be claimed provided the airline issues a valid VAT invoice to the company. Foreign air tickets are zero rated and cannot be claimed.

Rule #3: Car rental costs cannot be claimed. This is because the rented vehicle is usually a passenger vehicle and SARS disallows claiming VAT on passenger vehicles, but strangely enough VAT charged on the insurance component of the rental may be claimed.

Rule #4: Accommodation costs may be claimed provided a valid VAT invoice is issued.

Rule #5: VAT on a meal may be claimed if the meal forms part of the accommodation cost, ie the traveller ate at the hotel or guest house.

If you're ever unsure as to whether or not you can claim the input, remember the general rule - **If you enjoy it, you cannot claim it!**

In the next issue: The Diesel Refund Scheme.

Do we need an industry wage survey?

IN the past PIFSA has undertaken wage surveys, compiling an average wage for various trades and positions in the industry based on data supplied by members, which many members found useful.

However, in the years prior to the termination of this survey, response dropped to less than 5% and meaningful averages were impossible to calculate.

PIFSA is prepared to undertake the survey again if there's sufficient interest from members. At least a 20% response from members is required.

Results will only be made available to participating members and all information supplied will be strictly confidential.

Survey results will contain at least trade or position, number of employees, and average wage. However, members may request the inclusion of other information fields, such as absenteeism, leave types or patterns, other costs to company, etc.

Members interested in participating in the survey should contact Louise Moralee (Lmoralee@pifsa.org) or Maria Silveiro (marias@pifsa.org).

PrintTALK



Admin staff for the printing industry

What makes the IBA programme successful?

THE IBA (Integrated Business Administrator) programme has recently completed another successful training course in Johannesburg. This programme is having a significant impact on the printing industry as more admin staff, particularly young estimators, are now entering the industry.

The next course will be in Cape Town from May 5 to June 6, with students available to start work from June 9.

According to PIFSA's president, Edmund Ronné, the IBA programme is 'ground-breaking', in helping to prepare admin staff for the industry. 'It's great that these students are being prepared for the front end of the industry – with a pool to select from. It's a pleasure being able to employ staff without paying the extreme premium of drawing from the industry. Cross Media Training Centre is playing a key role in upskilling new staff,' Edmund comments.

Student selection has been enhanced by using QuickEasy software.



The process starts with an advertisement in a local newspaper, with response often in excess of 400 applicants. An initial screening phase brings this number down to around 150 potential students who then spend a day discovering what the printing industry entails, and deciding if this is what they want to do.

Further screening determines their aptitude – for estimating in particular – and some 30 prospective students are then identified. From this group a final selection is made for the actual programme – normally about 15 students.

Once they've completed five weeks of full-time training, they're ready to start being productive in any printing company in a junior capacity.

The role of the sponsor company is to partner with the IBA and enable the student to grow and develop during 12 months' internship.

For those requiring new or additional admin staff, further information is available on the website www.ibaprogram.com; or contact Ross Bartholomew on 084 5575301.

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