

September 2008

“What does the Printing Industries of California do to add to the bottom-line of my company -- where it is needed the most?”

I often get this question when talking to fellow printers who, like me, struggle every day to meet the challenges of running a successful small business.

The answer I give is, we’re doing a lot . . . but we can still do more! And with your support, we WILL do a lot more to bring real financial benefits to each and every printer in California.

That’s our goal, and I believe what I say below will demonstrate how Printing Industries of California, our government affairs office, advances this goal. Let me give you an indication of what we’re doing now.

- We have the commitment of the Board of Equalization and California County Assessors Association to conduct a study to revise the equipment index factors on printing presses. Our goal is to shorten the book “life” of printing presses from 12 years to 10 years. This will accelerate the depreciation rate on presses (around 4 or 5 percent a year), and significantly reduce your annual personal property tax.
- There is interest in the legislature to repeal the sales tax exemptions for printed sales messages and newsletters and periodicals. This threat is real in light of the state’s \$17 billion budget deficit. The legislature is looking for money everywhere to reduce the deficit—and the millions of dollars in foregone revenue from these exemptions is an easy target.

But we can’t do this without your support – it’s critical to all of our success.

Your support of Printing Industries of California and PrintPAC of California (our political action committee) makes all this possible. Without our government affairs office, there are no sales tax exemptions or possible revision of the depreciation schedule on printing presses.

Our government affairs success has been accomplished on a shoe-string budget for political involvement—with campaign contributions of less than \$20,000 a year.

In 2007, the California printing industry consisted of 6,200 companies, employing 104,036 workers and generating \$16.3 billion in shipments. It is one of the most significant manufacturing sectors in the state.

Yet our industry doesn’t show the political clout it should because of the lack of support for our political action committee—PrintPAC of California.

Together, we can reverse this trend—and further increase our influence. I have enclosed a suggested minimum contribution of 15 percent of your annual association dues. If each one of us contributes his or her “fair share,” regardless of the suggested amount, the total adds up to a sizable investment.

I don't like asking for money, especially in these challenging times. However, our industry must be heard on the issues that are important to it. To do this, we have to participate in the public debate and openly take positions on those issues that affect our industry.

And that's why your immediate response is essential. This is an election year, and we must elect candidates to the state legislature who see the benefits in a vibrant, free market economy—an economy in which you and I can grow our companies and create decent jobs for our fellow Californians.

I'm asking you to make a personal commitment. I know this may be a lot to ask. And I know it may mean sacrifice on your part. However, if someone like you will not join our effort, I cannot conceive of achieving the immense opportunities open to our industry.

Today, more than ever, printers must join together to speak as one industry, with one voice, to be successful. That voice must be consistent, recognizable, and respected. Our association, through PrintPAC of California, is that voice.

In the coming months, our industry faces many legislative and regulatory challenges, on personal property tax, printing sales tax exemptions, paid sick leave, green chemistry initiative, and the increase in workers' compensation benefits (and thus rates).

Together we can make a difference in these and many other issues. Alone we have little chance.

Sincerely,

Chris Hamm, Chairman
PIA San Diego Board of Directors

P.S. Please make a donation to PrintPAC of California today. Everything we do depends on the financial support of industry members like you who understand the importance of our efforts. In addition, you will receive industry recognition for your support.