

# PRINT BUSINESS

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POTTS PRINTERS' SUCCESS IS DOWN TO

## TEAMWORK

'It's all about the people' 20

# Top of the POTTS



Keeping things simple and an ethos of teamwork and customers service is behind the extraordinary success of a north east printing company that has come a long way over the last century or so.

**M**ichael J Sandford-Couch likes to keep things simple. The chief executive of Potts Print (UK), the largest commercial printer in the north east, directs the business through a few simple rules, insisting that a team of ten directors are the people that really run the business. "I set the strategy," he says.

It is working. The business has experienced consistent growth to the point where it has three B1 presses inside a 100,000sq ft factory in Cramlington, just along the A1 north of Newcastle. When he joined his father in the business in 1985, turnover was £250,000. He was put in charge of sales until taking over as managing director nine years later. At that point, he says, he stepped away from sales completely. "I didn't have contact with a client for at least a year," he says. "Instead, a sales team was formed and empowered to fulfill that role."

**THAT ESSENTIAL STRATEGY** has not changed, even though the business is very different. "We do pretty much the same as we were doing then," he explains. "It is the scale that is different." Some of the customers have remained from those days, some even dating back to the 1960s.

The company moved from North Shields to the HQ in Cramlington in 2006, becoming the springboard for growth since. Now Potts Print (UK) is considering development of vacant land outside the chief executives's window where there is space for a 50,000sq ft expansion. The move followed on from "a poor year when we made a loss" says Sandford-Couch, and the company had to make some redundancies and was reorganised. Since then the business has resumed its growth, building on the momentum that the move provided. "And investment in a second and a third Roland has generated the energy," he adds.

**IT HAS ALSO GENERATED THE SALES.** Revenue in 2009 reached £9.6 million, climbed to £12.8 million and is estimated this year to be £14.5 million, though this might be exceeded. "We have done well from recession," Sandford-Couch adds, "We also

grew during the 1990s recession." The planning to emerge from the current slough is well under way.

Most of the competitors that were like 'old' Potts back in 1985 have now gone or have very low growth, which has allowed Potts Print (UK) to prosper, adding clients every year and attracting sales and production staff from across the region.

**THE COMPANY DERIVES 60%** of sales from the region from the Tweed to Teesside and across to Carlisle. It is by any measure a success story, with decisions now to be made to take the company to the next stage. At the end of last year the first signs of this preparation became clear with the launch of a new brand identity together with website and the strengthening of the board with five new appointments. A third six-colour Roland 700 was installed in the spring and now the builders are in adding to the office space.

While the equipment and the building provide the fixtures and fittings for growth, it is the people that provide it. Sandford-Couch continues: "I play a reasonable part. But this can't have been done without teamwork, especially in the last five years."

In 2006 the company bolstered the management team, appointing new directors and operational managers. As of the end of 2010 Potts Print (UK) is managed by a team of ten of each and these are the people that will drive the next phase of the development of the business.

**SHAUN JOHNSON IS MANAGING DIRECTOR** and runs the business day to day. He came to Potts as pressroom manager 11 years ago, became operations manager and then was offered the chance to be managing director five years ago. He has seized the opportunity.

HR director is Carla Reeves, who joined the business ten years ago as a receptionist and has risen on her own talents. She was one of five new directors appointed with the relaunch of Potts Print (UK) at the end of the year. Another was Ian White who heads a prepress department that outputs 6,000 Agfa plates a



month, offers soft and hard proofing, runs a design team for smaller customers and has packaging design and a cutting table, which Tony Mullarkey was recruited to operate.

Promotions since then have allowed Mullarkey to take overall responsibility for the logistics, purchasing and IT as operations director and Brian Watson as production director controls its presses and finishing equipment.

**THE FACTORY OPERATES ACROSS FOUR SECTORS**, it being one of the key tenets that “we want to be open to as many markets as possible” says Sanford Couch. “Many companies that have specialised have gone backwards and if you lose out, it’s hard to get it back.”

Public sector work covers government bodies and the NHS, producing work that is called off as needed. This calls on the substantial warehouse space that the company has across three buildings on the same estate. There is carton work for toiletries and FMCG sector and there is work for creative agencies and corporate clients. The fourth division is commercial work for a wide spread of small local business, Potts not being too proud to take a business card order.

In order to deliver this the company runs three Roland 700s (two five- and one six-colour), a six-colour CD74, two Speedmaster 52s and a Presstek 52AC on the main production floor. This is supported by folding and stitching, a die cutting platen, a carton gluer adapted to handle smaller format cartons that others cannot cope with, benches for handwork and on a recently installed mezzanine two Buhrs inserters for its venture into direct mail.

**IN A SEPARATE ROOM IT HAS SQUEEZED** a Xerox 4112 mono machine, Xerox 700 for colour and an Océ 6160 which White describes as a real workhorse. Prepress is all Agfa with what were the first violet Avalon platesetters in the UK, now have subsequently been upgraded to accommodate Agfa’s chemistry-free Azura TS plates. Workflow is an Apogee set up with linked



*Michael J Sandford-Couch (top) is chief executive of Potts Print (UK) and insists that he sets the strategy and the teams of directors and managers run the business. Above are the new directors appointed last year (Carla Reeves, HR director; Steph Tobin, finance director; Ian White, technical services director; Brian Watson, production director and Tony Mullarkey, operations director) and below the executive directors John Conway, Dan Tobin and Mark Devine. Managing director Shaun Johnson is not pictured.*





*The three Rolands ensure that Potts Print (UK) delivers across its four sectors: public sector, cartons, FMCG and commercial work for agencies.*

to stand for inefficiency in any guise. Potts Print (UK) has a full sweep of ISO standards and is prepared for ISO 27001 should a customer request this as the direct mail unit grows. Perhaps the most important of these is ISO14001 as elimination of waste is a key measure of inefficiency. It has slashed waste to landfill from 25-30 tonnes a month to around 300kg a month thanks to segregation of waste streams, some of which become revenue earners. "We have an environmental team drawn from across the company," says Mullarkey.

"We run vegetable inks from Stehlin Hostag and supplied by Inkland, run water varnishes and chemistry-free plates. As we are a major supplier to several high profile companies we have to provide figures to demonstrate how much waste we are generating. One sets a target of 85% sheet usage for their packaging, which means that we will drop a business card into the area of a

Esko Artwork system for the carton work. Connecting everything is a Tharstern MIS.

The extensive production firepower and IT set up is directed towards sales and customer needs. The MIS generates daily sales reports, emailed around the business. Targets and actuals are displayed on a 42 inch screen for the teams to monitor themselves and the importance of sales and customers is carried through to the production areas where staff are encouraged to recognise the impact that they can have on a customer and are empowered to act on this. The culture sets out to make everybody a part of the success of the business, encouraging staff to think of themselves of owner-managers of what they do. "We want everyone to know that they can make a difference," says Shaun Johnson. "Our staff help us to generate production flexibility, which maintains our customer service levels. We like to service customers to death.

**"YOU WILL ALWAYS REMEMBER THE RESTAURANT** where you had bad service regardless of the food. For us it's about making sure that every customer gets looked after properly and that we don't miss an opportunity, that we bring consistency to everything we do alongside the quality of product."

The IT support team has written code to link the MIS to customer websites for calling off stock and there is also a direct connection to one retail customer where Potts Print (UK) is in effect its call centre for a network of 500 stores. With around 1,000 jobs in the system and in progress at any one time, the company has for now retained a card based planning system giving two weeks' production to view. "We have started to use digital production planning with the direct mail business and will also introduce it to digital printing," says Mullarkey.

**THE DIRECT MAIL DIVISION IS LOCATED** on the mezzanine floor, while hand finishing is on the main production floor. It makes sense when Watson points out that moving small jobs up and down the levels would be hugely inefficient. He is not one

window patch where we need to."

Retail customers are equally demanding on colour. White says Potts is working towards ISO 12647-2 and the procedures from prepress to press are in place. "Some packaging customers want a delta\*1.5, and you need controls to achieve this. We generally run to delta\*3 where the ISO standard requires delta\*5."

**JOBS CAN BE ON PRESS FOR JUST A FEW** hundred sheets to 80 hours running time. Color Pilot is used to match the colour standard and maintain consistency. For maintenance, there is Manroland's Telepresence. The normal operating week is 24 hours from Sunday night until Friday, leaving Saturday for any overtime that may be necessary. It adds up to an awful lot of firepower that needs to be sold, but the investment follows demand, hence the third Roland 700 came after Potts Print (UK) was putting work out to the trade. Consequently it was filled with work almost immediately.

"This year has been an investment year," says Watson, pointing to the new Roland. "But even though last year wasn't we still spent £1 million."

Most went on equipping the smaller print end, digital and B3 litho where the company bought the first Presstek 52DI-AC in the UK. "We love this machine. It can print a range of screen types, quality is fantastic. The area is a sort of mini print shop." And it seems sure to grow with the addition of extra digital presses.

**THE B3 PRESSES ARE ALSO THE FIRST** stepping stone up the company. Trainees start on these presses before moving to the B2 Speedmaster and then to the B1 machines. "Everyone is given a chance," he says.

'Everyone' includes recruits from just about every print company around the north east as the business has expanded, most recently recruiting for the direct mail division.

Now Potts Print (UK) is looking to bring in apprentices and has been working with the BPIF on starting the Potts Training

and Skills Academy to manage training throughout the business. It has built links to schools in the area including at Prudhoe where the secondary school has graphic design as a core subject and the nearby Cramlington Learning Village. The idea is to stage an Apprentice style competition with the winner being taken on.

However, there is some caution to recruiting today's youth after some poor experiences in the past. Any youngsters will have to work for six months before being given the treasured apprenticeship place. This is to prove that a proper work ethic is present. On joining, the trainee will receive a corporate presentation pack to take home to show to his or her family. "We are trying to sell the business to their parents to get their commitment as well," says Johnson. "Internally we have trained mentors who will get involved as a single point of contact for each apprentice and HR will monitor progress.

**"WE ARE LOOKING TO DESIGN A BESPOKE** training module for everybody, and reckon that the fastest should be able to progress in two years, the slowest in three. We want everything to be special to Potts Print (UK)."

The company is aiming to take on three or four apprentices a year. "We are not going to let this go," Johnson adds. "We want to take people in and show that there's a career out there." The evidence speaks for itself: the HR director joined as 19-year-old receptionist; one of the external sales guys joined client services at 16, and the other internal promotions underline this.

A recent recruit is Laurie Cansfield. He had been working for a local internet company on a freelance basis and applied to join the company. A couple of interviews later, he was offered the chance to take Potts Print (UK) into social media and drive the development of its website. Social media is already bringing in work says Sandford-Couch, justifying what was an instinctive move. The revamped website is almost ready, so too are three new offices that are key to the next stage of development.

Each will be occupied by a sales and marketing team aimed at each of the core sectors Potts Print (UK) operates in. Previously

the company has worked through a single external sales team backed by internal account handlers. "Now we will have four companies operating under Potts Print (UK)," says Sandford-Couch. "Diversification like this is part of the preparation for the recovery." It also creates four businesses with sales of around £5 million each and sales people motivated to grow what is their company. "These will be smaller more dynamic companies that can grow into a bigger company," Sandford-Couch explains. Further sales staff will be needed and brought in later this summer. "Creative agencies tend to be early to benefit from any upswing and we want to be ready for that," he continues.

There is even room to grow the smaller commercial print opportunity, especially as digital becomes stronger. And few printers serving local businesses can call on the equipment firepower that Potts Print (UK) has.

If things move forward as Sandford-Couch anticipates, Potts Print (UK) will be looking even more closely at the expanse of empty land behind the office. "We always have a strategy for growth and are prepared to review that regularly," he says. "Bigger has always been much better for Potts. We are better as a big company than a small one."

The creation of the Training and Skills Academy fits neatly with the growth plan, and will help develop a Potts culture across a workforce that has been gathered from all points of the north east. The rebranding exercise has helped this, so too the revitalisation of the company newsletter.

**AT HEART THOUGH THE BUSINESS IS** still much the same as that when he took over from his father. It is still about managing the cash, "aiming to make a profit at the end of the year, investing the most appropriate technology, partnering with customers to share their pain and hope they will be loyal to us, and having a secure and motivated workforce.

"These basics always stay in place. And at the end of the day when we take a decision, we always ask: Is this GFP? Is this good for Potts?" ■



*Technical services director Ian White describes the Océ 6160 as a real workhorse. It is part of the extensive production firepower that is directed towards sales and customer needs.*

