

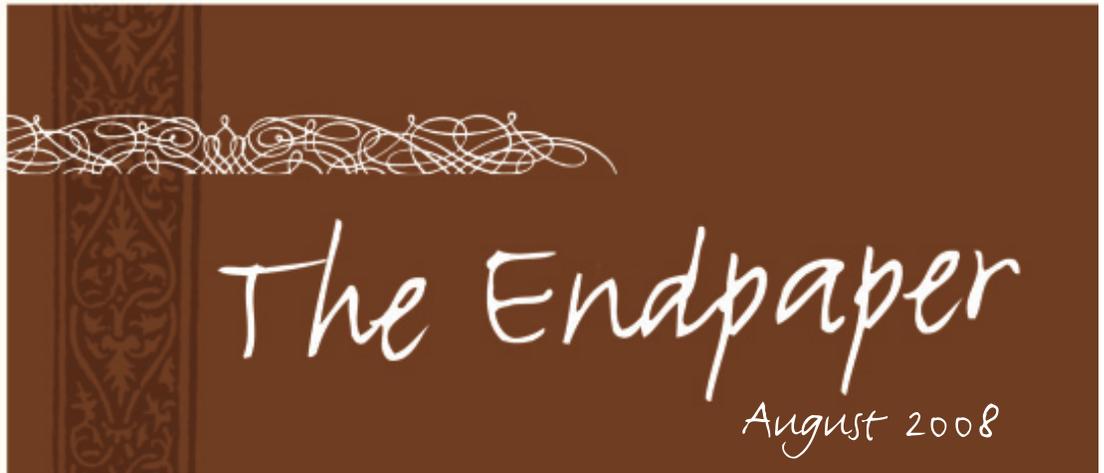


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LIBRARY BINDING INSTITUTE

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A Newsletter from the Library Binding Institute

HBI and the Library Binding Institute 2008 Fall Conference and Seminar

September 25 – 28, Pasadena, CA

Early Registration Deadline: September 5, 2008 (Postmarked or Faxed)

Hotel Cut-Off Date: September 7, 2008

Industry Experts To Share Expertise and Facilitate Discussion During This Annual Event



William C. Lamparter

William C. Lamparter, President and Principal of the PrintCom Consulting Group, has been added to the Fall Conference and Digital Print/Binding Opportunities Seminar program, September 25 – 28, in Pasadena. Lamparter is recognized worldwide as a printing and publishing industry analyst and consultant with a reputation as a practical futurist and a track record of correct early identification of technical and

market trends. He is known as an authority on new emerging processes including current developments in variable imaging digital printing, computer-to-plate technology, computer integrated manufacturing, and the competitive alternative electronic media. Lamparter will be sharing his insights at the conclusion of the seminar on Sunday, September 28, in conjunction with Werner Rebsamen, seminar facilitator, and HBI/LBI technical consultant. Read his January 1, 2008 article, "Digital Printing Observations — The Technology Race Is On" which can be found at <http://www.piworld.com/story/story.bsp?var=story&sid=85988>.

In addition to industry suppliers who will share their take on trends and market conditions, the following speakers are featured:

Werner Rebsamen, *Professor Emeritus, Rochester Institute of Technology*, "Introduction to Binding Structures"

Dimitrios Delis, *PMA*, "The Photo Books Market: Demand Trends, Segments, Pricing, Distribution Channels, Future Opportunities and Challenges"

Bill Upton, *Malloy, Inc.*, and **Michael Healy**, *Book Industry Study Group (BISG)* - "A Sustainable Future Dialogue: BISG/GPI Environmental Trends Report"

Mike Limbach, *Proven Direct*, "Photo Book Manufacturing - Markets & Infrastructure"

David Taylor, *Lightning Source Inc.*, "Driving Innovative Supply Chains for the Book Trade"

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Also in this issue _____

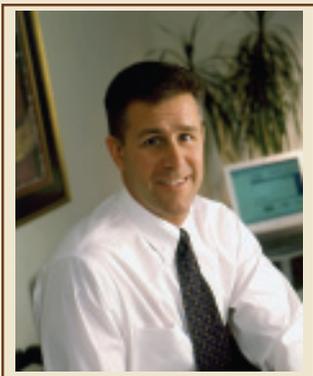
- HBI New Member Profile - Mike Limbach, Proven Direct
- Technical Director's Report - E-Books and Library Binding
- Executive Director's Report
- Something to Think About

Blake Silber, *Bridge Publications*, "The Nuts and Bolts of Digital Printing and Book Production"

New, this year, are table topics scheduled for Sunday, September 28, which will allow participants to gather in small groups to talk about specific topics with a facilitator. These topics include: Binding Structures and Materials, Photo Books, Print on Demand, The Book Industry and the Environment, Digital

Production Optimization, Library Binding Toolkit/Other Library Binding Issues.

Make plans now to attend! The early registration deadline is September 5 and the hotel cutoff date is September 7. For a registration form and more information go to www.hardcoverbinders.org or contact the office of HBI and the Library Binding Institute at 561-745-6821.



HBI New Member Profile - Mike Limbach

Tell us about Proven Direct. How long you have been in business and where is your primary focus?

Proven Direct was founded in 1997 as a provider of mailing lists and mailing related services and the original name was Postal Solutions.

In 2002 we developed a plan for Postal Solutions to offer an expanded menu of services. The goal was to provide clients with the ability to customize and personalize their direct marketing campaigns with relevant direct marketing messages specific to individual prospect and client needs. To support this initiative, we added state-of-the-art digital imaging equipment, developed web-to-print service capabilities and enhanced our data management platform. Combined with our distribution expertise, we offered all of the tools necessary to provide clients with successful direct marketing programs. To complete the repositioning of Postal Solutions from a mailing services provider to a *complete* marketing solutions provider, we changed the name of the organization to Proven Direct in January of 2003.

In February of 2006 we launched the photo products portion of the business. Our focus for this part of the business is to provide outsourced photo product manufacturing to folks with Internet facing user interfaces. In 2008 this portion of our business will represent around 25% of revenue. We expect that to grow to 35% in 2009.

Why did you join HBI and how do you think this will help Proven Direct?

Being relatively new to the book manufacturing business, we want to make sure we learn and implement best practices in our manufacturing process. What better way to develop best practices than to learn from the folks who have been doing

book binding for many years. Given that the photo book market is a new and emerging market, there are many entrants with very little manufacturing experience and therefore poor quality output. We want to make sure our books are manufactured to a high quality level. In addition, the binding aspect of making books represents about 35-40 percent of the total cost of photo book manufacturing, so we want to make sure we're doing everything we can to develop the most appropriate supplier network. Again, HBI puts us in touch with the folks who have been supplying this industry for years.

Where do you see things heading in the next 3 - 5 years for your company and/or the industry?

We expect the growth of photo products industry to drive Proven Direct's growth over the next 3-5 years. Looking ahead to 2009 we expect our photo products revenue to double.

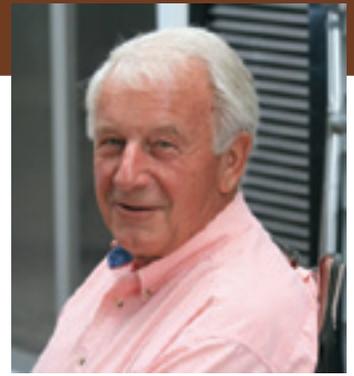
The industry will reward companies who lead with innovation. By innovation, I'm talking about continuous development of new product formats including binding techniques and variations.

What helps you to stay current on industry trends and/or ahead of the curve?

- Develop a deep understanding of who is participating in this industry and in what capacity.
- Join industry organizations like HBI/LBI, PMA etc.
- Tap vendors to the industry for information
- Attend as many industry events as possible
- Subscribe to as many industry publications as you can find both online and offline

What do you like to do for fun outside of the office?

With the Brewers in the pennant race for the first time since 1982, I find myself primarily watching the games, eating pizza and drinking beer.



E-Books and Library Binding

There has been much news lately about e-books. Amazon's Kindle is generating waves. *Should we worry about our book business?* During a LBI convention in the late nineties, I recall Dr. Jan Swartjies of Kappa board expressing his worry that there would soon be no more hardcover bindings, sharply reducing his sales of boards. I relaxed him with statistics and reassured him that e-books would always be a novelty. *Wouldn't you agree that is the case so far?* Well, a few weeks ago I was asked by the editor of *Bindereport*, a major German magazine for all tasks of print-finishing and bookbinding, to write a short segment on the trends of e-books. In my research for the article, I discovered many statistics that were both confusing

and contradictory; leading me to wonder what was true. In the August issue of *Book Business*, editor-in-chief, Noelle Skodzinski had a very upbeat editorial on the Book Markets. According to the Book Industry Study Group, publisher's sales are listed at \$37 billion. A few lines down, e-book sales are listed at \$67 million. *Now figure that as a percentage!* AAP lists total overall book sales at \$25.1 billion and first quarter 2008 sales of e-books at \$8.2 million. While one article quoted Amazon's Jeff Bezos saying that Kindle sales amount to 12 percent of all Amazon books sold, *Time* magazine investigated and found him saying 6 percent just a few months ago. Some analysts estimate Kindle sales at around \$55,000 a month.

Others say no more than \$5,000 to \$10,000. *So much for statistics on the sale of e-books.* Michael Healy of BISG will likely be able to share his thoughts on this topic during our upcoming meeting in California. *Don't miss it!*

Our neighbor purchased a Kindle e-book from Amazon and let me analyze it. With regard to technology, it is simply a remarkable achievement. Reading is fun—no strain on your eyes; the book is comfortable to hold; and best of all, Kathy's e-book has a genuine leather cover. The "book" is only 11/16 of an inch (18mm) thick. There are so many built-in features it would take a lengthy article to describe them all. The screen is somewhat small, but by the end of this year Amazon will introduce a larger, 8 1/2" x 11" version and color pages. Our neighbors enjoy frequent travel and like having the ability to download a book wherever wireless phone services are available. So far, Kathy has purchased 10 books at \$10 each. Sample pages are available free of charge. The Kindle e-book was purchased for \$349; one would need to purchase at least 25 books to make it pay for itself. The e-book will alert you when it is time to recharge the battery, and replacement batteries are \$20. *Will e-books replace our conventional books?* My answer to that is

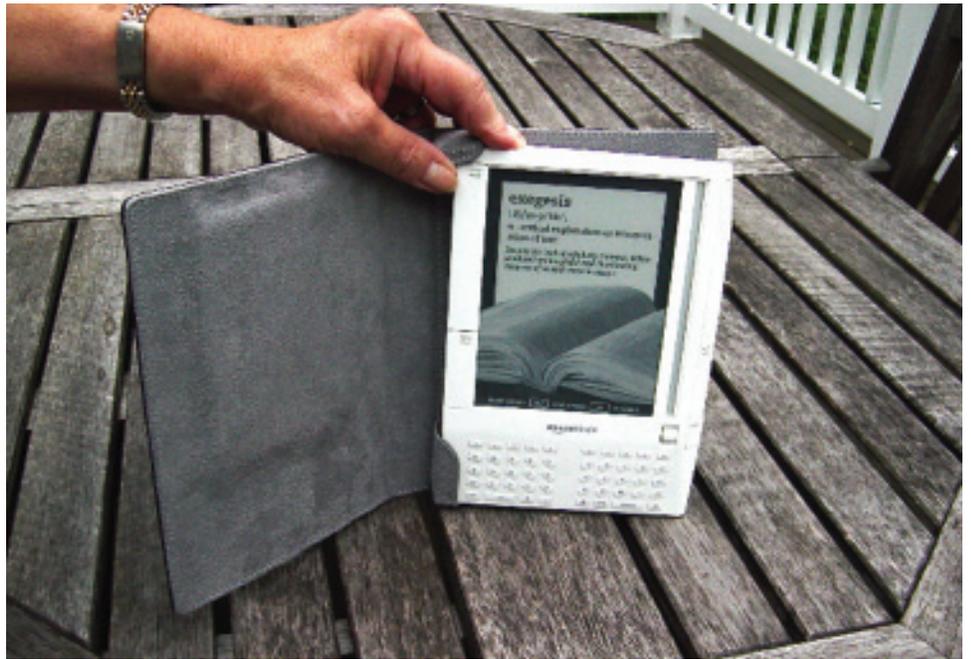


Kathy Woodring enjoys her e-book, especially when traveling.

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no. As I mentioned earlier, they will continue to be a novelty, and while sales have grown, the overall statistics tell the story. Publishers of e-book people publish articles boasting market share growth of 100 percent in just one year. *But is market share growth from .2 to .4 really a big deal?*

Will the e-book affect a library binders business? Yes, but the e-books aren't the only culprit. The Internet shares the blame for statistics that report that magazine sales are down 8 percent and newspapers are down a full 10 percent. Those statistics are wrong, according to Bill Lamparter, a Graphic Arts consultant whose company is conducting various marketing studies. Bill has said that while those figures may be true for all the large magazines, there are, in part thanks to the Internet, many new and specialized magazines coming onto the market. I believe the same could be said about books, which we now print and bind on-

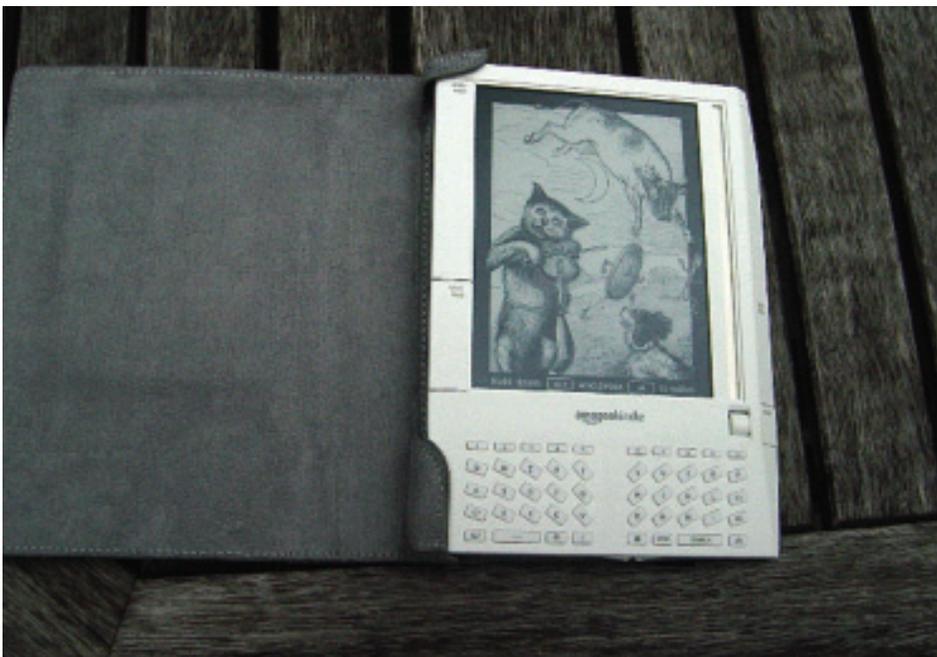


You can download 200 titles into one e-book

demand. In 2007, the United States produced 276,000 new titles—an all-time record. Technology has played a role in this record, as computers have allowed us to produce many more keepsakes. But times are changing fast and we must adapt. In October 2003, we visited the Utah Bookbinding Company, where Mark Hancock had just relocated his bindery

into a beautiful, spacious, all new facility, complete with a HP digital printer. When I congratulated Mark on his new investment and told him that soon the majority of his business would be generated from this digital printer, he looked at me in disbelief. In the most recent issue of *ShelfLife*, Mark said "Where library binding was once 95% of our business, it now represents only a third as other markets have grown!" As I have said many time over the last two decades, library binders need to adapt. They possess unusual skills and have unusual equipment to bind one book at a time. Library binders were ready for such tasks long before anybody else. Look how easy it was for Mark and others to get into the on-demand and photo book business. Now how about marketing a personalized genuine leather cover for e-books? People love to see their names in gold!

Werner Rebsamen is Professor Emeritus at the Rochester Institute of Technology and the technical consultant to HBI and the Library Binding Institute. He can be reached at wtrebs@metrocast.net.



Illustrations will soon be available in full color.

Executive Director's Report

by Debra S. Nolan, CAE



One small line on the cover of the August 2008 issue of *Associations Now* magazine caught my attention. Usually, I don't take the time to glance at the publication when I first receive it, so that later I can fully absorb the rich content during an airport layover or coast to coast flight. This tiny text, however, jumped right off the page. In fact, I had to re-focus and re-read the words a few times. The tag line read, "Why strategic planning stinks". *Huh?*

I've been through my fair share of strategic planning processes and can honestly say they all made a difference – some more than others. Whether at an inspired golf resort setting, downtown convention hotel, or association office boardroom, the exercise of strategic planning is a great way to engage the board and membership about the state of the association as it relates to current and future industry issues. The importance of dialogue in this regard should not be underestimated.

How the "plan" gets laid out varies. Typically there are tactics with measurable objectives, deadlines, and assigned responsibility, all neatly choreographed in some form or another - a flow chart, concentric circles, or Venn diagram, perhaps. It can take days, weeks, or months for the whole process to unfold. The critical component of a plan's success, in my experience, is how it is applied after everyone goes home and moves onto other things.

A successful plan is woven into the very fabric of an organization's body of work, including the budget, for a designated period of time. There are benchmarks to pay attention to and checkpoints at which "how we are doing" is measured. A critical component to a successful plan is its flexibility so that if, six months from now, the environment changes and that great idea is no longer going to work, there are mechanisms in place to reevaluate and fine-tune the plan's course.

In his article, "The Perils of Strategic Planning" (*Associations Now*, August 2008), James F. Hollan, CAE, remarks, "In a word, strategic planning stinks. Oh, it might do some good for some people, but all in all, the idea should be scrapped in favor of business practices that embrace flexibility." Hollan's argument is that if the strategic exercise is process heavy, with little to no flexibility, it can be a big waste of time and money. He encourages readers to examine their planning processes which "should emphasize informal learning and personal vision." I couldn't agree more.

During the upcoming HBI/LBI fall conference and seminar, discussions will take place with regard to infrastructure, external communications, and a proposed recertification process. The latter issue will be addressed during the annual membership meeting, and following the fall conference, certified library binders will be voting by mail on this very important topic. More information on this will be distributed prior to, during, and following the fall conference.

In order to remain relevant, one has to stay ahead of the curve. This is especially true for associations whose very reason for existence is to provide members with industry intelligence, professional development opportunities, and a place to help shape the future of the profession or industry. Now more than ever, associations are strategically restructuring internally and externally so as to maximize their effectiveness. Fluidity, nimbleness, and collaboration are key as is thinking beyond the way things have always been done.

I look forward to engaging with you during the fall conference and seminar in Pasadena. The relevance of this association depends on your participation and vision. See you soon!

Something to Think About

"In other words, you can drive many nails with many shoes, convincing yourself that the shoe is the very best way to drive a nail. You might even slap yourself on the back when you discover that loafers work much better than high heels. In some ways, it actually makes sense, up until the time someone introduces you to the hammer." – James F. Hollan, CAE, "The Perils of Strategic Planning", *Associations Now*, August 2008.