

PRINTWEAR

Making Pre-Prints Profitable!

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Managing your pre-print line

Of Pre-Prints and Profits

Marketing a thriving pre-print line—in addition to servicing the custom corporate market—we at The Image Network (like many of you) have the advantage of being able to source and mark-up blank goods in addition to charging for the embellishment with its own profit margin. The notion that a profit margin may be attached to both the garment and the embellishment is . . . well, quite profitable.



Tony Pepitone has held technical and production-management positions in some of the country's top shops. He is currently plant manager for The Image Network of Charleston (S.C.)—a preprint, custom and contract screen-print and embroidery facility—and has been behind the scenes of some very successful pre-print lines including Resortworks, Our Daily Planet, Harlequin Nature Graphics, and his current company's Gravity Graphics line.

It is understood in most sectors of our industry that the stronger business is the one that delivers a finished package to the market rather than operating as simply an embellishment service company. We feel we are safer and more profitable overall by targeting both the pre-print and corporate marketing possibilities. After all, with each pass of a squeegee our presses can generate a \$6-\$9 average billable, versus 45 cents a hit (or less) for contract work.

So, are we ready to sell the business and retire? Hardly. We're having too much fun! And the fact is, although pre-prints and corpo-

rate packages carry much higher margins in *theory*, there are other factors that figure into this approach that make them more labor intensive and technically expensive to produce. In addition, there are stock and credit issues that must be taken into consideration.

We recently decided to take an outward look at our pre-print line and bring in a fresh perspective that relied upon *fact-based* analysis. By getting to the root of our true costs we were able to make adjustments in the way we developed and sold our products in order to increase our bottom line. Accordingly, in this installment of "Printer's Perspective" we're going to explore these and other issues, and discuss how to develop and maintain not just a pre-print line, but a *profitable* pre-print line. In the process, we'll take a look at a new line my company recently developed that is not only dynamic but was engineered for *maximum* profitability.

The meaning of the word

First let us divide "pre-prints" into two categories. The original pre-print lines were, as the term implies, *pre-printed*, in bulk. Once the goods were embellished, these SKUs (stock-keeping units) were pulled to order, name-dropped (via manual presses) when necessary, and shipped, usually within a very short time frame. Some pre-print lines are still produced in this fashion. Other lines are printed to order.

Which is best? There are advantages and disadvantages to both methods, depending on the strength of the designs and styles, the nature of your company, and how well the market receives your line.

Obviously pre-printing goods can be risky business and requires ample cash flow. Designs that do not perform well will not be reordered, and the manufacturer can be stuck with dead-end merchandise that cannot be converted to better-selling designs. On the plus side, running the designs in large batches decreases production labor costs significantly, and screen costs are minimized as well.

If a pre-print line consists of a small number of strong designs, printed on a restricted body palette of, say, one or two garment colors, then the risk is lessened and the margins may be increased. That is, of course, assuming the product moves off the shelf at an acceptable



The author's Cavanaugh Collection features the work of local artist Deborah Cavanaugh. For maximum efficiency, he chose to render all its designs in standard fashion—straight four-color process (no spot colors) on white (no underbase).