



Challenges facing the industry in South Africa and our new value proposition for members

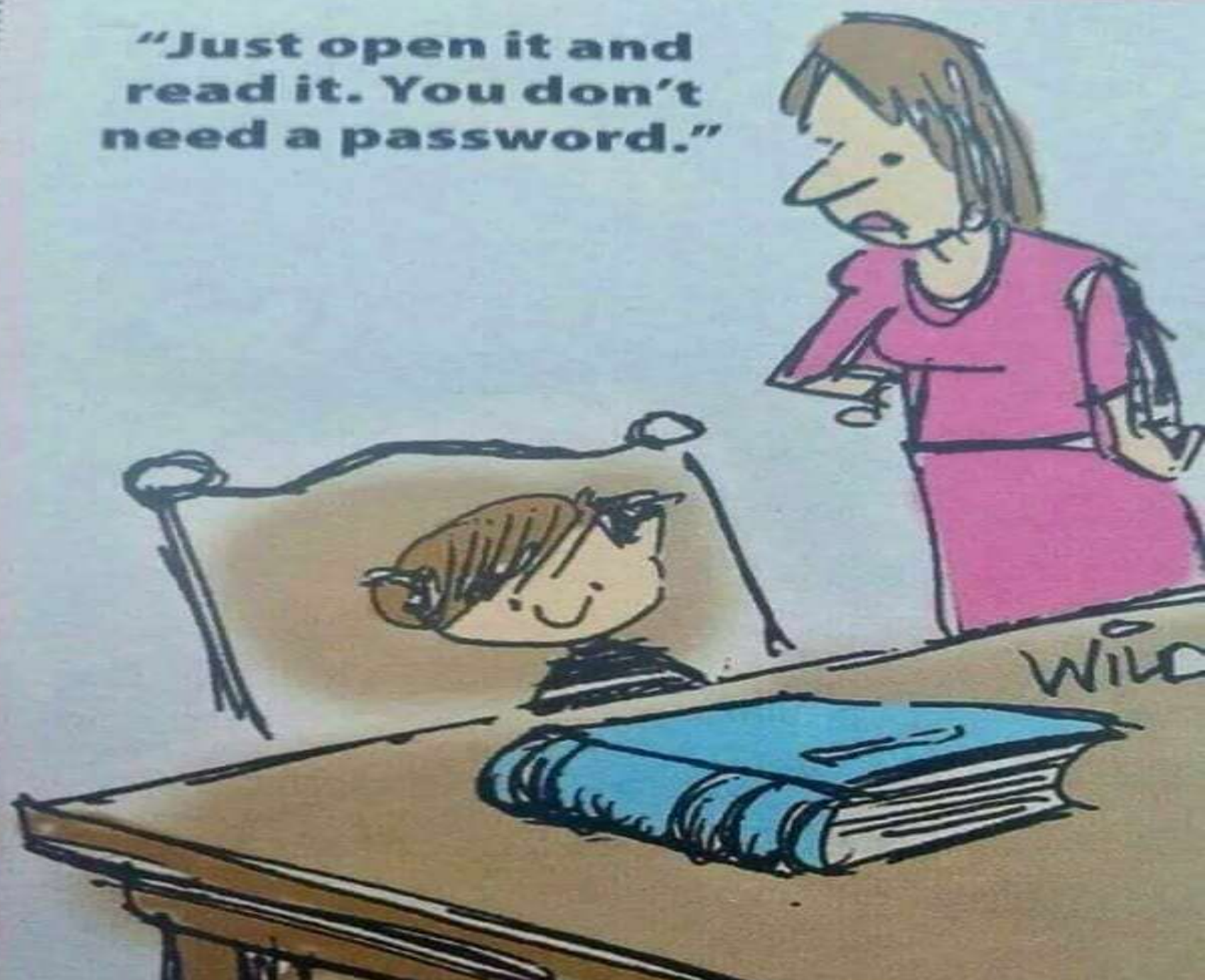
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8 January 2020



FEDERATION OF PRINTING & PACKAGING

**"Just open it and
read it. You don't
need a password."**





YOUR
MOTHER AND
I THINK YOU
SHOULD GET
SOME FRESH
AIR AND
EXERCISE

SEND
ME THE
LINK

OH, COME ON! THE
STICK IS RIGHT
THERE!



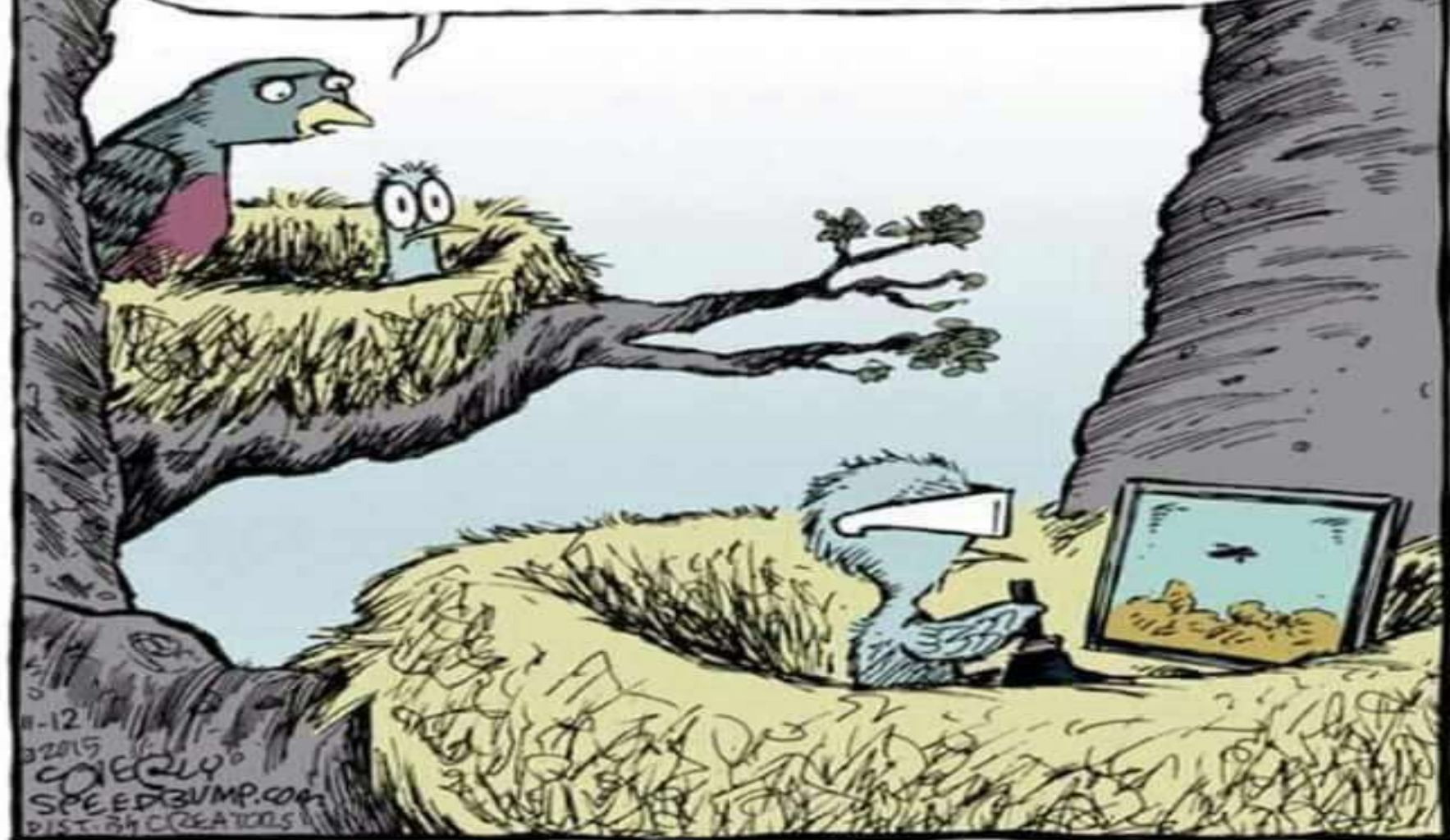


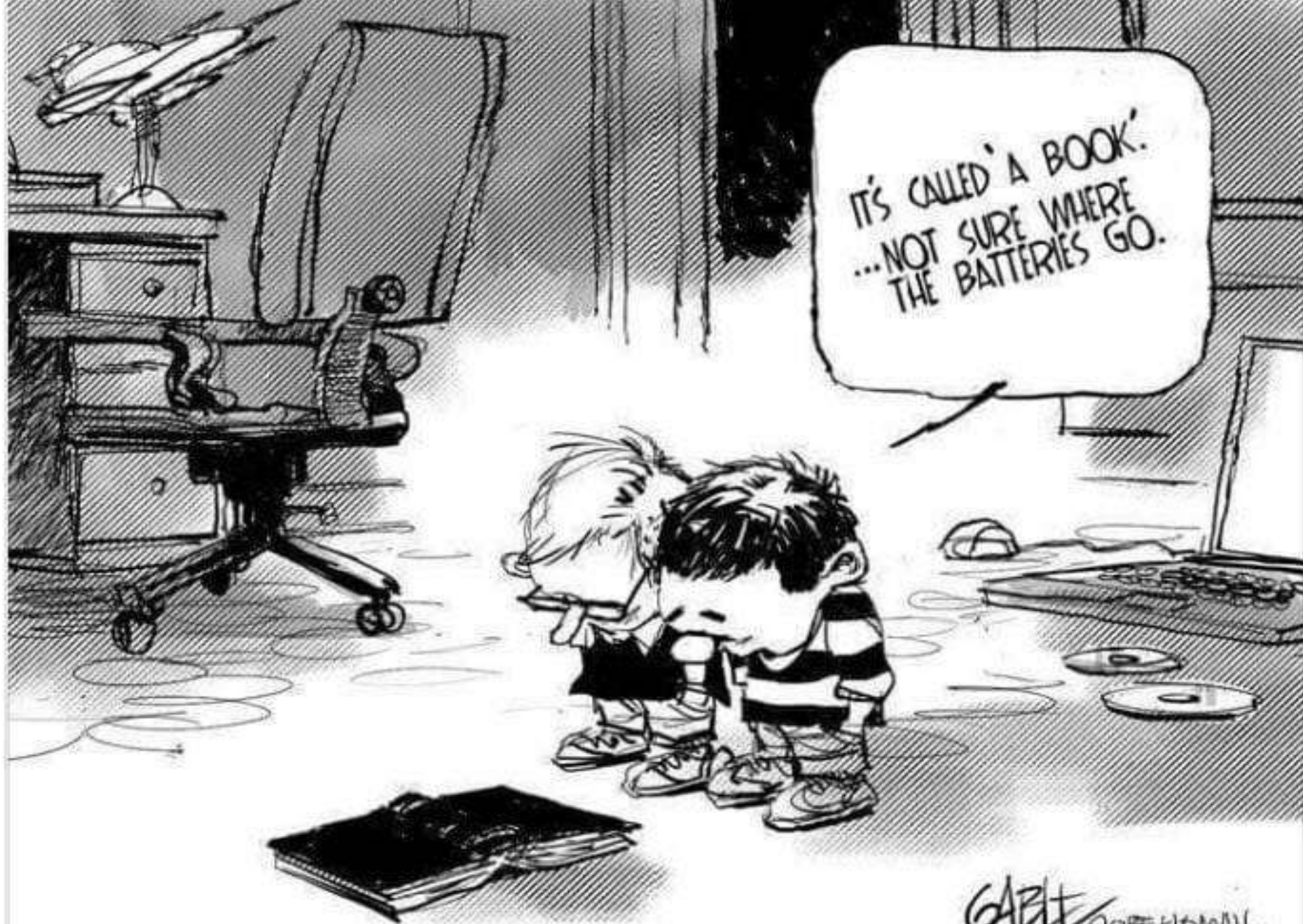
"No joystick? No mouse? No keyboard?
How do you turn the pages?"



"The chef is just making your cheesecake now, sir."

I DON'T CARE IF YOUR FRIEND HAS
A FLIGHT SIMULATOR. YOU'RE GOING
TO LEARN TO FLY ON YOUR OWN.





GABRIEL GLOBE110MAIL



How much is printing contributing to SA's economy (2018 statistics)

- Estimated no. of printing and packaging companies in SA is about **1200**, of which **345** are members of **Printing SA**
- About **700 companies** are suppliers to the trade and provide pre-press and post-press services
- Industry employs around **45,000**; and indirect employment possibly **60,000**.



How much is printing contributing to SA's economy (2018 statistics)

- SA has a population of **50m**
- Turnover including packaging is estimated to be **60 billion ZAR (4.2b USD)**
- Contribution to GDP – about **2 %**
- Of the 126 trades in South Africa, 33 are in printing and packaging

Background to Printing SA or PIFSA

- Has been operational for just over 107 years in South Africa
- Also known as Print Industries Federation of South Africa (PIFSA)
- Headquartered in Johannesburg, with two regional offices in Durban and Cape Town
- Employs 22 persons on full time basis
- Is **the sole** industry representative body for printing. Also represents some signage and packaging companies
- Represents member companies at government level, negotiating tariffs and duties applicable



Key challenges

Impact of 4IR

Disruptive technologies

Cost of upgrading is prohibitive

Infrastructural and regulatory challenges – Load shedding; Cost of doing business in SA (Labour costs high); Opening new enterprises (government red tape)

Negative impact on job creation

Job losses – industry under strain (2019 – about 30 companies have closed)

Skills shortages



Key challenges

Cheaper imports – both raw materials and finished goods – BRICS (Brazil, Russia, India, China, South Africa), AcFTA (African Continental Free Trade Agreement) – to facilitate free flow of goods and services among African countries

Downsizing of 2 large paper mills in SA - SAPPI and Mondi, 16 factories previously, now down to 5

Sustainability, recycling

New needs - Customers now require smaller runs, one stop shop offerings. Business diversification and customisation. More demand for digital



Our value proposition

Our members have not seen value added contribution made by Printing SA – Have completed research and now revising the model

Traditional model – per company, full members, associate members, pay per skilled and unskilled member

New model

36 offerings based on researched findings

3 sizes of companies:

S (1-50) 70%, M (51-100) 10%, L (101+) 20%

2 tier of offerings: Cyan and Magenta



Our value proposition – 7 focus areas and 35 key offerings

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3	1. Labour Relations
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6	2. Human Resources Management
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10	3. Commercial, Technical and Legal Services
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17	4. Health & Safety
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20	5. Communication
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24	6. Ancillary Membership Benefits
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30	7. Training and Development
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32	
33	

Our value proposition - 35 key offerings

			C	M
1	Labour Relations	Advice on various labour related Acts (BCEA, LRA, EE, UIF)		😊
2		Secretarial service for the Printing Employers Association of South Africa (PEASA) and Independent Packaging Employers Association of South Africa (IPEASA)	😊	😊
3		Representation at the Industry's Statutory Council for the Printing Newspaper and Packaging Industry	😊	😊
4		Serving on and representing the interests of employers on the board of Trustees for the SA Typographical Union Retirement Funds	😊	😊

Our value proposition - 35 key offerings

5	Human Resources Management	Contracts of employment		😊
6		Telephonic advice on Human Resources matters		😊
7		Ad Hoc Industry wage surveys	😊	😊

Our value proposition - 35 key offerings

8	Commercial, Technical and Legal Services	Government Lobbying; custodian of the Imprint Act; update on changes to existing and implementation of new legislation relevant to the industry	😊	😊
9		Representation at Local and National Chambers of Commerce and Industry; Industry representation at Business Unity South Africa (BUSA) on environmental issues; representation at SACCI (South African Chamber of Commerce and Industry)	😊	😊
10		Representation to ITAC in opposition to duty applications made on raw materials for the Industry; Protocol of Trades	😊	😊

Our value proposition - 35 key offerings


11	Commercial, Technical and Legal Services	POPI Act - support service for compliance		😊
12		Business Support Help Line		😊
13		Industry Agreement of Trade (Credit Application Form)		😊
14		Resources: FESPA/Packaging/GAP		😊
15		Book Development Council of South Africa	😊	😊
16		International and National Trade Exhibitions	😊	😊

Our value proposition - 35 key offerings

17	Health & Safety	Advice on the interpretation of health and safety legislation and regulations		😊
18	Communication	General access and members only access to the Printing SA website	😊	😊
19		Access to BMI Industry research and development data/FESPA surveys/specialist articles and FAQ's		😊
20		Communication: Quarterly Chamber Newsletters; Industry related issues	😊	😊



Our value proposition - 35 key offerings

21	Communication	Find a Printer: Website access to find a Printing SA member by product type and geographic location	
22		Discounted access to International Trade Fairs/exhibitions	
23		Careers in Print and Packaging Exhibitions/Workshops (Schools and community organisations); Job Portal on Website	

Our value proposition - 35 key offerings

24	Ancillary Membership Benefits	Membership Certification	😊	😊
25		Pledge certificate, after accreditation processes has been gone through	😊	😊
26		Member Forums where topical subjects are addressed e.g. Cyber Security/Lean Manufacturing/ Technical/HR	😊	😊

Our value proposition - 35 key offerings

27	Training and Development	Continuous improvement and development of the Technical and Theoretical Modules for apprenticeship training	😊	😊
28		Development of new QCTO Qualifications for Printing, Packaging and Signage Occupations and Trades	😊	😊
29		Development of Trade Tests and Artisan Recognition of Prior Learning Toolkits (ARPL) for new QCTO qualifications	😊	😊

Our value proposition - 35 key offerings

30	Training and Development	Development of Occupational Learning Programmes for the new QCTO Occupational Qualifications	😊	😊
31		Gaining QCTO Accreditation for the new Learning Programmes	😊	😊
32		Representation of the Industry at the QCTO; Representation of the Industry on the National Artisan Development Advisory Body (NADAB); Representation on the National Artisan Moderation Forum (NAMF) and Moderation Body (NAMB)	😊	😊

Our value proposition - 35 key offerings

33	Training and Development	Representation on the Board and sub committees of the FP&M SETA; Representation of members regarding SETA related queries	😊	😊
34		Interaction with the Department of Higher Education and Training	😊	😊
35		Industry Training Council	😊	😊

Our value proposition

Challenge of maintaining our original members by not charging too much more, while at same time giving them more value

Strategies:

- Recruiting new members, more personal visits
- Considering giving first year free subscription to new members, once they see real value, it will no longer be a grudge purpose
- More seminars and workshops covering key topics of interest to members
- To phase in once database of members cleansed by Q1 of 2020



SATU – aiming for job security for workers

- Be relevant in the space of shifting ground swells
- Where there is change there is opportunity
- Fundamental changes in print and related industries – disruptive technologies are everywhere
- Embrace rather than fight change
- Acknowledge speed and pace of change
- Whatever can go digital will go digital
- Digital not necessarily only paper



SATU – aiming for job security for workers

- Newspaper companies are now newsfeed organisations – offering what customers want
- Technology will never replace people, but people who use technology will replace people who don't
- Change creates uncertainty and confusion – deal with it
- Study predictions and make informed decisions



Printing SA offerings

Range of training programmes being developed, some modules being fixed or redesigned, or new

- Foundational Learning Programme
- Commercial digital color management 7 module programme, E-Learning plus hard copy, blended
- Wits BMP and MDP programmes
- Dealing with special requests

New training catalogue now available

Revamping website



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