

EXTRAORDINARY GROWTH FROM SMART DECISIONS AT BOSS LITHO



'The best in the West' details their success. A report by Nick Griffin

Jean Paul Nataf describes the start of his company, Boss Litho, based in the US, as a gamble. "People in the industry can't believe our growth, what we've built in just four years, and I tell them I'm a poker player. Taking over this business was a risk, but it is paying off enormously." Nataf makes his success almost sound like dumb luck, but going deeper, it becomes clear that every decision he makes is calculated. What looks like a leap of faith is actually a series of strategic moves, closer in character to a game of chess than poker.

Four and a half years ago Nataf was working as a print broker when one of his printers called him. "He told me he was in financial trouble, that the bank was going to shut him down, and so I purchased the assets and took over," Nataf said. Since its inception

in December 2010, Boss Litho has become what Nataf describes as "The best in the West" in printing and packaging. Just four years from its start the company's sales have gone from zero to in excess of \$18 million annually. Nataf describes year to year growth as now being at a rate of 20 to 25 percent per year.

The company specializes in personal products, food and supplements, as well as high-end fashion catalogs. It does three types of work — folding carton, sublimation for transfers and commercial printing, all with an intense focus on "top-of-the-line quality work." Nataf says this diversity of services is partially responsible for the incredible growth because, "When one of the three customer areas is less busy the others make up for it, which is constantly shifting so we stay healthy and profitable year round."

Seven New Machines

Nataf, however, didn't just stumble into a royal flush. "The machines from the original company started having problems right away," he explains, "so over the last four years we have replaced everything with state-of-the-art new equipment. I wanted the company to do the best work." For its main production facility the company has purchased a total of seven machines including presses up to eight colors, with a UV Perfector, a Bobst Expertfold folder-gluer and two Bobst Visionfoils which double as diecutters.

Because of these machines, Boss Litho can do everything in-house. As an example, Nataf cites, "We used to work with two suppliers to do our foil stamping, but they had problems, were late, and we lost the customer. So, I decided it was time for us to buy our own foil stamper. I don't want to depend on anyone else." The company has focused on streamlining production and doing everything vertically. At a second facility, Boss Litho does its own binding and stitching, has warehousing and soon will add its own sheeter.

"The best thing is that we no longer have any downtime," says Nataf. "It used to be that when we were outsourcing our foil stamping we had to wait three to four days to get it back. Instead of waiting for the whole job to get to the floor to then do all the diecutting and gluing, now we do everything in-house, which is both faster and easier." Insourcing also helps with quality, says Nataf. "We control the quality which, for us and our customers, is the most important part. We feel that our pricing is right because it's not too high or too low, but offering top quality on everything we do is our priority."

Some of Boss Litho's most popular investments have been



Jean Paul Nataf with one of Boss Litho's Bobst Visionfoils.

in two Visionfoils. "Once we bought the first foiler, we showed it to customers who didn't even know they wanted foil — and they fell in love with it," explains Nataf. "It's one more tool we have to create beautiful packaging." An identical second foiler was purchased 12 months later, after its biggest customer added foil to the covers of their quarterly catalogs. "They do four catalogs per year, between two to three million pieces every time," Nataf explains, "and so we needed a second machine just to keep up with the work the first one opened up." He openly states that Boss Litho currently generates on average \$100,000 or more per month just from its foil stamping operations.

The company operates its foil stampers at approximately 5,000 sheets per hour, but just having them present and under its own scheduling they are able to speed up the entire production process. Boss Litho uses its foilers for both catalogs

and packaging. While one works almost full-time doing exclusively foil stamping the second is utilized for both its foil stamping and diecutting capabilities.

On packaging Nataf says, "When we run a job, the first thing is of course the printing. UV can often be done online but sometimes requires an offline process, so we recently acquired a UV coater. After that, within a few minutes, we can do

the diecutting, sometimes simultaneously with the foil stamping and then the folding and gluing. The fact that we can do everything ourselves means we save time, which in turn saves money." Nataf says his employees also appreciate the reliability of the two Visionfoils. "There was a new guy working on one of the foil stampers this morning, and he told me he'd never worked on such a sophisticated machine." In the years that Boss Litho has had the foil stampers, "they've never gone down, not even once," says Nataf. "They are incredibly reliable pieces of equipment."

As a company, Boss Litho believes that reliability is a crucial quality in the printing industry and a large part of its success. "The printing industry is very difficult," Nataf explains. "It takes years to build an account, but only two minutes to lose it. If you're late or you make a mistake, you're out of the picture."

Success in the printing and packaging industries depends on strategic long-term investments as much as quarterly profits and Nataf points to this as the reason he chose Bobst Visionfoils and an Expertfold. "The risk involved in buying off-brand machines is far too big. We just can't afford to buy cheaply made machines, because if we mess up a job or are late, we can lose a customer. I could have found cheaper machines, but



The company has purchased seven new machines in recent years, including a Bobst Expertfold folder-gluer.

they wouldn't have the reliability. They wouldn't be a Bobst." He elaborates, "Other companies claim they have machines that are like Bobst, but no one has the capabilities to replace Bobst. It's the standard the competition is reaching for. It's no secret that Bobst makes the best machines in the world." With machines like these, Nataf says, he has no trouble finding new customers. "We have the right equipment to go after the best business."

Building Relationships

For the first three years of the company, Nataf was the only salesperson. "I have a great personal relationship with our three biggest customers, which has really helped us to grow the business." Now with four salespeople, three customer service representatives and two dedicated quality control personnel among the 60 full-time employees, the company is able to put even more man hours into building excellent customer relationships. Nataf credits his relationships with everyone, his customers, his suppliers, his Korean bank — who believes in Boss Litho — and his employees with helping the company grow so quickly. He takes

particular takes pride in the way his company cares for its workers.

Nataf is generous with his employees, but he's cautious about allowing his customers to run up big lines of credit. "I'm very careful to collect what is owed to the company," he says, "because that can be the difference between going under and staying afloat. Because I'm tough on credit, we never have bad customers." It's by careful calculations of risk and profitability that Boss Litho has managed to grow so rapidly and consistently. "We run our numbers constantly, to make sure every job we take is profitable. That sort of attention to our margins has helped us grow exponentially in a less than ideal economy for printers."

Nataf predicts that the industry will continue to consolidate and only the financially strongest players will remain. "We're lucky because we're really busy," he says. But it's not really luck — and he concedes that point. "It all comes down to our top quality work and reliability which is the result of our state-of-the-art equipment. We grew because we were willing to invest in quality and it's all we permit to go out the door. That is why so many of our customers are leading companies in their respective fields." ■