



WINTER 2007

# **schmidt scene**

News and events for friends of Schmidt.

## **A Visionary Investment**

Acquisition proving to be a wise choice.

## **Success Story**

Schmidt saves Meredith Corporation time and money.

## **Meet the Family**

An introduction to Schmidt's parent company.

# Good News

## from Schmidt

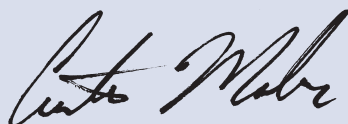
Welcome to 2007 and Schmidt's first newsletter of the year. Many of you will recognize its name and also notice some key design updates to the Schmidt Scene. In addition to our sales force and experienced customer service team, our newsletter serves as an essential tool in communicating real customer successes, new technology launches, quality improvements and a spotlight on Schmidt team members responsible for creating and delivering our products and services everyday.

We started 2006 with a significant upgrade to our online technologies. In March, we released a new version of schmidt.com. The latest version brings an increase in speed and function to our publishing customer base. Key advancements in web technology, together with direct customer involvement, delivered a powerful online offering. The updated system completely manages ordering, proofing, markup and customer creative libraries. Ultimately, it gives our customers greater control of their work and reduces production cycle time.

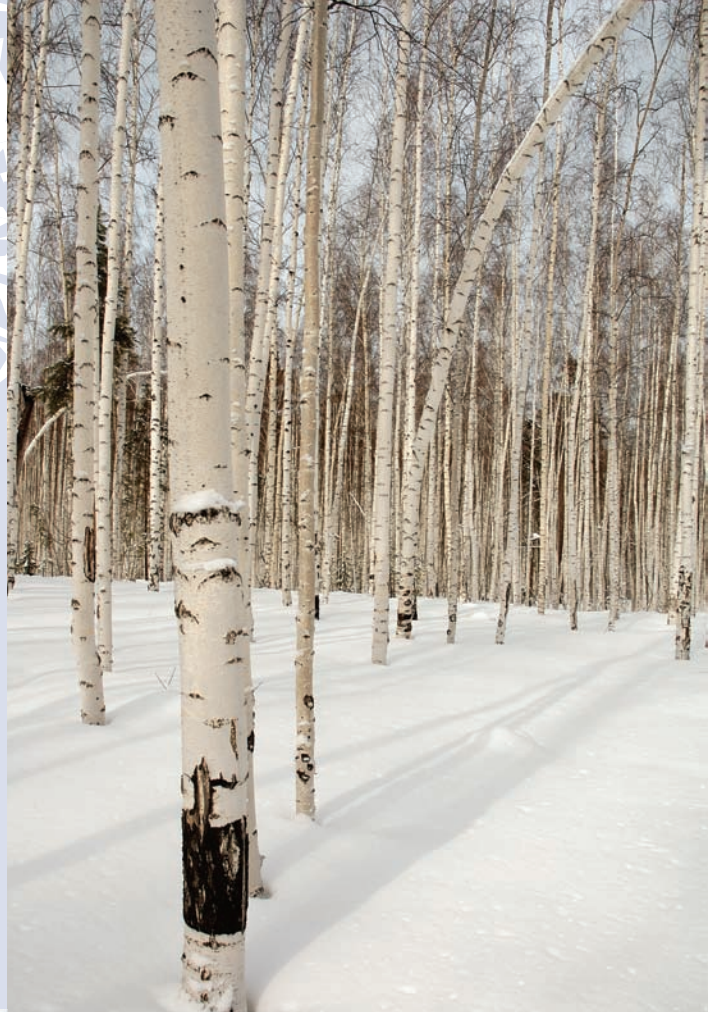
In April, through an acquisition, Schmidt added new UV web printing, UV coating and inline die-cutting equipment. These additions provide real opportunities for our customers seeking more intense color or specific shape in their marketing pieces. You will see more on some of these successes throughout the year.

During 2006, we directed our operations team to utilize the latest in engineering skill and technology to improve our throughput and cycle time. Our efforts paid solid dividends for customers throughout the busy holiday season cutting our cycle time by 20 percent from the prior year.

Thank you for your trust and confidence over the past year. We are very determined to keep the momentum of quality and service moving swiftly forward for you and your company's marketing goals. We will continue to invest in our people, processes and technology to improve our products and services along the way. 2007 holds great promise for each of our customers, and we are committed to partnering with you to deliver your campaigns successfully.



Curtis Mohr - *President of Schmidt*



## Inside

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Acquisition brings exciting new opportunities to Schmidt's customers.

### Customer Satisfaction

New press-pasted format is a win-win for Schmidt and Meredith Corp.

### This-n-That

Tidbits about events at Schmidt.

### Cup of Joe

Looking for a good book? Check out Joe's thoughts on [The Likeability Factor](#).

### Meet the Family

An introduction to Taylor Company and the relationships within.

### Faces of Schmidt

Meet the people who keep the presses rolling and ideas flowing.





# investing IN THE FUTURE

## A Visionary Investment

Early in 2006, Schmidt acquired the cooperative direct mail and reader service card lines of business from Scoville Press, Inc. Three key investments in print and collating assets have broadened Schmidt's offerings to both the direct mail and publishing markets: full-bleed card packs, in-line UV coating and die cutting.

### Full-Bleed Card Packs

Since Schmidt's entry into the cooperative direct mail market in 1990, it has continually invested in this particular line of business. The recent investment in collating technology expanded Schmidt's product offerings to include full-bleed packs and further signifies its commitment to lead the cooperative direct mail market forward and offer high-end marketing communication products.

Gone are the days of one and two color card packs on high bulk paper. Today, full-bleed packs printed on coated stocks in a variety of card configurations are proving to be an effective marketing tool, especially in the consumer marketplace. Whether it's one company promoting different product lines using the multi-piece format or similar businesses in a cooperative direct mail package, today's card packs are generating measurable results.

### In-line UV Coating

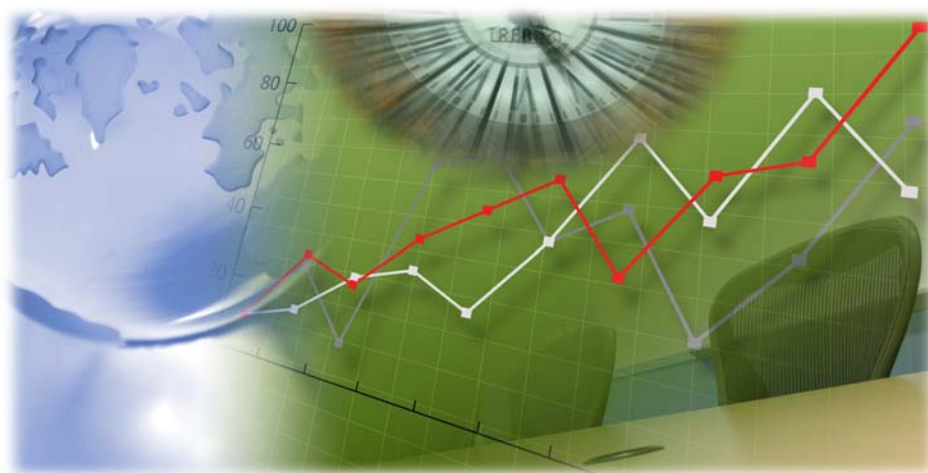
Press equipment obtained through the acquisition enables Schmidt to UV coat in-line producing high quality finished products that are scuff and scratch resistant. In addition to being durable, UV coated products stand apart with exploding color and a post card like sheen that invokes a higher perceived value. Schmidt utilized this technology when producing it's own multi-piece marketing pack for lead generation purposes with impressive results.

### Die Cutting

The die cutting equipment acquired produces pieces such as notched inserts, L-shaped bind-ins and address windows. Die cutting utilizes the physical attributes of a piece to draw attention to either the piece itself, like the L-shaped bind-in, or to

a specific area on a piece like a notch on an insert. Schmidt continues to experiment with other variations and is open to discussing options for your marketing pieces.

While the technology is proving to be a wise investment, the greatest assets have been the employees and customers acquired as a result of the transaction. Former Scoville employees Jenny Pratt-Kauffman (Sales Consultant) and Janice Lange (Account Manager) joined the Schmidt team and have played a vital role in retaining nearly all of the card pack customers. Combined, Jenny and Janice have nearly 50 years of experience in the cooperative direct mail market: a definite advantage as Schmidt looks forward to revolutionizing the market. Look for more additions to the collating department in 2007 as significant dollars have been allocated for capital expenditures in this area.





# customer SATISFACTION

## A Success Story

Schmidt counts Meredith Corporation among one of its top customers. Meredith is a multimedia conglomerate that publishes 26 magazines including Better Homes and Gardens, Family Circle, Ladies' Home Journal, Parents, Fitness and American Baby. In addition to publishing, the Des Moines, Iowa, based company also operates 14 television stations and 32 leading home and family Web sites.

During a routine visit with Meredith representatives, Schmidt Sales Consultant, Ann Indykiewicz, was presented with the challenge of reducing production costs on a large format brochure commonly used in the Meredith direct mail packages.

Wanting to maintain paper and print quality, Indykiewicz and representatives from Schmidt's production team analyzed in-line finishing capabilities as a way to cut costs and uncovered a viable format known as an 8 page + 2 loose brochure. In this format, eight pages are glued together and two pages are nested within the eight bound pages. It is printed, glued, folded and trimmed all in-line at the end of the press. Although Meredith's existing format had proved to be a successful marketing tool, it was costly to produce because it couldn't finish in-line.

Working together, Indykiewicz and Meredith's Print Services Manager, Tom

Daniels, along with Meredith's marketing team, developed a subscriber acquisition piece using the 8 + 2 format that cut Meredith's costs by over 10 percent and eliminated weeks of production time as well. The marketing team reviewed all of the components in their subscriber acquisition package and realized they could combine three components into this one piece and still have three separate components. The eight bound pages serve as the brochure, one loose insert is a letter and the other is a premium. The new format is proving to be just as successful as its predecessor.

Eric Jensen, Director of Consumer Marketing Manufacturing for Meredith Corporation, said "Instead of three different pieces printing on different paper stocks

requiring multiple make-readies, Schmidt is able to print all three in one pass. This not only saves us printing costs, but has saved us the cost of two pockets at our mail house as well." Eric went on to say, "By significantly reducing the time required to produce this piece, we now have more time for the creative process as well as more time to acquire the freshest names for our mailing."

What started out as a venture to save money wound up saving weeks of time as well. The savings experienced is a result of Schmidt's ingenuity and Meredith Corporation's willingness to experiment with reformatting an already successful marketing piece.

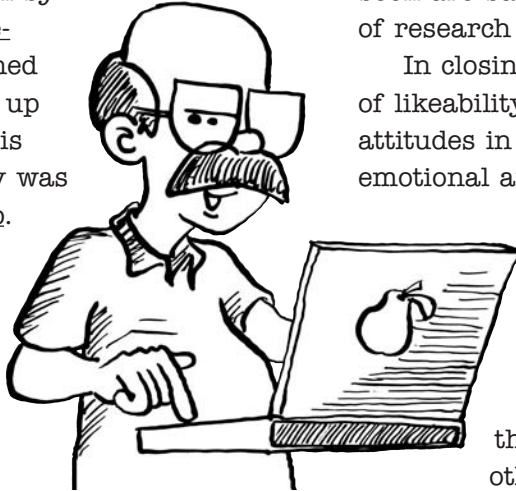


# “Cup of Joe”

Greetings from Joe Ferguson:

One of my passions is reading and I was asked if I might be interested in sharing thoughts about what has recently caught my attention, which by the way is very brief, so I read a lot... I will use this column to share the last book I have read that I feel is worth recommending to you.

I am starting with a book by Tim Sanders called The Likeability Factor. It was published last summer and I picked it up more so because I “loved” his first book, which by the way was called Love Is the Killer App. Tim Sanders has a fresh style that is in synch with today's uber-fast paced business atmosphere. He is a Leadership Coach for Yahoo and that experience affords him the ability



to mix technology with an intense passion for people, and that really connects with me.

The essence of this book was very simple - Other people make many of the decisions that significantly impact your life. These other people service your car, they give you raises, they take care of your kids and maybe even marry you. This book gives you the tools to assess your own “L” factor and see just how likeable you are. He then delves into four personality components – Friendliness, Relevance, Empathy and Realness. All parts of the book are backed up with real life stories and plenty of research to help add merit to his points.

In closing, I leave you with the book's definition of likeability: “It is the ability to create positive attitudes in other people through the delivery of emotional and physical benefits.” Look around

yourself and I think you will agree that there is always room for more likeable people. Take the “L” Factor assessment yourself at [www.Timsanders.com](http://www.Timsanders.com).

Happy reading and please share your thoughts with me about this book or any others at [jdferguson@schmidt.com](mailto:jdferguson@schmidt.com).

## this-n-that

### Fristad Baby

Account Manager Kristie Fristad and her husband, Lance, are the proud parents of another baby boy. Jacob David was born on November 22nd. The Fristad's older son, Andrew, is a very proud big brother.

### Toys for Tots

Schmidt's Community Involvement Team raised \$2,184 through employee donations and an annual Christmas tree raffle for the Marine Corps' annual Toys for Tots campaign. In December, a group of Schmidt employees used the money at a local Shopko store to fill several carts full of toys.

### Employer of Choice Award

The SE MN Workforce Development Investment Board awarded Schmidt its' Employer of Choice – Best Retention Program award on December 7th, 2006.

Through an application process and onsite audit, the board recognized Schmidt for taking the lead in developing a quality workplace. This award recognizes innovation in the areas of motivating and retaining employees, training and development initiatives and workplace practices.

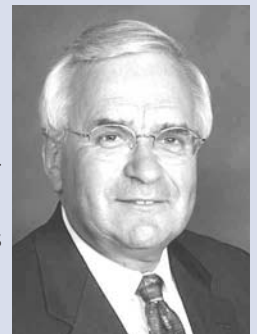
The award provides Schmidt with a good understanding of the external view of the organization and recognizes the leadership team and employees at Schmidt who participate and engage in helping make it a great place to work.

### Bob Hoffman Retires

Taylor Corporation's Vice President, Bob Hoffman retired January 2nd after 18 years of service, which included a tenure

as the President of Schmidt. Bob provided strong leadership, fostered key customer relationships and directed sales education efforts for the Corporation. Formerly, he

was Superintendent of Schools in Waseca and an executive at Brown Printing. Bob served as Chairman of the Minnesota State Colleges and Universities Board of Trustees from 2004 - 2006.



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- Past orders
- Proofs



# meet the family

Schmidt is fortunate to enjoy the benefits of being a small company while thriving on the strength of a large corporation. Being small enables Schmidt to remain close to customers and focused on the niches served. As a member of the Taylor Corporation family of companies, Schmidt can take advantage of the economies inherent in the purchasing power of a large conglomerate as well as the pool of talent and services throughout the organization.

## Our Parent Company

Taylor Corporation began when owner Glen Taylor purchased his first company, Carlson Craft, in 1975. During the past 30+ years, Glen has surrounded himself with strong leaders and built a portfolio of nearly 100 companies that represent 13 business sectors in 9 countries and employs approximately 15,000 people.

In essence, Taylor Corporation is a holding company lead by Taylor Development, a strategic support organization. Taylor Development ensures that each of the business units and the companies within each, achieves success through a combination of each company's unique strategy and core practices common to the Taylor organization.

Taylor Development actively supports each business by:

- Setting and ensuring compliance with legal, financial and ethical standards.
- Providing leadership and specialized expertise in various disciplines such as accounting, financial, human resources, information technology and legal.
- Participating in people and money allocation.

## Our Sister Companies

Schmidt, along with six other Taylor companies, is a member of the Commercial Print Group. Each company in the Commercial Print Group provides full-service prepress, printing and finishing services to their respective clients. While they share the commonality of commercial printing, each one has developed its own niche to allow differentiation in the products and services sold and provided.

Look for more information about each of the sister companies in the Commercial Print Group in future Schmidt Scenes so you can meet the family!

*Taylor Commercial Print Group:*  
*Corporate Graphics Commercial*  
*Litho Tech / Customer Cover*  
*Nevada Color Litho*  
*Original Smith Printing*  
*Print Craft, Inc.*  
*Progressive Communications*





# Message

## from Jeff LaGosh

2007 marks the 95th anniversary of Schmidt Printing. Since our humble beginnings above a grocery store in 1912, the organization has grown because of the never-ending commitment to our mission – “Responding to customers creates opportunity and security”.

This issue of Schmidt Scene is full of examples of how we are responding to our customers and demonstrates our renewed commitment to a more structured communication effort. There are a number of plans in place this year that are focused on the relationships we have with our customers. From mergers and acquisitions, to the latest news on the pending postal rate case, we hope to earn your trust as a source for market information.

In response to user feedback, we've made significant upgrades to our online capabilities for both proofing and ordering. With password-protected access, users now have access to their entire art library stored on our servers as well as other enhanced features that make it easier to do business with Schmidt.

With the capabilities acquired last year, our theme for 2007 is “More than an Insert Card Printer”. If you are looking for an alternative to the #10 package you've been doing for years, we can print, collate and wrap (in poly or paper) a very sharp looking marketing piece. As indicated in the article about Meredith's success with the 8 + 2 piece, our in-line finishing capabilities are proving to produce unique, high-quality marketing pieces that save time and money. Did I mention we still do Insert Cards?

Needless to say, we have a lot to be excited about these days. On behalf of our 350 employees, I would like to say thank you for allowing us to be your business partner. We are very thankful that you have trusted us in the past and hope that you give us another opportunity to respond to your needs in the future.



## Contact Information

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**507-775-6400**

Schmidt Main Fax  
**507-775-6655**

Franchise Xpress  
**1-877-664-3747**

Community Connection Media  
**507-775-7530**

**www.schmidt.com**



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Byron, MN 55920-1386

Jeff LaGosh - National Sales Director



# faces of schmidt



**Annette Powell**  
- Customer Support Manager

Annette Powell joined the Schmidt team at the beginning of the year as the Customer Support Manager. She brings with her twenty years of customer service and sales experience in a variety of industries including banking and finance. She spent eight years as a Branch Manager for HSBC/Beneficial before starting her own business two years ago. Annette continues to co-own a gymnastics club with her partner operating it on a full-time basis.

In her role as Customer Support Manager, Annette leads Schmidt's team of Account Managers. This group serves as the main source of communication between the company and the customer, while overseeing the production workflow. She is responsible for evaluating processes and procedures as well as suggesting and implementing methods to improve operations, efficiency and service to both internal and external customers.

The two passions that occupy the majority of Annette's free time are her gymnastics club and her family. Annette and her husband, Jason, enjoy her five children; D'Angello (13), Brooklyn (11), August (9), Patrek (7) and Julius (3).



**Craig Eastlund**  
- Account Developer

Craig Eastlund started at Schmidt in 1997 as a Customer Service Representative. Interested in working for a magazine printer, Craig left Schmidt in April of 2003 to work as a Pricing Administrator at Banta in Long Prairie, Minnesota. While he liked the job and people at Banta, Craig missed the give and take of daily customer contact. Intrigued by the Account Developer position at Schmidt, he returned in 2005.

Craig's role as an Account Developer is an inside sales position. He explores new ways Schmidt can be of service to his existing account base and works at opening new accounts. In addition to his sales role, Craig is Schmidt's "staff cartoonist". Many have enjoyed personalized birthday, retirement or baby cards complete with Craig's rendition of the celebrated party.

When he's not at work, Craig draws cartoons, caricatures, t-shirt graphics and paints fanciful designs on fishing oars or "whatever else isn't fastened down or locked away", as he puts it. (You can check out some of Craig's creations at <http://www.cafepress.com/bullhead2>.) Craig also enjoys going camping, fishing with the kids and hunting pheasants with his dog Gus.



**Jeff Winter**  
- Cooperative Direct Mail Sales Manager

Eleven years ago, Jeff Winter began his career in Schmidt's Cooperative Direct Mail line-of-business as an Account Manager. He later moved into a sales role and expanded his expertise in the field, which led to his current role as Cooperative Direct Mail Sales Manager.

In 2006, Jeff accepted the role of leading Schmidt's Cooperative Direct Mail line-of-business. He is responsible for the cooperative direct mail sales team, Schmidt's local Community Connection Media Team and the overall growth and development of the Cooperative Direct Mail market. Jeff says he is very fortunate to work with a team that is passionate about helping customers grow their business and the marketplace.

Jeff and his wife Elizabeth (Bit to anyone who knows her) enjoy traveling, visiting friends and family and spending time with their golden retriever, Murphy, at the family cabin on Lake Vermillion in Northern Minnesota. He is a life-long Chicago Cubs and Minnesota Vikings fan and enjoys watching most sports. To unwind, Jeff plays harmonica in a two-man "band" with acoustic guitar player Bryan Akervik, also of Schmidt. They usually provide the entertainment at Schmidt social events.



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