

# Graphitype celebrates silver jubilee



Article courtesy of Wayne Robinson, Australian Printer Magazine, October 2010

**This family-run print business has grown continuously for the past quarter of a century, thanks to careful planning and clear goals, reports Wayne Robinson**

**W**HEN Dave Morris accepted an invitation to help a mate start a print business from his garage 25 years ago he could little have imagined that a quarter of a century later his company would have grown into one of the country's most enviable medium sized printers, with a strong presence in niche markets.

Back then Morris was working for AM International, selling the Multilith offset presses, and was ready to strike out on his own. He says, "It really was a classic garage start-up, but we put the hard yards in, did a good job, and the business grew fairly well."

Approximately six months after the business was up and running, they moved to a small factory in Seven Hills, bought a re-furbished GTO, and then a Polar 42 Guillotine from Ian Yates at Lindsay Yates, and then the business really started to take off.

Dave's wife Kath had taken care of the books from day one, in addition to having another job, and being a mum to their two young kids, but as the business grew the role grew, and after five years Kath was full time running the finance.

During the next 19 years Graphitype kept on growing and expanded into an additional four factories in the same complex, before finally outgrowing the available floorspace in 2004, and moving to its current location, which is the ex- Riverstone Printing factory at Kings Park, which came available when Brite Print bought that business.

A year later, Graphitype opened its dedicated Pharmaceutical and Flexible Packaging Division site in Blacktown. Dave Morris says, "This site has been set-up as a magnificent state-of-the-art printing facility, complete with clean room, and Gallus RCS 330 8 colour UV/flexo press, along with the necessary support equipment."

Throughout those years Graphitype become focused on specific client segments; pharmaceuticals being key, and developed the business with those segments firmly in mind. It put in Australia's first Didde MVP in 1998 as a direct result of the then new client application for roll fed leaflets, and in 2004 put in the country's first Heidelberg CD74 perfecting press. Together with the Gallus UV flexo press these machines still form the core of Graphitype's production power.

Morris says, "Pharmaceuticals has been a good sector to be in, because of the tight requirements and the various solutions, there are cartons, leaflets, labels and foils. Once we built relationships with clients and showed that we could deliver on our promises the business gained momentum." Kath Morris though is quick to dispel the perception that budgets are not so important to the giant pharmaceutical companies, she says, "Maybe that was the case 20 years ago, but these days price is a vital ingredient of each job."

However pharmaceuticals isn't Graphitype's only area of business, it is strong in other packaging sectors, and in

specialty print such as sachets, blister packaging, POS, cartons, labels, as well as traditional sheetfed solutions such as leaflets, catalogues and brochures. Clients come from a wide range of sectors including local government and waste sectors. Morris says, "In a nutshell we never say no. Nothing is too hard for us to tackle, and that positive approach has served us well over the years. Customers appreciate that we will go the extra mile, it certainly enhances our skill set and our customer relations." Graphitype has targeted packaging over the years, and it now forms a substantial segment of the company's business.

Graphitype was of course approached by the private equity companies around five years ago, but chose not to take the silver. Kath Morris says, "It wasn't the right path or the right timing for us, and I'm glad the ways things have worked out. We stand on our own two feet, and have the flexibility to make our own decisions."

As everyone is only too aware the global financial crisis hit the print industry hard. Morris says, "It came from nowhere, and like most people we were affected, however through taking prudent decisions we were in good shape before it came, and that has enabled us to withstand it, with the support of most of our suppliers, and now the danger seems to be receding, in fact the last four quarters have seen

a return to profit, although margins are still extremely tight." Graphitype went through the trauma of the last years without laying off any staff or reducing wages.

Succession planning is one of the biggest issues facing Australian print businesses, however Graphitype is in the fortunate

position of having Steve Morris, son of Dave and Kath already playing a major part in the company. Dave Morris says, "It's great having Steve here. He started when he was 15 sweeping the floor, went through university, and has since worked in all departments, and has brought so much energy and insight to the business, bringing in new methods and efficiencies." Steven has played a major role in the Pharmaceutical Division, the stand alone site established five years ago. Morris says, "He revamped our entire quality assurance system in two weeks as part of his university degree." Steve has now been with the company overall for around twelve years, and has had to deal with the bosses son syndrome. Dave Morris says, "I told him when he started that he would have to work twice as hard because he was my son, but to his credit he has proven himself, and is now an integral part of the business, and is very popular and respected by both our staff and clients."

A directorship is now on the cards for Steven, which will make a boardroom of three, with Dave and Kath the two directors

at present. Dave is responsible for sales and operations, Kath for finance, HR and admin. Dave says, "Working together has been really good. We're not in each other's pocket, in fact we can often go for the whole day without seeing each other, but having a partner who understands the business, the culture, and finance is tremendous."

No-one runs a business for 25 years without facing setbacks, and the establishment of the stand alone Pharmaceutical Division was laced with these, from landlords breaking promises, to staff walking away and trying to start a rival company (which folded eighteen months later), to the price of a press surging upwards thanks to volatile currency fluctuations while the bank took it's time processing the finance, to clients wanting to renegotiate contracts once the plant was up and running. Morris says, "It was a testing time, no doubt about that, but we had a clear business plan with a clear target. This enabled us to keep our focus. In the pharmaceutical sector clients value consistency, they value a supplier's ability to make good on its promises, they value a quality product, and they value innovation. Graphitype has proved itself in all these areas over the years."

Running your own business can be a lonely occupation, although Dave and Kath are a husband and wife team.

However as a member of the infamous Sydney Mothers Club Morris is also able to draw on the experience of guys who have trodden the path already. He says, "People like Bob McMillan and Don Elliot are still Mothers Club members, and are more than willing to provide guidance to guys like me. It is very helpful to have people like this to look to, and while they may not have all the answers they have a heap of experience to share."

With 25 years in the print business Dave, and Kath Morris, have seen almost everything, and have one major bug bear, Dave says, "Those print companies that go bust on a Friday owing hundreds of thousands of dollars, and then start again on Monday in the same location with the same staff and same equipment are a real issue to the rest of us."

They are able to operate on a different playing field to the rest of us, and it makes our life more difficult. There should be a good analysis of that by the authorities, as it is they seem to get away with it every time. It really gets my goat, these people can hack and slash at prices with no compunction, and unfortunately in today's climate some customers will go for it. I think those suppliers that support these type of companies need to ask themselves some hard questions about what role they are playing in all this, for without their support these businesses would be a lot less prevalent, and have a much smaller impact on the rest of us, who are trying to run decent business and pay our bills."

Stability is one of the key components of the Graphitype culture, the company has a highly professional senior management team with many years combined experience. This team has been boosted over recent years with a new prepress manager, a new production manager, and a new operations manager for the Pharmaceutical Division. Morris says, "We decided we needed to improve our management team and the guys have made a huge difference to us. They have taken a lot of pressure off the existing team, and brought in new processes and systems of their own. I like to think one of the keys to our continued success over the years has been our open attitude and willingness to change. We have our own systems in place, but if one of our staff members comes to me and says they have an idea of how to improve things then I am completely open to that suggestion. We are very much open to change, whether that is in systems and procedures, or technologies, or markets."

One of those changes will be the digitisation of print. In addition to its offset and flexo fleet Graphitype has recently made its first move into digital, with a Konica Minolta bizhub Pro 6501. Morris describes it as 'a little beauty'.

Looking to the future Morris says that while some see pharmaceuticals as a bullet proof industry to be in, due to an aging population, he says it's not necessarily the case, he says, "in the recent US recession for instance pharmaceutical sales went down. The drug companies discovered that people were cutting back, taking their medication only every other day instead of daily, due to financial pressures."

Nonetheless Morris is working to increase Graphitype's presence and reach, for instance the company has just received global accreditation from two of its major international clients, which means it can produce packaging for any of their subsidiaries around the world. Global recognition from some of the world's biggest companies - not bad for a company which started out in a garage with an old press 25 years ago.



Silver jubilee: Dave & Kath Morris from Graphitype