

INTERVIEW

For those of you who do not already know him, I would like to introduce you to **Herb Liberman**, who, during his career in the reprographics business, operated in the San Francisco market area. The name of his company was **BPS Reprographics**; **BPS has since been folded into ARC.**

From Joel to Herb, I very much appreciate your decision to participate in our “Masters of the Reprographics Business” interviews. Without further adieu, let’s get on with our questions and your responses:

1. When did you first get involved in the reprographics business, and what was the first position you held?

I started in the reprographics business in 1985 in the position of Vice President for Sales and Marketing for BPS Reprographics.

2. How many different reprographics firms did you work for during your career in the reprographics industry?

One

3. For how many years were you in the reprographics business?

15 years

4. Did you start a reprographics company from scratch, and, if so, how did you capitalize the company and how much capital did the company start out with? Also, did you start that company with partners, or, if you did not, did you add partners later on?

BPS Reprographics was already in business.

5. If you did not start a reprographics company from scratch and joined an already existing business, how did you end up being the owner (or *one of the owners*, if there were other owners)? (Did you “acquire” a company? Did you move into an ownership position in a family-held company?)

When the President of the company retired, I was appointed President of the company. The company was an employee-owned company and I was one of the shareholders.

6. If you had “partner owners”, how did that work for you? What are the good points have having partner/owners and, if there are any, the bad parts?

I was not a partner owner.

7. When you retired from the business, did you retire from the company without selling it, and, if so, did you continue on as an “absentee” owner? Any thoughts you’d care to share with us about being a retired “absentee” owner?

Sold the company to ARC and continued on for a period of time under an employment contract.

8. If you sold your company (or more than one), when did you sell your company, and why did you sell your company when you did? Do you regret selling your company when you did?

The company was sold in the year 2000. The company was sold to provide value to the shareholders who were the employees. No regrets in selling the company.

9. At the time you sold your company, how many locations was your company operating? (not including “FM”-sites locations)

10 locations

10. At the time you sold your company, how many people were on your company’s team?

275

11. When you sold your company, did you agree to stay on with the company for a period of time after the sale? And, if you did stay on for a period of time after the sale, how was it different for you, if it was different?

Stayed on after the sale. Not much difference and was not difficult transition.

12. Would you briefly share with us your frame of mind during the first year or so after you *retired*? Was it a difficult transition? Did you go through, or not go through, *withdrawal*?

It was not a difficult transition after I retired. No withdrawal issues. I had three jobs within six months after I left BPS. One was doing consulting work for the Small Business Development Center, second was the Economic Development Coordinator for the City of Healdsburg and the third was teaching graduate

school.

13. Did your company ever “merge” with another company, and, if your company did, did the merger benefit your company, and, if it did, how so?

No

14. Different from a “merger”, did your company ever “acquire” another company, and, if you did, did the acquisition benefit your company, and, if it did, how so?

No

15. Regarding any acquisitions or mergers you completed during your time in business, did they accomplish what you expected they would accomplish? With the benefit of 20/20 hindsight, what are the key issues to be aware of to ensure success with an acquisition or merger?

Make sure the cultures of both companies can mesh and anticipate the level of success. Will the new company enhance both the top and bottom line of your financial statement.

16. What’s your definition of “success”?

Success is knowing you are providing a quality service to your customers and giving back to you employees and the community. Success is also measured by your financial results.

17. Given your long experience in business, how did you, back when you were still in business, rank the importance of these issues, from the eyes of customers you did business with?

- a. Price
- b. Service
- c. Quality

Service and quality is first and price second.

18. In your opinion, do customers rank those issues differently today, and, if so, how do they rank these same issues, nowadays?

This is a yes or no answer depending on the customer. Many customers want quality and service and not that concerned about price. Others only want price.

19. What’s your philosophy regarding “team building”?

Very important to have an effective organization. Need to foster it with your employees and management team.

20. What was your approach to communicating with team members and encouraging/motivating team members to really get engaged?

Meeting with employee groups on a monthly basis. This was done at the various locations.

21. How did you retain key team members?

Be responsive to their needs. Make them feel part of the team. Seek their advice and input on business issues.

22. What was your basic business philosophy?

Treat employees as your most important asset. Provide the highest level of customer service. Be firm, but fair with employees.

23. What are your thoughts on; Collections, savings, borrowing, growth, owners role in business, delegation, profit

Be on top of collections. Review AR monthly. Save for at least two months of business operation. Limit borrowing. Delegate as much as you can, but ask for feedback on tasks delegated.

24. Kindly estimate the percentage of your sales that came from customers involved in the A/E/C Industry.

90%

25. How did you communicate with customers?

As often as I could.

26. How did you get feedback from customers?

Customer comment cards when returning a job to a customer. Talking to customers.

27. What factors led to your company's success in its geographic market area?

Quality service, equipment and outstanding customer service.

28. If you did attempt to do so, how did you differentiate your business from your competitors?

Quality service, equipment and outstanding customer service. Pricing needs to be competitive, but not at a loss.

29. Were you able to expand into new services / business segments? And, if so, what services / segments did you add during your career and were your expansion efforts successful? If not, why not?

Yes we expanded into new services. Digital services.

30. Did you expand your company's reach geographically, and, if so, were your geographic expansion efforts successful? If not, why not?

Geographic expansion was successful.

31. What were your best sales techniques/tools?

Listening to customer, finding a need and filling it.

32. Did your company offer "Facilities Management" (FM) services? Staffed? Unstaffed? And, if your company was in the FM business, how did being in that business help - or, to the opposite extent, hurt - your overall business?

BPS offered both staffed and unstaffed FM's. It was a positive for our business and quite profitable.

33. What business books, if any, would you recommend reprographers read?

Books by Peter Drucker.

34. Did you have a mentor (or more than one) when you started in business or later on, and how did having a mentor (or mentors) help you?

I had a mentor and he helped me think through the many of the decisions I had to make.

35. Would you share with us two or three of the most significant "good decisions" you made during your career?

Expansion, working on customer service, keeping abreast with technology, and meeting customer needs.

36. Would you also share with us two or three of the most significant “bad decisions” you made during your career?

Starting services that were out of our core business area.

37. If you could go back in time and start (or acquire) your business again - with the same tools available then but knowing what you know now - what would you do differently?

Being more in tune with changes in reprographic technology.

38. What’s your view of the importance of networking with other reprographers (competitors *and* non-competitors)?

Very important. You can learn a lot, especially best practices.

39. Is “branding” important, and, if you think it is, how so?

Branding is very important – and do change when you think it will have a marketing advantage.

40. Which reprographics industry associations, organizations and/or affinity groups did you or your company participate in? Did your involvement with these associations or groups help your company’s success, and, if so, how so?

IRGA

41. What common thread do the following businesses/industries hold in common: newspaper industry, map and atlas industry, magazine industry, publishing industry, phone book industry, reprographic industry? And, can we learn something through that common thread; can our industry apply the 'lesson of the common thread' to our current circumstances?

Paper and digitally oriented. These industries are changing rapidly as we get more involved in the digital world.

42. How do you view the future of the reprographics business and industry, five years from now, ten years from now?

Digital technology, social media, greater use of smart phones. These trends need to be watched carefully and integrated in reprographic companies.

43. In your opinion, what are the key issues that reprographers should be concerned with, now and as time marches on?

Be willing to accept change, in fact embrace it.

Herb, thank you for participating in our series of interviews.