Creating an Effective Succession Plan for Your Printing Business

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Abstract: Have you thought about what happens to your business when you are no longer participating? Are there family or senior leadership team members qualified and willing to take over? If not, what's the plan? These are not trivial decisions, and putting a succession plan into place is not done overnight. By reading this white paper, sponsored by Canon Solutions America, you can benefit from the many years of experience Paul Reilly and his partners at New Direction Partners have had in helping companies establish effective succession planning measures for their businesses.

INTRODUCTION

Many of the printing firms in the U.S. are small to mid-sized family-owned businesses, many in the second, third or even fourth generation of family ownership. Transitioning to the next generation is not always easy – nor is it always possible. And if it is a question that you have put off dealing with, you have company. Inevitably in presentations we give on this topic, well more than half of attendees tell us they haven't yet taken their first steps toward what we like to call "the walk on the beach," the point where owners put their ownership behind them and move on to whatever life has in store for them next.

Reaching the beach takes time – a lot more than you may realize. It requires a thorough understanding of what succession means and how planning for it – or failing to – affects the valuation of the business and the payout to the owner at the closing of the sale.

If you operate a family-owned printing business, or any printing business, for that matter, have you given sufficient thought to who takes over the reins when you are no longer in charge, or don't want to be? This is not a trivial decision, especially in today's crazy market where the perception of print is not always as sexy as we would like it to be, and where we often see that the children have other interests. If you took over the business from your parents 20 or 30 years ago, times were certainly different!

In this white paper, we draw on our many years of experience in working with firms just like yours to help them put a succession planning process in place. It's not something you can just turn the key on one day, and be on the beach the next. It is a long-term planning process that should be part of strategic planning for any company, especially small to mid-sized printing firms, and especially as the owner ages.

You'll learn what our experience tells us about:

- What succession planning means;
- The various types of succession planning;
- The succession planning process, including timing as well as financial and people considerations;
- Five key components that make a good succession plan; and,
- Steps you can take right away to being succession planning for your company.

Our thanks go to Canon Solutions America for sponsoring this important educational white paper.

SUCCESSION PLANNING DEFINED

As the saying goes, there are two inevitable facts in life: death and taxes. And you need to plan for both of them, especially with respect to your business. There are many options for an exit strategy from the business. You can:

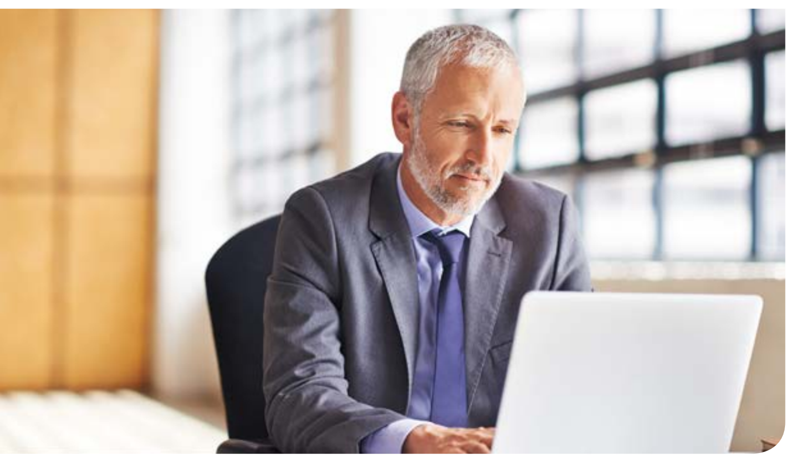
- Sell it or merge with another company.
- Give it away to charity (we've seen this happen more often in Europe than in the U.S.).
- Gift or sell it to family, or sell it to a key employee(s).
- Sell it to all of your employees under an employee stock ownership plan (ESOP).
- Or any combination of the above.

Regardless of which way you want to go, it takes thoughtful planning.

WHAT DO WE MEAN BY SUCCESSION?

Let's start with the concept of succession. In business and elsewhere, succession is defined as:

- The coming of one person or thing after another in order or in the course of events.
- A number of persons or things following one another in order.
- The right, act or process by which one person succeeds to the office, rank, or estate of another.
- The descent or transmission of a throne, dignity, estate or the like.



You get the idea. And while you are perhaps king of your domain, "Thou Shalt" does not always work in moving a business to the next generation of management and/or ownership. What does work is a well-thought-out plan, developed and implemented over a relatively significant period of time.

Traditionally, succession was understood to mean the transfer of ownership and management from one generation to the next. This kind of succession still takes place in the printing industry, but transfers now increasingly occur between owners and buyers with whom the sellers have no family ties or even personal acquaintance. These successions are not bequests. They are business transactions, and they are seldom simple to execute.

SUCCESSION PLANNING DEFINED

The most common perception of the meaning of succession planning is the end of one era and the beginning of another. According to Wikipedia[1], there is a difference between succession planning and replacement planning:

> Succession planning is a process for identifying and developing new leaders who can replace older leaders when they leave, retire or die … In business, it entails developing internal people with the potential to fill key business leadership positions in the company. Succession planning increases the availability of experienced and capable employees that are prepared to assume these roles as [the roles] become available.
>
> Taken narrowly, "replacement planning" for key roles is the heart of succession planning. Effective succession or talent-pool management concerns itself with building a series of feeder groups up and down the entire leadership pipeline or progression. In contrast, replacement planning is focused narrowly on identifying specific back-up candidates for given senior management positions.

In business, it entails developing internal people with the potential to fill key business leadership positions

We agree with these definitions and view succession planning as a two-step process. The first step should be replacement planning. This is a step that is often overlooked when thinking about an overall exit strategy for current owners. Too often, owners are solely focused on replacing themselves as the shareholder. If the ultimate means of reaching the beach is selling the business, it is important to consider that buyers will likely want the CEO to remain on board for at least a couple years to transition the business. If the owner is the CEO, that requirement extends the time to reaching the beach. However, if good replacement planning has been done, the owner can still remain in a shareholder position but have a CEO or general manager in place that is running the business day to day, and that person can take on the transitional role while the owner is enjoying the beach.

In addition, our experience is that when the owner has a CEO in place already, it broadens the buyer market and increases the value of the business. The buyers that would be interested in purchasing a business where replacement planning has not been done are the buyers already in the business. By having a replacement in place running the day-to-day operations, it now opens up the possibility of a private equity investment.

Regardless of the event that precipitates the need for succession, planning for it can be very emotional. It can be maddening, exasperating and time consuming.

But it can also be fun. And it can be very rewarding when done correctly. And taking on replacement planning first is the key to getting to the reward.

Our purpose in this white paper is to provide guidance, based on our many years of experience, to help you make this two-step process not only effective, but rewarding and fun as well.

[1] *https://en.wikipedia.org/wiki/Succession_planning, 21 April 2017*

NOT ALL SUCCESSION PLANS ARE CREATED EQUALLY: PREPARING THE NEXT GENERATION OF LEADERSHIP

As the owner of a closely held or family-owned business, you should be thinking about what's next for your business, your family, and your own future. How well you manage and prepare for a succession event may be one of the most decisive factors in the overall financial success of your business and its stakeholders.

The process should begin with a culture that is focused on recruiting superior employees, from inside or outside the family, as well as identifying existing employees with leadership potential, and then on developing their knowledge, skills and abilities, and retaining those employees over time. By doing so, you prepare them for advancement or promotion within the organization, having them take on increasingly challenge roles over time, with the ultimate goal for at least one of them to be groomed for the top leadership position. This can include having management candidates, including family members, take on a variety of roles in the company, both business and production, so they understand all the elements of the business from the ground up. This should even include taking on operational roles, if only for a limited time, in areas like the bindery and shipping. While these parts of the business may not appear to be the most challenging or exciting, they are still critical areas of the business that can sink the ship if not managed properly.

Employee preparation can also include shadowing – accompanying leaders throughout their day over a period of time to observe jobs in action.

This type of approach should be embedded in the company culture and is the foundation for building a great succession plan.

WHY SUCCESSION PLANS FAIL

Sadly, many times in business, succession plans fail. While that is certainly not the objective one wants to keep front and center, it is a reality that needs to be understood in order to avoid the pitfalls others have experienced. Foremost among the reasons for failure is not having a formal, written succession plan that is updated on a regular, periodic basis. In this white paper, we will provide you with a suggested structure for such a plan. These are not, we need to say again, decisions that can be taken lightly. Having an informal or verbal plan won't cut it. Nor can you make assumptions about who will take over the business next and that they have the right skills to do so. A formal, written plan with defined actions and accountability is the best way to ensure future success for your business after you are no longer involved.

Here are some of the other reasons succession plans fail, all of which can be addressed in one way or another with a formal and effective written succession plan in place:

- Failure to consider the perspectives of all stakeholders, including shareholders, leadership, and family.
- Developing a plan by starting with a review of liquidity options, instead of developing goals and objectives first.
- A singular focus on tax-driven planning versus goal-driven planning.
- Failure to resolve conflict within the business or among stakeholders.
- Failure to choose and/or train a qualified and capable leader(s) to succeed current leadership.

While it is important to know who has the skills to grow and lead, it is also important to understand who wants to grow and lead. In one case we experienced, the succession plan involved the sale of the business. We put together two companies that looked like they were an ideal fit. One was a little larger and had a stronger balance sheet. We assumed that the management of that company would take the lead. After several months of delays and inaction, we finally asked, "What is preventing us from getting this done?" And that's when this owner finally said he didn't want to lead anymore, saying, "I've run my company for 25 years; I'm tired of having everything on my shoulders and making all the decisions. I'm looking forward to having a partner that will help with these decisions." Once we put the other owner in charge, the deal moved forward. You cannot just assume that everyone wants to grow and wants to lead.

There are two types of succession plans: management and estate. While many of the conditions and needs overlap, there are differences and we will deal with them separately.

MANAGEMENT SUCCESSION PLANNING

Building a management team starts with the hiring process. You need to recruit, develop and retain the most talented and superior employees. You can't be afraid to hire people who are smarter than you!

In the hiring process, it can be valuable to use a testing process to help in the evaluation of potential new hires, or even for existing employees you are considering placing into a different role. Some tests we have seen successfully used include the Wunderlich Caliper Test of Personality and the Myers Briggs Type Indicator. There are others as well. These tests can validate – or not – your evaluation based on the interview process. Many times in our business experience, we have seen cases where, when an employee did not work out as expected, and we went back to the test results, we realized we should have seen the writing on the wall. Taking test results into serious consideration during the hiring process can help avoid bad hires.

It is also important to share career paths across the company, giving people opportunities for lateral and/or upward movement. In most companies, you can find a lot of opportunity to promote from within. Be open-minded about the people in your organization, scout out their talents and be open-minded about promoting from within. We've had personal experience with the receptionist growing into a Controller role, an employee in the shipping department successfully taking on a sales or production role, and more.

> **Transparency helps keep your team aligned, all working toward the same goal**

That being said, it is also important to not be afraid of terminating an employee when needed. Firing people is never easy; but as a leader, you are responsible for making the best decisions for the organization. If an employee is performing poorly, sowing dissension, just simply doesn't fit the job, or is otherwise negatively affecting the organization, they should be removed from the business. You may be surprised how supportive the rest of the staff can be when an employee who is not committed to the organization is removed.

Another thing that is critically important to management succession planning is transparency – share financial results, share sales results. Be sure that your people know what is going on in the company, and what is required for success. This can be done in an environment of trust, or you may feel more comfortable putting a nondisclosure in place. This will vary from company to company, although in our experience, we rarely see a nondisclosure being used. Transparency helps keep your team aligned, all working toward the same goal, and builds a culture of trust. If an employee can truly understand how his or her daily actions contribute to – or can negatively impact – the business as a whole, that employee is much more likely to pull his or her weight in an effort to help the company move forward, and to feel proud of his or her contributions. This type of transparency also creates a culture of openness and positivity that is fertile ground for the development of employees that will continue to grow in their careers to their benefit and that of the company. The more open you are, the more everyone knows what is going on, and the more you are laying the groundwork to develop management from within.

ESTATE SUCCESSION PLANNING

While most of the principles of Management Succession Planning also apply here, there are some differences. You need to:

- Get the timing right.
- Get the planning done
- Give the next group that will follow you the best chance to succeed

But as the owner of the company, it is your job and you have to take responsibility to make it happen.

The balance of this white paper addresses these challenges and provides a guide for the succession planning process.

5 COMPONENTS TO A SUCCESSFUL SUCCESSION PLANNING PROCESS

This is where the rubber meets the road on succession planning. As the name indicates, having a plan is important. And the plan needs to be specific, written down, and updated on a regular basis. Owners should also be fully cognizant that the process takes a long time – it can take as long as six years to get all the ducks in a row, or longer, depending on the condition of the business. It is never too early to get started.

Here are the five components we believe are critical to an effective succession plan. Following this, we will provide questions you should ask yourself when creating that plan.

1. DEFINE THE OBJECTIVES.
This can be the easiest to talk about but the hardest to agree upon. The owner needs to be very clear about what his objectives are, both within himself and with his team. In our practice, we have seen many cases where the owner says one thing, but when you get down to the nitty gritty, says something else entirely. Maybe he says he wants to sell the company, or to pass it to his kids. But when push comes to shove, there is another underlying objective that has not been expressed. You need to go through this process of defining objectives several times, because your mind is likely to change as you thnk things through more thoroughly. It is important to take the time to make those clear – to the organization and to yourself. The bottom line is, it is your life and there is no right or wrong with respect to defining the objectives. Whatever your personal goals are, that's what the objectives are. Typical objectives might include:

- Spend winters in Florida or Arizona.
- Keep the staff employed.
- Keep a tenant in an owned building.
- Get out from under personal loan guarantees.
- Gain liquidity from the business, your primary asset.

• Ensure your spouse is financially secure.

• [your objectives here]

2. ESTABLISH THE TIMING.
It is important to spell out what you want to achieve and at what age you want to do so.
An example might be:

• I am at age 50 now, I want to control what happens in the business till age 55.

• By the time I am 60, I want to transition the company to where other people are running it.

• At 65, I want to be able to spend my winters in Florida and not have to worry about the business, and by that time I can get by on 50% of my compensation.

You need to spell out your objectives step by step and by what age or timeframe you want to achieve those objectives. There is no age that is too young to start planning. There are always things that happen that catch us off guard. But a typical timing would look something like this:

• In your 40s, put something in your will. This might include buyout clauses if there are partners in the business. At this point, it perhaps doesn't need to be that specific. But that is the timeframe to start thinking about the process.

• In your 50s, be more specific about what you want to happen. State your long-term plan, what you want to see happen to the business if you survive that long, but make it clear what your desires are about the business should something happen to you.

• In your 60s, be even more specific. Who is in line to be in control, running day-to-day operations. State what you expect your role to be. Perhaps you will already have given stock to family or others for estate planning purposes.

• At 70, you should have a complete plan in place, if not already be at the beach.

These ages will be different for everyone, depending on circumstances, health, family situations and more. But these provide a representative guideline for the timing of getting that succession plan in place. Then put the timing of major decisions on a calendar, and update that calendar a couple times a year, revising it as necessary. Make sure you put reminders in place, and don't let this critical plan lapse.

3. CONFIRM THAT THE FINANCIAL RESOURCES ARE AVAILABLE TO MAKE IT HAPPEN.
Once you come up with your objectives, devise a plan and establish your personal goals, it is critical to take an objective look at what your company is worth today, understanding that it likely is not going to be where it needs to be to fund your objectives, depending on your age. But as you move further up the age spectrum, you will want to see that the valuation is getting closer to meeting those needs.

It is important to clearly understand the financial situation. Can you take on more debt in this capital-intensive industry? If you can't, that will factor in to how you will achieve your personal objectives and what the ultimate value of your company will be. You also need to take a close look at cash flow and earnings. One of your objectives might be to transition out of daily operations but maintain some level of ownership in the company, transitioning the company into a lifestyle company where you can take out the earnings that you need each year, still maintain ownership, but not be involved on a daily basis. Will there be enough cash flow to enable that?

These are the types of things that you must consider in light of your personal objectives.

One of the first things you should do is to establish what your business is worth today, and you should revisit this periodically. Have the formulas in place so on an apples-to-apples basis, you can say, "This is what my company is worth." While it doesn't need to be absolutely precise, it should demonstrate directionality. If it is going in the right direction, great! If not, you can take appropriate steps before it is too late.

When establishing value, the metric most buyers look at is multiples of EBITDA. In general in the printing industry, the range would be anywhere from a low of 3.5X to a moderate high of 5.5X. There are situations where it can be higher, especially if you are a specialist in a growth area such as large format POP, packaging, web to print, if you control customer data or if you offer creative services. Also, the larger the company, the higher the multiple is likely to be. If you are in a more mature segment such as book printing, inserts, forms, or general commercial print, those will start at the lower end. But your size and your growth rate can increase the multiples you can achieve for your business, as can the state of your capital investments. Companies that maintain current technology have a higher value than those that do not.

Another approach we like to use is the asset approach, taking a look at the net asset value of your company, estimating what fair market value is for your equipment, your building, and any other assets and adding those together. Then take out your liabilities, including royalty payments.

This provides two different ways to approach valuation that you can compare over time. Most of the time we encounter sellers with unreasonable expectations about the value of their company, it is because they have not gone through these steps. You can do these exercises yourself, or you can hire outside professionals to help you get the process started and help you put the right formulas in place for evaluating your company's value over time.

4. MAKE SURE YOU HAVE THE RIGHT PEOPLE INVOLVED IN THE PROCESS.
Once you look at the valuation, then you want to determine who you want to involve in the succession planning process. You want to involve the people that you trust most and whose

opinions you value. Typically, this would include your spouse, children, key employees and other family members. At this juncture, we do not recommend that you include professional outsiders such as attorneys, accountants or people that come into the process with their own agendas. They do need to be involved later in the process. But involving them too early can be expensive and get you overwhelmed in the minutia when you should be considering the big picture at that stage. Also, the more you can iron out details with family early on, the better off you will be. We have seen cases where the children had little interest in the business, but after going through this process, one or more became interested and actually ended up taking over the business, completely changing what the owner thought would be the succession plan – selling the business.

The bottom line: Don't involve too many people in the process early on, but do involve the right people at the right time.

5. CONDUCT A SWOT ANALYSIS OF THE COMPANY AND DEVELOP A PLAN FROM THERE.
This is actually the hardest part of the process. This is where the actual planning process takes place. It takes an average of two to five independent sessions with the team you have designated to do it right. During this process, you will do a SWOT[2] analysis of the people and the business itself. The first session begins with making everyone on the team aware of the owner objectives, the basis from which planning will be conducted. You want to clearly understand what your opportunities are as well as your threats and weaknesses. And in this first session, you will jointly develop a preliminary SWOT analysis.

Between the first and second session, each team member should conduct their own SWOT analysis, providing their unvarnished opinions back to the group. Without that, the chances of achieving your objectives go down. Here are sample results of a typical SWOT analysis.

Internal Strengths	Internal Weaknesses
Strong sales staff	Inadequate financial reporting
Adequate financial condition	5-color press is old technology
Digital capability	No obvious leader beyond the owner
Mailing capability	Family issues
Specific competitive advantages	Lack of a formal business plan
Excellent customer service	Lack of automation
External Opportunities	External Threats
Weak competition	Terrorist attack
Availability of training	Government regulations
Consultants	Crazy Uncle
Strong economy currently	Potential for an economic downturn
Availability of skilled labor	Taxes
Availability of additional product lines to strengthen offerings	

[2] *Strengths, Weaknesses (internal factors), Opportunities, Threats (external factors)*

Whatever your SWOT analysis turns up, it is important to take all of it into consideration and plan accordingly, because you cannot assume business conditions will remain the same indefinitely. The recession of 2008/2009 is a good example.

We also recommend you consider bringing in an outside facilitator to help you with these sessions. This helps maintain objectivity during very frank discussions that can be stressful. A strong facilitator can be sensitive to the various emotions that are emerging and help the group address them in a constructive way.

Following the sessions, the facilitator can prepare a thorough report that will keep the process moving forward.

The ultimate objective is to get everything out on the table. The best run companies do have these frank, and sometimes heated, dialogs. That's how you can eventually find common ground. Remember that the objective of these meetings is to formulate a plan based on a very realistic, relevant assessment of your business. The SWOT analysis will be the basis of the plan you develop.

BUILDING THE PLAN

Once you have defined the objectives and timing, have a clear understanding of the financial ramifications, have involved the right people and completed your assessment, you are ready to begin building your plan. The plan should be in writing, and you should be able to turn it into an Action Plan. If you are working with an outside consultant, she may be able to help you with the development of this plan as well. Keep in mind that the overall process for executing against a succession plan can be as little as six months or as much as six years, but more often is somewhere in between. Given the likely time lapse, you should avoid, for example, attempting to sell in the middle of an investment cycle resulting in a new press that needs to be paid down. But it also means getting started soon on the tasks that will position your company as a smart play for buyers – internal or external.

Questions you should ask yourself as you develop the plan include:

- What are the timing and financial requirements for your retirement?
- Do you plan to sell some of your stock or bring in management that will assume stock ownership? Or are you considering just selling the business outright?
- Are there management positions you should bring into the company to strengthen it, especially if the goal is to create a lifestyle company? Perhaps a new CFO, VP of Sales, or even a professional President? These are functions you might be doing today that you are not going to be doing going forward. Keep in mind, though, that it can be very difficult to

run a lifestyle company. It can get very political, with employees going behind your back or that of any professional managers you bring in, and this can create a toxic environment. We are also in a lower margin industry, and trying to compensate both a professional manager and owner carries the potential of draining the company of the resources required to keep it afloat and to keep employees motivated.

- What new roles are needed in the company? For example, if the business is going to a child, does that child have the requisite financial or sales skills? What exactly will be your role? If you have transitioned responsibility for running the company to others, will it be disruptive for you to come into the company or stay involved on a regular basis? Or will it be a benefit to the company? We know of a case where the 80-year-old founder is still a welcome member of the team, acting as a visionary. We also recently saw a situation where the owner, who transferred the business to his son, moved to Florida the day after the transaction closed!

- If you do bring in outside professionals, how will you compensate them? Will you incentivize them based on key performance indicators (KPIs), pay them straight salary, offer stock ownership? What is the best mix to motivate them to drive continued growth in the company?

- Do you have the appropriate amount of life insurance? Should your officers have company-funded life insurance with cash surrender value? Or should you be reducing that expense if you are transitioning out of the business?

- What are the estate tax implications? If the timing of certain actions is right, you can save dramatically on estate taxes. Here, and with regard to the life insurance question, it makes sense to engage your accountant and/or attorney, and a valuation expert as well.

- Are there training needs to bring the remaining staff up to the right skill level so they can handle the business once you exit day-to-day operations?

- What are your expectations for your management team? These should be clearly outlined in the plan. One way to hold them accountable is to have a significant portion of their compensation be incentive-based, payable when they achieve certain KPIs. That can be a very effective way to hold people accountable and keep them motivated.

- How long will you stay involved with the company, especially in the event of a sale? Closing a transaction does not always end the owner's involvement with the company. The new owner may expect the former owner to stay on in an executive role until the handoff is complete. You should budget six to 24 months before you can finally get to the beach. Although as mentioned earlier, each situation is different. The key is to have a realistic expectation about the amount of time your exit will require.

- What about a potential future sale of the company? The plan should also include explicit buy/sell agreements; that is, give your team the comfort of knowing that you are not going to sell the company without getting them involved, or at least letting them know what you are planning. Are there opportunities in the future for them to buy into the business? That also incentivizes the team to do what's best for the business.

- What other considerations should be included in the plan? Every plan will be different. The goal of the plan is to set the stage for you to achieve your objectives. It's better to have too much in the plan than too little.

When the process is completed, you have a formal written plan you can follow, and you can develop buy-in from your management team and perhaps the next owners or managers of the company. It aligns expectations, and it provides an opportunity to review and adjust the plan. You don't want to write it, put it in a drawer and forget about it. You should review this plan on a regular basis with the core members of your team to ensure it is still relevant.

HOW DO YOU KNOW WHEN THE PLAN IS COMPLETE?

- When the plan is complete, all issues related to future transition, succession or sale will have been vetted.

- The who, what, where, and possibly when, for the ownership transition, sale or management succession of the business has been established and memorialized.

- Expectations have been defined and established and are known to all relevant stakeholders.

- Disruptive surprises and unrealistic employee or family expectations have been addressed.

TAKING A WALK ON THE BEACH

As an owner, you have always regarded securing the future of your business as Job Number One. It is no different at the end stage. Your stakeholders, clients and employees are still depending on you to make the right decisions. Consider both their and your interests in the decision-making process.

With that in mind, here are three key takeaways that we recommend you consider as you think about the future of your business:

- The succession planning process takes a long time. It can be six years or more, depending on the condition of the business. It is never too soon to get started.

- Replacement planning should be the first step in developing an exit strategy for the owner. With a qualified replacement CEO in place, not only will you be likely to get a higher price for the business if the ultimate choice is to sell it, but you expand your base of potential buyers to include private equity and adjacent specialties where they are likely not to have the expertise to run the business themselves. Even if you plan to retain ownership or pass the business along to family, putting that CEO in place to run day-to-day operations gets you to the beach faster while still keeping your fingers on the pulse of the business.

- Be cognizant of the actions you take and the impact they have on the value of your business. Three metrics that increase value include:

    - o Increasing sales;

    - o Increasing EBITDA; and

    - o Lowering debt.

At the same time, it is important to keep technology current and, if the ultimate resolution is a sale of the business, to plan that sale midway through a technology cycle.

By following these recommendations, you will be more likely to be able to spell the success in succession planning in big, bright capital letters, from the beach or wherever your future might take you, and in the timeframe you most desire.

ABOUT THE AUTHOR

New Direction Partners has had a hand in over 300 mergers and acquisitions since 1979. Collectively, they have over 200 years of industry experience with transactions in aggregate exceeding $2 billion.

Paul Reilly has been in the industry for over 30 years and for the last nine years has been providing investment banking and financial advisory services for sellers and buyers, valuation services, financing and refinancing efforts, turnaround and restructuring services, and temporary/interim management consulting. Engagements have included packaging, label, commercial printing, direct mail, web-to-print, digital printing, envelope manufacturing and graphic art supplier clients. Reilly frequently speaks at industry conferences on leading, managing and M&A trends in the graphic communications industry.

Previously, Paul was CEO, President and Chairman of Cenveo, Inc. (NYSE:CVO), one of North America's leading graphic communications firms. During his ten years at Cenveo, the firm grew from $17 million to over $2 billion in sales while completing some 60 acquisitions, numerous capital raisings, and created over 17% CAGR in shareholder returns.

Paul is the Founding Chairman of the Print Council, a business development alliance founded to promote the greater use of print media. Paul currently serves on the boards of Soft Print, a work-

flow software firm, Forces First, a provider of insurance products to European military personnel and CSG Solutions, a provider of outsourcing services.

Paul has a BBA in Finance and an MBA in Computer Methodology from Baruch College. Born and raised in Queens, New York, Paul now resides in Colorado and Florida with his wife of 40 years, Patty. They have three grown children and three grandchildren. His interests include skiing, mountain climbing, mountain biking, sailing and golfing.

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