



## **Move to the North Shore launches new era for Shawmut Printing**

By John Scibelli

From their new home in the Cherry Hill Business Park off Route 128 in Danvers, Mass., Shawmut Printing barely resembles the company that made its home in Chelsea, just across the Mystic River from Boston, for the past 54 years.

The attributes that made Shawmut Printing a successful business enterprise since its founding in 1951 haven't gotten lost in the move. Shawmut employees, whose efforts are responsible for the company's success, can now flourish in a sprawling 22,000 square foot single-story workspace that has helped set the stage for a new chapter in the company's long history.

In a recent interview, President and co-owner Dominick Peluso emphasized that Shawmut's customer-centric philosophy, their commitment to quality printing, and history of quick turnaround times on print orders are all intact.

Services including graphic design, Internet-based fulfillment ordering for clients, variable data printing capability and complete mailing and fulfillment services have opened new business avenues and molded Shawmut into a full-service print communications provider.

In addition to a move to a building twice the size of its longtime Chelsea home, Peluso and his brother, Ted, a co-owner and vice president, pushed ahead over the past three years with more than \$2,500,000 in other capital investments.

Evidence of their belief that re-shaping the company was the right thing to do, many of those investments came in the middle of the industry-wide slowdown that cost Shawmut nearly 10 percent of its annual sales in 2001. It took two years, but the company has regained those sales and much more.



Dominick Peluso, Shawmut Printing's president and co-owner.



Komori Lithrone 6-color.

Among the major investments was a six color Komori Lithrone in 2000, purchase of a mailing company in 2000, a new Heidelberg Polar Cutting System in 2002, a new Heidelberg ProSetter CTP device in 2003, a new 6-color 40-inch Komori LS Series 45 press with aqueous coating and a 7-color HP Indigo 5000 digital press in 2005; and additions and upgrades to the prep and bindery areas.

Ted's three adult children, sons Michael and Daniel, and daughter, Stacy Peluso-Slaney, are fully engaged in the operation. The group maintains a solid grasp of how the industry is changing and a commitment to deliver

complete solutions to clients in a timely manner.

The younger Pelusos continue to pour resources into an aggressive marketing effort to get the word out about the expanded services. For example, Shawmut participated in Printing Industries of New England's first print buyer expo in 2005, Graphic Communications Day — New England. The presence of a fortune teller at their booth linked with a variable data promotion helped generate lots of foot traffic and brought an element of fun to their experience.

“We came away from that event with many quality leads,” Dom Peluso said. So satisfied were they with the event, Shawmut was one of the first companies to re-sign for this year's Graphic Communications Day. It is scheduled for Wednesday, March 22 at the Boston Marriott Copley Place.

Another recent investment — of a different sort — was the creation of a client lounge in Shawmut's Danvers plant, which could pass for a luxury studio apartment in Boston or New York. The room has comfortable furniture; a wall mounted flat screen television, and includes a built-in kitchenette with all the conveniences. Mike Peluso said, “the room was constructed with the comfort of our clients in mind for when they come to the plant for lengthy stays. Yes, press checks are still important to some clients.”



Shawmut's Indigo 5000 7-color.

“We work in a fast-paced, time-sensitive industry and we wanted to create a professional yet comfortable experience for our clients, sales staff and brokers. If we help a client solve a business problem or challenge, then we've done our job. If we can accomplish that within their budget, or show them a better way to get a return on their investment, then we've provided additional value beyond printing, and hopefully we've strengthened our relationship with that client.”

He gave a recent example. He visited a client at a high-rise office building in downtown Boston and was surprised to see two offices used to store an inventory of printed material, some of

which was old and outdated. Managing the collateral needs of the company was an overwhelming and frustrating task for the client's marketing department. The marketing director knew precious budgeted funds were being wasted keeping track of and organizing this inventory.



Shawmut owners – the Peluso Family, (left to right) sitting Ted and Dom, standing Dan, Stacy and Mike.

Peluso explained the benefits of Shawmut's Internet-based, easy-to-use fulfillment ordering system. Within a short amount of time, Shawmut got the marketing manager acclimated to their online ordering system. Soon thereafter, the client got rid of the old inventory and the old way of doing business. Now the marketing manager orders printed collateral material only when it is needed, and in smaller amounts from a Virtual Web Store Front.

A skeptic may say Shawmut cut off a source of revenue by encouraging the client to order less print, but Peluso sees the experience as a clear example of saving the client money and helping them steer marketing resources into more profitable endeavors.

On the Shawmut end, whenever a fulfillment order arrives via the Internet, it is processed, digitally printed or taken from inventory and shipped within 24 to 48 hours.

“This is just one direction our industry is headed and we believe that for Shawmut to continue to be successful we must follow several paths simultaneously. That is why we are investing in both digital and offset equipment and will continue to do so.

### **A sports calendar gets the company started**

Shawmut Printing got its start in an auspicious way. In the early 1950s, Dom's father, Ted Peluso Sr., and his business partner, Larry DiVentui, an amateur photographer, created a 4-sheet sports calendar to compliment their other lines of advertising specialties, such as ballpoint pens, desk calendars, key chains and business gifts.

The partners chose the name Shawmut for their fledging enterprise because of its close association with Boston. The idea was a success, and the calendars became very popular. As the calendar business grew it became obvious that to sustain that growth would require resources unavailable to the small enterprise. So Ted and Larry eventually sold the copyright for the calendar to Acme Printing, then of Everett, Mass. The proceeds from that sale financed the purchase of a new Heidelberg “windmill” Letterpress, which was installed in the basement of the Peluso home in Chelsea. And Shawmut was off and running as a general commercial printer.



Production Board with Chuck Freeman, desktop technician reviewing a proof.

The printing operation remained in the Peluso basement for its first

19 years, until 1970 when the family built a 5,000 square foot building on Library Street and built additions to the building in 1981 and again in 1999.

By the early 1980s, Shawmut had three Heidelberg “S” presses on its shop floor, as well as three ATF Chief 17’s, all presses were 2-color and Shawmut had earned a reputation as a reliable, quality job shop serving Dom’s accounts as well as brokers and smaller printers. A lot of work also came from Boston ad agencies such as the old Ingalls, Quinn and Johnson; Bronner Schlossberg; and Hill Holliday to name a few.



Pressman Matt McGrath beginning a make ready on the Komori LS 6-color with coater.

“Both Teddy and I have worked at Shawmut since we were kids and except for school and reservist military duty we have been doing this every day of our lives. What excites me” said Dom, “is that Teddy and I started in the ’50s in letterpress, setting type by hand, as had been done for almost 350 years. We moved into offset in the ’60s then in the ’80s we moved into computer typesetting and then later in that decade into Mac-based pre-press. Now we are entering the new era of digital printing and the many opportunities it holds for us and more importantly for our customers. We also see a continuing need for medium to long run, high end offset printing.”

After many strong years in the forefront, Teddy has started to reduce his participation in the operation of the company. Dom enjoys working with his niece and nephews and is not thinking about retirement. He envisions being with the company for the foreseeable future, however, that hasn’t stopped the family from developing an ownership succession plan. Michael, Dan and Stacy are now the key principals in the company overseeing strategic decisions, production and sales respectively.

Dom credits many printers from the Boston area for helping him learn the trade many years ago but two men in particular. “I learned job estimating from Norman Rice who worked at W.E. Andrews, and Fred Guarante who was general manager at Daniels Printing in Everett for many years. They both taught courses at BU that were instrumental in helping me learn the print business.”

### **The backbone of the company**

Twenty of Shawmut’s 35 full-time employees work in production. There are five sales representatives, and two customer service representatives. Managers and support staff make up the balance.

Michael Peluso is company vice president. He helps guide sales and marketing efforts and focuses on strategy with Dom. Stacy Peluso-Slaney works on new business development as well as managing significant personal sales. Dan Peluso heads up operations and



Dan Peluso, vice president of operations, with Melodye Augusti, sales rep.

oversees everything from customer service to shipping and all that happens in-between. Dom focuses on estimating, costing, and personnel matters, among other duties. “We work together, make decisions together and know that to be successful we must effectively communicate with each other and with our clients,” said Dom.

The pressroom and other production employees work two shifts; an 8 hour day shift and a 10-hour four day night shift. “We’ve been very busy and it’s not unusual for us to work two 12-hour shifts two weeks out of every month. You need great people to keep that type of schedule and we are fortunate to have them. And I believe the reason we have them is that we treat our employees like family,” Dom said. “And our people don’t let us down. When our demanding customers ask for the impossible...we deliver.”

“Naturally, we pay top salaries, provide an excellent health benefit package and offer 401(k) plans, among other benefits” he added.



Carlos Moreno, mailing & fulfillment manager.

More than half of the employees have been with Shawmut more than 10 years; some more than 20 years. The move 18 miles north from Chelsea did not upset the employee ranks. Several employees lucked out. They now enjoy a shorter commute.

#### **Investments in workflow production**

Shawmut’s conversion to a computer to plate workflow in 2002 had a huge impact on the company. They eliminated two positions in prepress and still increased output with the electronic workflow. The workhorse is a Heidelberg Prosetter, powered by a Rampage RIP. Most files now arrive electronically, and prepress preps all files using the traditional

software tools.

The company president said he invested many hours investigating the top names in platesetters but opted for Heidelberg’s equipment because of a combination of low maintenance costs, a solid reputation for service and greater versatility with plates.

Going to a CTP workflow was instrumental in growing overall sales in 2003 and 2004. Quite simply, Shawmut was able to process more work at a faster pace with the platesetter, and with two Komori presses and an older Heidelberg on the floor, the company was able to make back the sales it lost beginning with the slide in 2001.

“We went through a difficult period between 2000 and 2002,” Peluso said. “In 2003 when we saw the economy start very slowly to improve and it was our feeling that there was pent up demand because many companies let their promotional printing dwindle as a cost savings measure. When we saw business picking up like it did, we made a decision that we wanted a new 6-color press with aqueous coating. We had acquired some large accounts and our



Customers enjoying Shawmut’s new client room.

clients were calling for specialized printing. Once we made that decision and went ahead and ordered the press; that seemed to be the spark for us.”

### Going with a Komori LS

The company’s new 40" Komori press was delivered, installed and operational at the new facility by late August. For a short time during the transition, prepress was still based in Chelsea while printing was being done in Danvers. It was awkward, but it never adversely affected production nor cycle times in handling customer accounts. By Sept. 1, the move had been completed, and the company has been rocking and rolling ever since.

The new press has reduced make-ready times from 90 minutes to 20. Top speed is about 16,000 sheets per hour. Peluso said his press operators routinely run the machine at close to top speed.



Stacy Peluso-Slaney (left) entertaining a client at their recent open house.

Shawmut bought its first Komori, a 5-color 26" Lithrone, in 1988. “We made a lot of money with that press,” Peluso said. “In shopping for the new press, we looked at Heidelberg, Mitsubishi and Komori, and we put the manufacturers through the technical paces. I think all three manufacturers make fine equipment and a printer can’t go wrong with the choice of any of those. We had a good experience with our first Komori and had developed a comfort level, so yes that was a factor but the fact remains if you want to print at top speed and aqueous coat in-line, the Komori LS is the press to beat. Also, we liked Komori’s closed loop system, and the fact that a scanning spectrophotometer is built into the console. The color profile variances are set so you know when you’re on the mark with color and when color is beginning to drift. This is crucial for critical crossovers and consistent color. We thought long and hard before making our decision. We feel very good about the decision we’ve made,” he said.

Shawmut’s two Komori 6-color presses have been humming since its move to Danvers and the Peluso family plans to keep it that way. Future plans call for expanding the sales force as well as investing in training, sales and marketing for their new digital press.

“There are a lot of successful companies in our area who could avail themselves of our services; however, they are not easy companies to get into to make a pitch for providing printing or ancillary services. We’ve learned that your marketing has to be sophisticated. Your sales effort has to be sophisticated. Of course, marketing won’t matter if you can’t back it up with quality work and service.”



Paul Underwood, desktop supervisor.

### Growth opportunities

Peluso believes the biggest growth opportunity for Shawmut over the next five years will be in

helping clients with their marketing initiatives. The company purchased a 7-color HP Indigo 5000. They had tested another color device for nine months but were not satisfied with the machine.

“The Indigo has a wider color gamut, and the liquid ink technology make its quality extremely close to offset color work,” Vice President Michael Peluso said. “And the Indigo dovetailed better with our commercial sheet-fed work, providing an almost perfect match in many instances. Variable data printing is an important part of the future of commercial printing, and we feel as a quality midsize sheet-fed printer we needed to have a quality digital press to respond to shorter print runs, multi-faceted marketing programs such as Web to Print, On-Demand from Virtual Storefronts and specialized mailing projects. Once you do work like that for a client and demonstrate a commitment to make their business more successful you build trust, and that can lead the client to bringing in their sheet-fed work also. So we believe that our digital and offset solutions compliment each other.



Shawmut employees operating an ink jet machine for mail processing.

“We’ve built our business on delivering value to our clients. Shawmut’s client list exceeds 150. About one-third of that represents the company’s core, repeat customers. Shawmut serves clients in the financial services industry, food and hospitality, education, and health care.”

It’s not unusual for Shawmut to produce 5,000 pieces of a 32-page brochure and get it out to clients within three to five days of receiving the order. They are veterans of taking jobs such as printing four over four 190,000 postcards on a Monday and dropping them in the mail by Wednesday. “We turn things around very quickly.”

### **Conclusion**

“We look at our transition — two new presses, a new location and facility, improved workflow, expanded services — as a new era for Shawmut Printing,” Dom said.

The move to a new home was long overdue for Shawmut. “A printer friend of mine told me for years that our building in Chelsea was holding us back, and he was right,” the company president said.

Now, Shawmut Printing, their new facility and their future is looking good.

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