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Keeping the Dollars Flowing

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The Boston Globe
Publishing Services

Decide on your mission

Are you trying to make cuts to survive

or

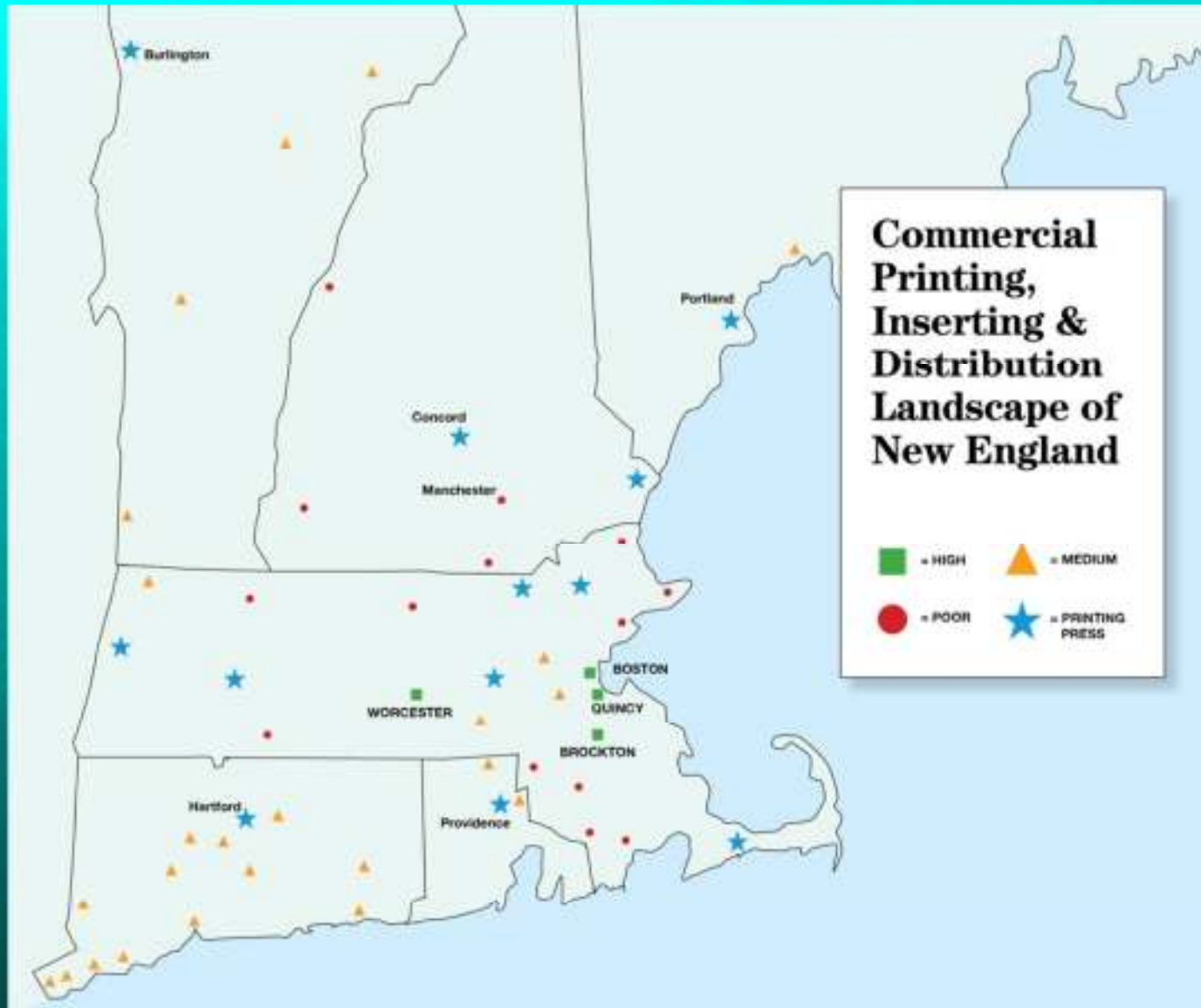
*Trying to build a business by
leveraging your assets into new money?*

How about both?

We took a look at the Landscape

- What is out there for business?
- What are we good at?
(printing, inserting, distribution)
- What is the extensibility of our equipment?
- Who would we be competing with?
- What is our value proposition?
What do we bring to the table that other do not?

Deep Dive at Opportunities



Create a plan

- Leveraging our distribution relationships; talk to our partners about printing and inserting
- Understand that new capital is not coming without a solid ROI
- Realize you just can't print everyone
- Smartly create a plan to cover your "Sweet Spot" 10 pm to 4 am

Understand your Customer's Needs

- Treat your customer as a partner
- We had to get down off our high horse
- Realize this is not a part-time venture
- Get commitment from labor unions
Our future is now
- Attack customer service
We pushed to meet with customers, not waiting for complaints

Listen

- Quality is job one
We learned a ton from NYT and applied it
- Bring future products forward and help customers make money
Example: BH and Preprints
- Understand that this is a marathon, not a one-time sprint

We are today

WE PRINT:

Boston Globe

New York Times

Boston Herald

Worcester Telegram & Gazette

China Daily

Boston College

And lot of other small jobs

The Boston Globe

Publishing Services

We are today

WE MANUFACTURE (INSERT) FOR:

The Boston Globe

The Boston Herald

The Worcester Telegram & Gazette

Valassis

Globe Direct

Some Tribune Media

NOTE: That adds up to over
2 billion inserts in 2015

The Boston Globe
Publishing Services

We are today

WE DISTRIBUTE FOR:

Boston Globe

New York Times

Boston Herald

Worcester Telegram & Gazette

China Daily

Wall Street Journal

Plus 40 additional titles

- Most every publication in the Boston area

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So we have decided to move

WHY?

- Sale of the Globe contained a real estate component
- Still located in the city – we sit on some pretty valuable property

When & How?

When is NOW

Management direction is to move as quickly as possible

How is:

- Real Estate component
- Press issues
- Inserting equipment
- Distribution challenges

Real Estate

- Do we need one site or two?

Printing site, inserting site, combined?

- Do we build or find a building?

Keeping in mind structural support for presses

Press Components

- How many presses will we need in 2017?
- What will the circulation look like then?
 - For the Boston Globe
 - All other customers
- Any new business out there?

Process

- Hired Dario Design to assist
- Literally composed 41 different versions
- Interviewed every press vendor
- Found an approx. 300,000 sq. ft. warehouse
- Arrived at the Pressline Plan to fit our needs

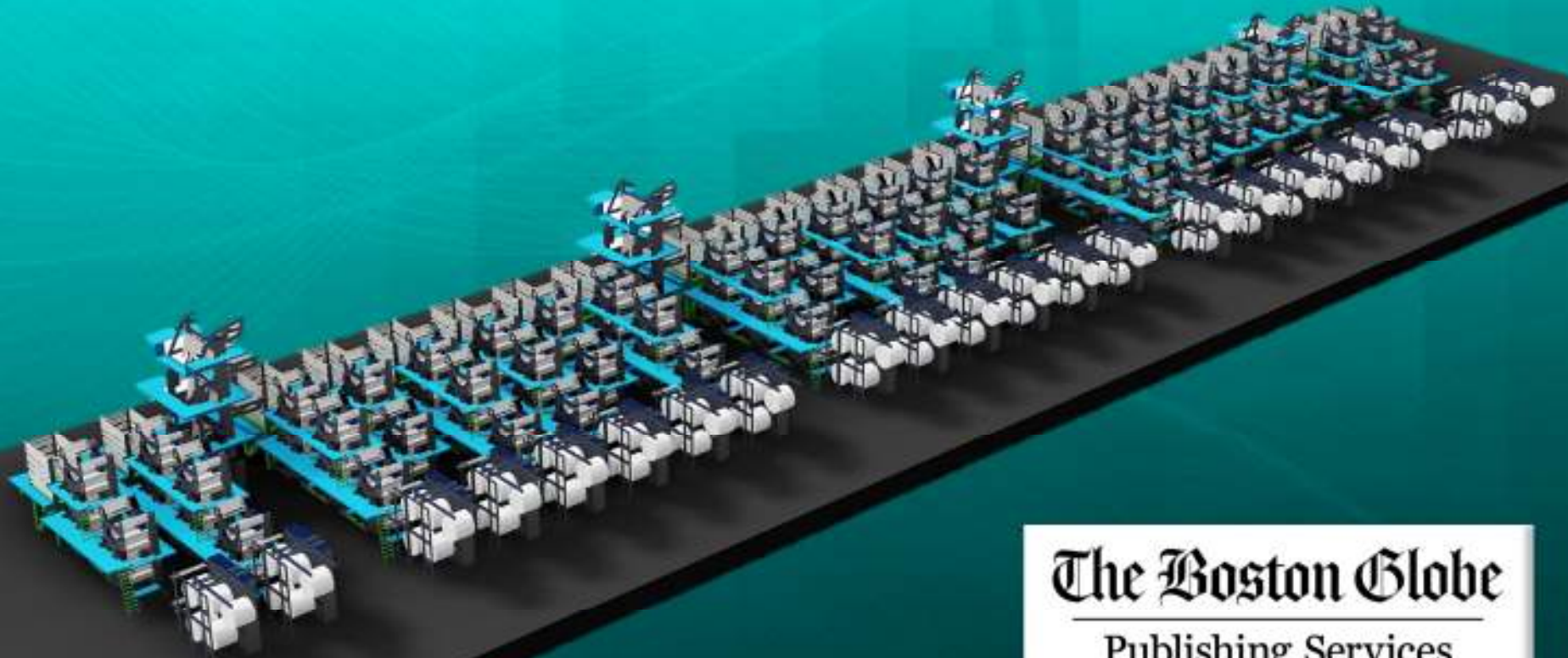
Why Pressline Plan?

- Our main business is a complete process
 - From printing, inserting, distribution*
- Many of our customers go to the same places
 - Meaning we need to drop product from 4 folders almost simultaneous to go on the same trucks*
- We had little need for high speed expensive presses
 - Single width presses give us tremendous flexibility with web width reductions
 - Ability to use dayside downtime to enter the commercial market
 - Timeline is to be completely up and running with all products by February 2017

In Conclusion

- Construction has begun on our new 300,000 sq. ft. facility
- Pressline has acquired most of the units necessary
- Pressline currently rehabbing and adding new components
- First press delivery due in December
- Projected first copies: March of 2016
- Total live date: February of 2017

The Press Layout



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