

THE EDGE

THE MAGAZINE FOR PENSORD CUSTOMERS

Meet Pensord's new stakeholders

Share option scheme Page 4



ace signing

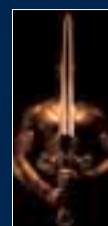
Jon Bessant joins Pensord

Page 8

lucky break

Win a luxury break

Page 9



PENSORD
MAGAZINES, PERIODICALS
AND CATALOGUES

a sharper focus



all the issues that affect your business

"Welcome to the second edition of **The Edge**, our regular publication designed to provide customers with a useful insight into how we operate at Pensord.

"This issue includes important snippets of information which highlight how we can help you get the most from your business relationship with Pensord.

"And because this is a people business, we also profile the people who work together with you at Pensord to make a real difference to your business.

"We hope you find this edition both informative and entertaining."

CONTENTS

Pensord Stakeholders

Share option scheme Page 4

Pensord profile

Keith Foxhall makes it happen Page 6

Size-based pricing

A potentially big problem Page 7

New ACE signing

Acrobat king Jon Bessant joins Page 8

Lucky break

Win £500 in holiday vouchers Page 9

That was the year that was

Investment update Page 10

Customer research Page 10

Pensord Charter Page 11

Communication is key to our service

"These are very exciting times for everyone associated with Pensord, especially our customers.

"Which is why we want to let you know about everything that has been happening at the company in recent months.

"Featuring so many stories about our team may seem a little self-indulgent. If it does, I apologise, but I am proud of my team's achievements and I want to ensure that you are kept right up to date with developments.

"After all, every change we make, we make to improve our service to you.

"But communication is a two way process. We want you to get the most out of **The Edge**, and indeed our service as a whole, so we welcome feedback on issues covered, and any thoughts and ideas you may have for future editions.

"Please email me at tony.jones@pensord.co.uk or phone me on 01495 223721."

Tony Jones, Chief Executive, Pensord



PENSORD
MAGAZINES, PERIODICALS
AND CATALOGUES



Q 06300

Tel: 01495 223721 Fax: 01495 222157

E-mail: sales@pensord.co.uk Website: www.pensord.co.uk

Tram Road, Pontllanfraith, Blackwood NP12 2YA

**Supporting
the PPA Awards
yet again**

Publishing 'Oscars'

We are proud to announce that Pensord will support the publishing industry's 'Oscars' awards ceremony, the PPA Awards, for the fourth year running with our sponsorship of the Publisher of the Year Award (for companies with fewer than 50 employees).

And the winner is...

Without doubt the winner is the publishing industry as a whole!

It's a great pleasure to work closely with the industry's key organisation on this flagship event, and wholly appropriate for Pensord to be so closely involved in an event that recognises and rewards the achievements of leading smaller publishers.

After all, smaller publishers represent the lion's share of our business. It makes sound business sense to support them all we can.

Speaking of our involvement later this year, PPA Chief Executive Ian Locks says:

"Magazines are an exciting business to be in if for no other reason than that successful magazine publishers are so incredibly creative. So creative that they may sometimes take their key partners for granted.

"Pensord is a printer particularly valued by independent publishers and therefore their support for the category open to companies with fewer than 50 employees is particularly apposite.

"PPA is delighted to have the involvement and support of Pensord as sponsors for one of the all-important Publisher of the Year categories for the fourth successive year."



Ian Locks

"Sponsorship is about synergy where both parties get real value from the relationship. I believe this to be especially true in the case of Pensord's sponsorship of the PPA Publisher of the Year Award (for companies with fewer than 50 employees)."

Ian Locks, PPA Chief Executive



New 'owners' for Pensord

Pensord launch staff stakeholder scheme



Pensord owner, Tony Jones, announces plan to relinquish 25% of the company to a Staff Stakeholder scheme.

Jones explains the reasons behind this radical move and why he is convinced that the move is just as good news for customers as it is for staff.



"I believe this move will help to ensure the long-term future of the company and give everyone at Pensord the opportunity to share in its success."

**Tony Jones,
Pensord Chief Executive**

WHY I'M GIVING 25% OF THE COMPANY AWAY

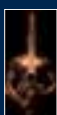
"Having taken sole control of Pensord last June, I have now taken steps to ensure that everyone here has a stake in Pensord, and that the whole team has a vested interest in the success of the company and the quality of service we offer customers.

"Consultants KPMG have been commissioned to set up a specific share option scheme for all members of Pensord staff and the announcement that 25% of the value of the company is to be given away was made to staff on Friday 16th January 2004.

JUST REWARD FOR LOYALTY AND COMMITMENT

"This was something I have been thinking about for some time, and as soon as I took the reins last summer, I was determined to give the staff a stake in the company's future.

"This is both as a reward for all their hard work, and as a symbol of my firm belief that, through shared ownership, we will enhance the sense of unity, and further sharpen our focus on customer service.



A sense of ownership

"I am very fortunate to be part of a loyal, committed team – that was a key factor in my MBO decision – and I wanted to demonstrate my appreciation to my colleagues.

It has always been my business ethic to encourage and repay endeavour and talent.

"We have been saying for some time that we all share common goals at Pensord. Now I have taken the measures to ensure that when we achieve our targets and goals, everyone benefits.

"This can only be good news for customers.

"From now on when you speak to someone at Pensord, you are likely to be speaking to someone who, as a stakeholder, will care even more about the service being offered.

Our service and commitment to customers can only be enhanced by this move – and that's got to be good news."



Simon Jones, a Partner at KPMG Cardiff explains the scheme in more detail:

"Pensord has ambitious plans and recognises that all employees have a significant impact on its achievement of those plans and on the future performance and growth of the company.

"The company therefore wants to provide all employees with an opportunity to participate in a company share option scheme. The scheme effectively gives the employees a stake in the company and therefore allows employees to share directly in any increase in the value of the company.

"The share scheme gives employees the option to acquire shares effectively free of charge on the happening of certain events and then to realise the value of those shares at a point in the future.

"The scheme has been structured as an Inland Revenue approved Enterprise Management Incentive ("EMI") scheme and as a result the tax charge on any value received by the employees should be minimised (if not entirely eliminated in certain circumstances!).

"In summary it is a well structured and highly tax efficient share incentive plan which will help Pensord to reward employees by giving them a share in the future value of the company."

STAFF REACTION



"I've been with Pensord for over 26 years. I'm delighted I'm now part of the company."

Colin Watson
Press Hall Overseer



"I came into work as a Muller Operator, I'm going home as a stakeholder."

Wyn Davies
Muller Operator



"It's great to work for a company that puts people first."

Chris Haines
Pre-press Overseer



PENSORD PROFILE



Keith Foxhall

Title Manager

Pensord people make the difference.

This applies to the customer service provided by the whole team, but particularly to your Title Manager, someone you can rely on totally to deliver, and to provide technical advice and guidance that will help your business.

18 YEARS STERLING SERVICE

In this issue we feature Keith Foxhall who joined us as Title Manager 18 years ago and has been providing a sterling service ever since. But there was a time when Keith danced to another tune, and following in the footsteps of a very musical family he became a cabaret drummer at the age of 14, and soon joined P&O, finding his sea legs for a few years aboard the SS Canberra.

And it's Keith's ability to keep things on an even keel that makes him popular with customers. He says: "Trust is essential – customers have to trust their Title Manager implicitly."

And after 18 years they certainly do. Keith has been working with one customer's main weeklies for most of that time – he considers them 'his' titles.

INSTRUMENTAL TO OUR SUCCESS

For a musician, Keith is currently instrumental in developing a significant new internal MIS system, an integrated system that all staff will use to enhance communication throughout the plant – to further improve service to customers.

Looking at the future of the company, Keith says: "Tony was confident to put his money where his mouth is, and Pensord is now on the verge of a very exciting new future – we're going places." And that from a man who has travelled so much!

Keith, now 54 and married for 25 years with a 15 year old son, still has travel interests, but these days they're on terra firma as he indulges his hobby of virtual flying, using a flight simulator that satisfies his combined passion for aviation and new technology.

"I am passionate about the customers I work with. My role is to understand their needs, and to communicate those needs through the progress of the job to make sure they are happy with the end result."

**Keith Foxhall
Pensord Title Manager**



Keith – upbeat about the future!



Size-based mailing

UPDATE

The Royal Mail's much publicised proposed changes to its pricing structures for mailings have caused uproar in the publishing industry. They have been described as the biggest change to the postal market since the Penny Black.

The Royal Mail is hoping that the delay in going out to consultation on size-based pricing – pricing mainly by size which dictates the type of handling required to process the mail, with less reliance on weight – will soon be resolved following discussions with the postal regulator Postcomm.

PPA voices concerns

The Royal Mail has been working closely with the PPA on this, who have been particularly vocal on the issue. A number of changes have already been made to the original proposals. In December 2003 the PPA said:

"Postcomm is assessing Royal Mail's proposal against five criteria in Paragraph 13 of Condition 19 of its licence, and taking account of its statutory duties under the Postal Services Act 2000, and Royal Mail's other licence requirements."

The Royal Mail argues that size-based pricing is not a new idea, and that many other postal administrations around the world already take account of size in their prices, and others are introducing it.

Postcomm delayed going to consultation on the proposals pending further details on costs from the Royal Mail. Should Postcomm go to consultation, and the Royal Mail is hoping this will be resolved soon after this publication goes to press, it will give a period of three months for responses. Following this the Royal Mail would give customers about twelve months' notice before introducing these changes. Their declared intention is to introduce the new pricing system from April 2005

AN UNACCEPTABLE RISE IN COSTS

One Pensord customer with a weekly title says: "We circulate over 15,000 magazines via Presstream every week. Under the new proposals our distribution costs would increase by 23% to £34,500 per year. Clearly that is not acceptable."



"We rely on a thriving UK publishing industry and are keeping a close eye on this situation. I have taken this issue on board and will be happy to advise on how it may affect your business. Do give me a call."

**David Phillips
Pensord Customer Services Manager**





ACE **Industry renowned Jon Bessant joins Pensord** signing

We are delighted to announce the appointment of Jon Bessant as our Pre-press Technical Support expert. This is a significant signing, as Jon is undoubtedly the most qualified print and publishing biased Adobe PDF specialist outside Adobe Systems.

His arrival makes Pensord the only UK print company to have a 'treble' ACE (Adobe Certified Expert) and ACI (Adobe Certified Instructor) – offering customers a service that would be hard to match anywhere in Europe.

Jon joins from S&G, where he completed over 160 PDF installations, and he has helped others across the globe in the Adobe, PlanetPDF, Enfocus and PDFZone communities, including building the largest PDF workflow in the UK travel industry for TUI. His expertise and international industry reputation make him a great complement to our existing strong pre-press department.

Jon's appointment was made very much with the customer in mind. He is an excellent communicator with a sharp focus on how he can help your business.

Darren Coxon, our Commercial Director, has worked with Jon in the past.

"It's good to link up with Jon again. He has always been very customer focused. He is an extremely knowledgeable professional and his experience will prove invaluable to customers coming to terms with PDF workflows, and those looking to step up to the next level," says Darren.

If you have any questions regarding PDF creation or PDF workflows, then Jon's your man!

Email him on jon.bessant@pensord.co.uk

"Pensord is a company with an excellent industry reputation for customer focus, and that reflects my style of working. I'm really looking forward to being part of Pensord's exciting future."

Jon Bessant

Pre-press Technical Support

Happy Retirement Tom

To Tom Evans, our former Presshall Assistant who recently retired after 15 years sterling service, we wish all the very best in the years to come.

Announcing the winners of our £500 holiday draw

5 lucky breaks

Congratulations to the winners of our prize draw competition in the first edition of the Edge. We offered five chances to win £500 in Thomas Cook Holiday vouchers... simply by asking us to quote.

Winning a well-earned break, compliments of Pensord, was a mix of customers and potential customers. The lucky recipients of our £500 worth of vouchers were:

- Week 1: Andrew Jackson, In Brief Magazine**
- Week 2: Jo Cooper, IMAREST**
- Week 3: Richard Hamshere, A&D Media**
- Week 4: Iain Dickie, Pireme Publishing Ltd**
- Week 5: Nick Babayan, Docklands Publishing**

Andrew Jackson, Circulation Director with In Brief says: "It was a real surprise. I drove over to Pensord to see if my Account Manager, Keith Foxhall, was winding me up! We're planning on using the vouchers towards a skiing trip in the spring. We've been meaning to get our children on the snow for the first time (they're 10 and 13 years old) and this has given us the nudge to do it.

"I'm very grateful to everyone at Pensord (particularly the person who pulled out my name!). More than that, I was really amazed by the number of people at Pensord who knew of my win and congratulated me... even people I don't regularly deal with. I travelled over to the factory to collect my prize and it was really enjoyable to meet everyone in person, for the first time."

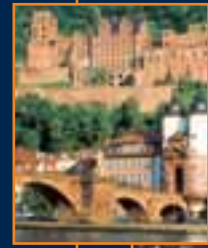
Enjoy your time off, everyone!



Now it's your turn!

Every time you ask us to quote you will be entered into one of two prize draws to win £500 in holiday vouchers. The first draw takes place on February 27. All enquiries received after this date will go into a second draw to be held on March 26. For further information, please see the insert.

I Name this press 'Horizon One'



To mark the arrival of the new Heidelberg



Speedmaster SM102 eight colour perfecter press, we held an internal competition for

staff to name the new kit. The prize for the most appropriate name was a fantastic weekend break in the magical city of Heidelberg (where else?), with dinner in the fairytale castle, compliments of Heidelberg UK.

The winner, Folder Operator David Stainer, who has been with us for 21 years, came up with the winning name 'Horizon One' to reflect the spirit of optimism at Pensord.

Enjoy your fabulous trip David!



...that was **2003** the year that was



Investment Update

8-colour press

We said we would spend, and last year we certainly did! Last summer Pensord started on the road to becoming a Heidelberg house with the installation of the latest specification Heidelberg Speedmaster SM102 eight colour perfecting press – the first of its kind to be operated in the UK.

The press is proving to be a real asset for customers demanding value and consistently high levels of quality and reliability.

We promised much, we delivered more

2003 will go down as a landmark year in the history of Pensord. This was the year, of course, when Tony Jones undertook an MBO of the company and began a restructuring programme, which is already bearing fruit. Jones and his fellow Directors have been determined to ensure that Pensord would remain a watchword for integrity and transparency.

Announcing the MBO in June, Jones pledged to introduce a number of initiatives. It has been interesting to check progress on these as we go into 2004.

CtP Investment gives reassuring back-up

Investment last year in a Heidelberg Creo Trendsetter AL – an output device that has effectively doubled our platemaking capacity – gives us enhanced firepower and provides extra reassurance to you, the customer.

As well as giving back-up to our existing fully automated CtP machine, the Trendsetter AL increases productivity and quality through its auto-load facility, which enables it to output up to eight, four colour sets before requiring further manual intervention.

We invest in the right kit to make sure we don't let you down!

Customer research – tell us as it is!

We have set in motion a programme of customer research with the aim of enhancing the quality of service offered to customers. We will soon be consulting a number of customers to gather valuable intelligence on how you rate our performance, and how our service may be improved. We trust your judgement and will take heed of the feedback that we receive.

We'll keep you posted as this process develops.



Pensord Charter

A set of values, not hollow words

In the first issue of The Edge, we informed you of our desire to set up the Pensord Charter – the business ethics that form the basis of all our relationships with customers, suppliers and staff. This was no hollow promise.

Last autumn we set out the common values that constitute the Pensord Charter, and established an internal programme to ensure that all staff fully understood the philosophy behind the Charter, and the team here have enthusiastically bought into it.

The business ethics listed in the Charter now permeate everything we do at Pensord and we are currently exploring ways in which the Charter can be employed to bring yet further benefits to customers.



We commissioned Qualtech Services Limited, a training, development and business consultancy.

Associate Director, Jackie Lewis, set up workshops involving all staff, designed to develop an action plan to take the

Charter forward. Jackie says: "By involving employees at all levels throughout the organisation staff have a greater understanding of the company's current and future needs. This helps them develop a sense of team spirit and ownership.

"By working together and giving staff the opportunity to become involved in the development and implementation of an action plan, we will take Pensord forward and bring huge benefits to the business, staff and customers".

The action plan is now in place and we're making good progress. If you would like to receive a copy of the Charter, please contact Cathy Hewitt on cathy.hewitt@pensord.co.uk.

Making sure the way we work works for customers

"It's really encouraging to be consulted on our opinions and to have an input into how we can improve our service".

Andy Todd

Perfect Binder Operator

Charity Trust

Making a difference for others

In the early days of the MBO we announced our aim to establish a Trust that would return profits to good causes. This is still our avowed intention and we are currently working on the best foundation for such a Trust, one that allows Pensord staff to have their say in the administration and distribution of funds.

We are currently in consultation with the Charities Commission to establish the best way to move forward with this and will reveal more of our plans in the next edition of The Edge.

Web site update

We are currently reviewing our web site to determine how we can make it more user-friendly and informative for customers. Watch this space!



Pensord people page

Introducing the power behind the Pensord service



Name: CATHY HEWITT

Title: PA to Chief Executive

My role: After 22 years at Pensord, I have a very good understanding of what publishers need from our service. As Tony's PA, I provide him with HR, administrative and marketing support, freeing up more of his time so that he can do what he enjoys most – talking and meeting with our customers and staff.



Name: THERESA PRICE

Title: Customer Service Support

My role: It is my responsibility to work with the Title Managers to ensure the smooth running of the customer services department. I engage with customers directly and offer support for Title Managers to help them deliver the best possible service.



Name: SIAN DROBAC

Title: Estimator

After 26 enjoyable years at Pensord, I left in 2003 to work for another printer. I discovered that the grass isn't always greener. I missed my colleagues and the working environment at Pensord, and I was delighted to be given the opportunity to return to Pensord in a new role as Estimator, dealing directly with customers, which I really enjoy. Now I'm back in a role where I can really make a difference to the service we offer customers.

Name: SHERYL FEARS

Title: Receptionist

My role: I'm here to help our customers in any way I can. Whenever someone calls it is my responsibility to ensure that we deliver an efficient response. A company like Pensord relies on good communication between its staff and customers and I'm proud of the part I play in ensuring everything runs smoothly.



Name: MICK CHARLTON

Title: Operations Director

My role: I'm here to deliver quality products on time ... every time!

It's my responsibility to manage the work flow effectively to ensure that all our customers get the maximum benefit from the skills of our staff and the technology we employ.

