

# DUMAC

PRINTING • DIRECT MAIL • RESULTS

March 24, 2009

I.O.C.  
H.S. Boyd  
Attn: Frank Reider  
6915 E. 14<sup>th</sup> St.  
Tulsa, OK 74112

Dear Frank,

Thank you again for all of your support as we began using the Inline Offset Cutting (I.O.C) system to solve a long-standing problem with a product we create here.

A large portion of Dumac's core billing every month is custom laser-printed billing statements for several large national companies. The shell stock we create to laser-print the statements employs a micro-perf for the remittance coupon at the bottom of the page. The error in the product was that the perforation position varied too box to box, causing downstream errors both in the imaging and inserting departments. The position inconsistency was being caused by the humps in the 8-up press sheets. Clearly, we were using the wrong type of perforating system to meet the needs of this product. There was simply no way to get the sheets flat enough to cut consistently.

The first remedy was to have the perforating performed on the 8-up sheets using an outsource vendor's cylinder press. This action represented not only a third pass, but also a bill from another company, deliveries to and from, high risk, loss of control, and a late product. At Dumac, we understand true profit is built from the value you add under your own roof. For profitability's sake, we had to find the way to keep all value-added here, not around the block!

I had seen the ads for the H.S. Boyd PPP system the printing industry trade magazines. The ads described a production method that fulfilled all criteria to solve our ongoing issues. Though you could have sold a PPP system to me, you recommended that in this case, we use the unique I.O.C. die-cutting system for this application since we are creating these statement shells in very large quantities annually.

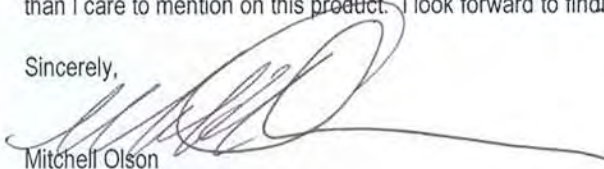
After the initial learning curve on the set-up, we saw the results we needed to see on the first cart off press. We printed and perforated these statement shells in one pass, which we had been doing for years, except this time, the sheets delivered smoothly, registered and stacked beautifully. Above all, the press sheets were FLAT!

The reduction in cutting time on the job about paid for the I.O.C. system. We were able to cut all 8 positions to match one another without any "fudging" on the cutting program.

Paper dust was always a problem with the other perforation system as well. With I.O.C., the paper dust was eliminated. This will also improve downstream operations because paper dust is a major contributor to downtime in the imaging department.

Inline Offset Cutting was the right decision to solve, not abate, our production issues that we have been fighting longer than I care to mention on this product. I look forward to finding the next opportunity to use this technology.

Sincerely,

  
Mitchell Olson  
Printing Operations Manager  
Dumac Printing & Direct Marketing

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