



PERFECT Register

ISSUE 3

IBS DIRECT FALL 2010

VOLUME 23

OUR SELF-RIGHTING ECONOMY

by Tom Petro



about Tom Petro

Tom Petro is President and CEO of Fox Chase Bank. He also serves as First Vice Chairman of the Pennsylvania Bankers Association. Tom is co-author of *Save America: Your Guide to Achieving Financial Freedom*, co-written with his wife Kris Messner.

The U.S. Coast Guard has a class of cutters that are self-righting, meaning if the ship is toppled over by swollen and angry seas, the vessel is designed in such a way as to allow it to automatically right itself, saving ship and crew and allowing the life saving mission to continue. Our American economic system is designed the same way. When our economy is toppled over by swollen and angry economic shocks that create vast imbalances in asset values, capital automatically flows from over-valued assets to under-valued assets, thereby establishing a new equilibrium. This process takes time and it doubtlessly creates pain. However, once equilibrium is reestablished, our economy gets humming again.

The question for astute businessmen and women today is this: What is the appropriate role of public policy in this self-righting mechanism of our economy? Does public policy intervention aid and abet the self-righting mechanism or does it inadvertently stall recovery and delay the self-healing process?

Both here in the United States and elsewhere, governments and central banks have provided unprecedented stimulus and monetary support to their economies. This includes more than \$11 trillion to support the global financial system and another \$6 trillion toward fiscal stimulus programs. I, for one, believe that without this support many economies could have collapsed and a global depression would have ensued.

However necessary these measures may have been, they have strained public finances and inserted government deeply into the worlds economies. This is especially true in America where the federal government owns two of our big three automakers and has inserted itself deeply into the capital markets.

Now central banks and governments including the United States have a tough balancing act ahead. In order for economies to recover in the short-term and achieve stability over the longer-term, policymakers must carefully balance the continuation of economic support to ensure economic recovery and simultaneously manage the withdrawal of that support so public finances can be repaired.

The ensuing public policy balancing act is particularly challenging in the developed economies of the United States, Europe, and Japan because of slow and stalling economic growth rates, stubbornly high unemployment rates, expanding government deficits, and consumers who have taken on too much debt. As a result, the United States will struggle to achieve sustainable economic growth sufficient to repair public finances.

For the first time ever, emerging economies rather than mature economies, will lead the world out of recession. Emerging economies in China, India and Brazil have weathered the financial crisis relatively well due to aggressive and effective stimulus policies and all are near or well in excess of 10% GDP growth rates.

There, effective policies, combined with strong economic growth rates, massive populations, and swelling ranks of new middle class consumers driving growing domestic demand will result in these economies becoming the leading drivers of global growth. Global economic trade and the international flow of capital will fundamentally change – forever.

Conversely, in the United States, fiscal policy has been ineffective. By any measure the first stimulus was a “spending package,” not stimulus. My concern at that time was that the spending (so-called stimulus) would fail to produce the

needed boost to the economy and by the time policy makers realized this, the deficit hawks would be circling to block true stimulus measures. Regrettably, this is playing out in Washington now.

Our policy makers have placed the Federal Reserve in a difficult position of using monetary policy actions as a substitute for ineffective fiscal policy. Monetary policy can inject liquidity into the economy by lowering interest rates. But monetary policy can't create jobs or create new customers for our businesses. That's the role of fiscal policy.

At the same time, policy makers have written broad sweeping legislation on health care reform and financial reform that leave it mostly to professional bureaucrats to fill in the details. The resulting regulations will take years to define and longer to implement. How will these impact my business and yours? We simply don't know. But we know it will increase our costs, require more compliance and will ultimately solve few of the big issues in medicine or our capital markets. What these new laws have effectively accomplished is to place large question marks over an ailing economy that needs real resolution of challenging issues, leadership and effective stimulus.

I began with the description of the self-righting cutter as an analogy for our U.S. economy. We've clearly been toppled: GDP growth is anemic. The total federal deficit is staggering at \$12.5 trillion. U.S. government debt exceeded \$7.5 trillion or 53% of GDP at the end of 2009 and is growing by \$4 billion every day. For all this support, unemployment remains stubbornly fixed at 9% with little hope of relief anytime soon.

Judge for yourself: Is our public policy hastening recovery or retarding it? ➔

PRESIDENT'S CORNER

CH-CH-CH-CHANGES

(DAVID BOWIE CIRCA 1971)

by George Schnyder

Did you know that during the 10 minutes that you spent in the shower this morning three new multi-billion dollar technology-related ideas received investment capital? Did you know that Facebook has more fans than 70 countries have inhabitants? Did you know that YouTube is more popular than all of the major TV networks — combined?

Everything changes: life styles, environmental causes and that which is politically correct. Yet all these types of change occur over decades while technological change advances by the millisecond. The tools we are provided through technology advance so rapidly that we are often unable to keep up emotionally, psychologically and behaviorally. Let's take a closer look.

LIFE STYLES

Many of you have probably watched older movies in which an actress, who happens to be pregnant, is shown having a drink or a cigarette. Oh, and how about those of us that used Johnson's Baby Oil and "reflectors" on the beach to be sure that we got full exposure to ALL those tanning and burning sun rays. Remember smoking sections on airplanes? That initiative didn't even come about until the 70's and today we don't even smoke in restaurants (by law). How about those "college kids" of the 60's who regularly took a road trip for a football weekend with a six pack at their side, casting the empties out the window. Today, that's a major social, legal and environmental issue involving at the very least fines and very likely incarceration. Times have changed...and most of us agree for the better.

POLITICAL CORRECTNESS

For this country, it is something that we consider before every syllable is spoken. We have developed a sensitivity to others,

not just a racial and religious sensitivity. As a little boy I remember driving by what today is known as The Inglis House but back then was called "The Philadelphia Home for the Incurables." Can you imagine being told "You're an invalid" and you'll be spending some time at the "Philadelphia Home for the Incurables." It requires a bit of discipline and wisdom to recognize that we can only judge past generations by the standards of behavior that existed then, NOT by what is considered politically correct today. Fortunately, most of us have been able to adapt to changes that breed tolerance... and that's a good thing.

ENVIRONMENTAL CAUSES

Technology has advanced so as to allow for offshore deepwater drilling for oil, but clearly the technology available to avert the crisis we've just witnessed in the Gulf lags behind. Now we will see a plethora of legislation and major advances in the technologies aimed at "killing" damaged wells.

It took the pollution of our bodies of water and our atmosphere for the correctional technology to develop. Unfortunately, more often than not, we don't self-correct. Correction is most often legislated because profits are in the initial technological advances while remediation of the "side effects" is often only additional overhead that reduces profits.

As early as 10 to 15 years ago, global warming was regarded as about as "Sci-Fi" as a Steven Spielberg movie (ET) and not something to which many of us paid any attention. Fast forward to the present, and any responsible organization has an energy conservation plan in place that has been created due to the immediate need to reduce energy consumption and carbon footprint (was that even a word a decade ago), while helping our planet survive for the next generation.

*A Quarterly Quip
with Printer n' Chief,*

**George
Schnyder**



IBS has taken a multitude of steps to be recognized as an environmentally responsible print agency. Some of what we did was voluntary and some legislated. Candidly, much of what we did was initially motivated by a desire to create an image, the perceived benefit of which would be sales and profits. One would think that an environmentally conscious print agency using post-consumer waste, recycled and/or FSC certified paper would be of critical concern. Indeed, attitudes have changed. The attitude toward the environment of a decade ago that "it would be nice as long as it doesn't cost more" has given way to a demand for environmental responsibility. We don't even want to cut down trees anymore...now that may seem like a sure sign of death for the print industry, but like everything else...we change, we adapt, we evolve.

So here we are. As advanced and "civilized" as this world has become, changes most often occur as a result of a problem becoming more expensive to ignore than to correct. Seems as though suffering, death, health and environmental crises have to occur before a societal mindset and individual attitudes shift. Our tools have changed, our technology advanced, but deep down inside, we inhabitants of this planet are motivated by those same basic instincts that have been a part of our DNA since the beginning of time.

Are you one of those individuals for whom certain types of "ch-ch-ch-changes" take a long time? Me too, but I'm trying! The good news is ultimately, we all change and those changes are generally for the better. So instead of waiting for a technology famine...invest in the future, and feel good about the fact that the ROI will be your legacy to future generations. ➔

THE 3-DAY CURE

by Judy Schnyder

Eight months ago, while sitting at a nice dinner with another couple, my husband Geoff and I were encouraged to join "The Rack Pack" team in a 3-Day walking event to help fight breast cancer. That night started our journey in support of the Philadelphia Susan G. Komen 3-Day for the Cure.

The Susan G. Komen 3-Day is a walking event in which each participant walks 60 miles over three days and must raise \$2300 for the organization. The money that is raised

by this event helps fund global breast cancer research and local community programs supporting education, screening and treatment.

Having spent the last 15 years of my career working in the field of cancer drug development it was hard for me to say no to the 3-Day team. Organizations like Susan G. Komen and LiveStrong are crucial to ensuring that cancer awareness programs, education programs and treatment options continue to be available to patients. These programs all cost money and fundraising events are how these organizations survive. However, when I realized that I would be thrown back into fundraising activities I must admit I had second thoughts.

In 1996, I participated in the Philadelphia to Washington, DC AIDS ride in which I road my bike 300 miles in the support of AIDS research and charities. Memories of having to raise \$2500 in order to participate in the event came flooding back to me as Geoff kept asking me if I completed the 3-Day registration forms. I kept remembering the painstaking days and nights that were spent collecting friends, family and colleagues home addresses, stuffing envelopes with fundraising letters, licking stamps, and then performing the continual follow ups to obtain pledges. Everyday, I was anxious for the mail to arrive in the hopes that there would be a check that would help put me closer to my fundraising goal.

continued on next page

THE GREEN POST OFFICE

By Erik Formica

Who says that the mailing industry is not environmentally friendly? The United States Postal Service is making an impressive push to become more energy efficient while in the process reduce their operating expenses. Their ambitious goal by 2015 is to reduce energy usage by 30%. As of now they are already two-thirds of the way closer to achieving that goal. This progress accomplishes 2 goals for the USPS; first to become a leader in the green movement and second to decrease expenses and make a dent in the current 7 billion dollar shortfall they face.

The greening of the USPS is most evident in the Morgan Mail Processing Facility, which is located in midtown Manhattan, NY. They converted this facility to a "green roof," which in one year has saved over one million dollars in energy expenses. The roof is immense by all standards, covering the equivalent of roughly 2.5 acres. This new roof will potentially reduce the amount of polluted storm water runoff by an average of 57.5%.

This facility has reduced its energy usage by 40% per month, while lowering energy expenses by 15%. The new roof will last an estimated 50 years, double the life of the old roof. As a matter of fact,



pieces of that old roof were used in the construction of this one as well, which further helped in the conservation effort with recycling. Additionally, the Morgan center has had 1,600 windows replaced to help aid with the efficiency effort.

This energy conservation effort by the USPS is part of a long term effort and has been in the planning and developmental stages over the course of several years and is being implemented throughout the whole system. The USPS even has an Enterprise Energy Management System (EEMS) in place which collects and monitors energy usage across all of their facilities. According to this group the USPS has reduced energy usage by 10.8 trillion BTU's (900 million air conditioning units worth) since 2005 and this has accounted for a \$400 million savings in energy expenses. The USPS has also won over 75 environmental specific awards, including 10 from the EPA itself.

Combined, all of these efforts make sense for the environment and help the USPS' image as a responsible corporate entity trying to make a difference in the world we live in. These efforts also have had a significant impact on the bottom line of a struggling USPS that faces a \$7

**MORGAN MAIL
PROCESSING FACILITY
MANHATTAN, NY**

billion shortfall this fiscal year. Energy conservation efforts are crucial

Perfect Register was conceived 25 years ago as a communication tool for the benefit of our clients, our suppliers, our employees and friends. Its primary mission has always been to inform and address thought provoking issues. The editorial staff has often been tempted, but always refrained from solicitous "Propaganda" (Spanish word for advertising). Every issue of Perfect Register has a guest writer. I take pride in the contribution from both of this issue's guest writers, particularly Tom Petro, who has recently, with the help of his wife Kris Messner, published a book entitled "Save America." There are those who may take issue or even disagree with the opinions offered in this issue, but true to its mission, Perfect Register has once again provided us with a great deal of solid information and something to think about as well. Thank you to our guest writers, Tom Petro, Erik Formica and the IBS Direct editorial staff for your help in making this an outstanding issue.

While celebrating 25 years of the Perfect Register publication, there is an IBS tradition that, just like the "buggy whip," has outlived its usefulness for most of us. That is our annual Desktop Calendar. For the collectors among you, we still have a few perfect desktop calendars left over from 2010, sure to be of great value some day. However when you do not receive your 2011 version this January, don't think it's because we love you any less! So, while some of us may be a little disappointed, take comfort in knowing that right now, somewhere in a forest, there is a tree with a big smile on its face!

to keeping expenses in line and ensuring a viable future for the USPS and the mailing industry as a whole. ➔

about Erik Formica

Erik Formica, works with clients from a lettershop perspective, helping them execute their direct marketing campaigns effectively and efficiently. He has worked with clients across multiple industries; from local non-profit organizations to Fortune 500 corporations. He sits on the Executive Board of the Greater Philadelphia Postal Customer Council and Philadelphia Direct Marketing Association and also has a position on the PPCC Educational committee.



That was only 14 years ago. Most companies did not provide their employees with email accounts. The internet was in development stages and there was no such thing as Facebook, Twitter, LinkedIn or blogging.

Don't get me wrong, fundraising is still a challenge. However, as Geoff and I continue our journey towards reaching our 3-Day fundraising goal, social media tools have eased some of these challenges. Facebook has allowed us to reach out to hundreds of people. Every time a donation is made on our behalf, a 3-Day announcement appears on our Facebook profile to inform our friends that

**susan G.
Komen
FOR THE
cure**

a donation has been made and provides them with the opportunity to other friends viewing our profiles to make a donation. There are numerous blogs that are posted on the 3-Day website from other 3-Day walkers that provide encouragement and suggestions for training and fundraising.

The Susan G. Komen 3-Day is not just a 3-Day walking journey. It is truly a journey that starts months prior when you commit to your fundraising goal. As Geoff and I continue on our 3-Day journey we recognize that we will not be successful without the help and support of family, friends, colleagues and of course

advancement in technology.

Donations to support the fight against Breast Cancer can be made online at www.the3day.org. ➔

about Judy Schnyder

Judy Schnyder has been working in the area of oncology clinical drug development for 15 years. She is the Clinical Development Manager at Gemin X Pharmaceuticals, responsible for a global small cell lung cancer program that is being conducted in 10 countries.

PERFECT REGISTER

after
25
years

IBS DIRECT HIGHLIGHTS NEW FRAMEWORK™ DIVISION IN NEW YORK CITY

FRAMEWORK™ DRAWS ATTENTION AT DIGITAL MARKETING DAYS CONFERENCE

IBS Direct recently attended and exhibited at Digital Marketing Days, formerly DMDays, in NY from June 14-16, 2010. This year the conference was at a "new" location and drew a diverse and uniquely specialized crowd. These changes are a definite "sign of the times" as the marketing industry continues to evolve in concert with advancing technology and media.

So, as IBS Direct continues to follow the trend and lead the advances of change, it was befitting that the company would attend this conference and highlight its new Framework™ Division as well as continue to promote our stellar reputation of being a full service direct marketing print and production provider.



Framework™ is a technology-based set of services and software solutions allowing customers to extend their reach to prospects and customers even further. Framework™ provides a suite of new marketing technologies and related service for companies to create, deploy and measure unique "multi-touch" cross media campaigns. It uses the latest in interactive online, mobile and social media

technology. The addition of Framework™ now allows us to add to our wide array of services and provide marketers with integrated multi-touch digital e-marketing, automated marketing & sales follow-up and fulfillment, including social media network marketing.

For additional case studies



and information on Framework™ and how IBSDirect/Framework™ can enhance your next winning marketing campaign please contact Jaime.Capacete@ibsdm.com. Further information can also be found by visiting us at www.ibsframework.com.

BIRTHDAYS

AUGUST

8TH John Lee Sr.

SEPTEMBER

4TH Alonzo Clary

30TH Becky Kreider

OCTOBER

23RD Joanne Zalisky

ANNIVERSARIES

AUGUST

3 YRS Stephanie Borelly

3 YRS Kimberly Houston

7 YRS Bill Powell

7 YRS Tom Comerford

13 YRS Aleka Agapitides

17 YRS Mike Repino

SEPTEMBER

2 YRS Jaime Capacete

4 YRS Allison Rigler

11 YRS Geoff Schnyder

11 YRS Jim Lorino

OCTOBER

17 YRS Rick Fritz

20 YRS Erich Groves

GOOD LUCK LEROY!

by George Schnyder



I believe I no longer have any competition for the dubious distinction of the oldest working IBS employee with over 40 years "seniority." While I'm proud of that, it's kind of lonely not having many left to share memories of our early years at IBS. In a way, Leroy, along with Joanne and Pat, are my ties to the "original IBS" on Allegheny Avenue in Philadelphia. I fondly remember having fun and joking with Leroy one Saturday in the summer of 1974 when he helped me move furniture in a 24' stake body GMC truck from my father's plumbing supply house. I suppose you could call Leroy, myself and a the few remaining long term employees "fixtures" at IBS.

Leroy, don't let us miss you too much. Be sure to come back for regular visits lest I forget that there ever was an "Allegheny Avenue."

Best of luck from all of us at IBS.

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PEFC/29-31-148



BV-COC-080908



BV-SFICOC-US 08000490