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Like No. 7 Flushing Line, This Market Speaks in Many Different Languages

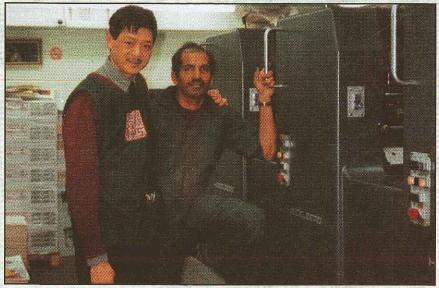
By Joseph P. Grassi

New York is, among many other things, the multicultural capital of the world. The ethnic diversity throughout the boroughs creates a demand for foreign language printing services unlike anywhere else. Also, historically, the Big Apple has welcomed waves of immigrants wishing to begin the American

Dream, some as printers.

One could say that printing and typesetting within and for multilingual communities showcases as much cultural diversity as a subway ride aboard the city's famous No. 7 Flushing line. Not surprisingly, the businesses that serve this market do so with a decidedly cosmopolitan touch.

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K.Y. Chow, owner of the GM Group, Manhattan, stands at the company's recently installed Heidelberg press with Anthony Leonce, pressman.

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K.Y. Chow owns Grand Meridian Printing Inc. and Grand Meridian Imaging Inc., also known as the GM Group, in Manhattan's Chinatown, a full-service printing company specializing in jobs for designers. Don Croll is a cofounder of LanguageCraft, a multilingual graphic communications typesetter located in midtown. Both are entrepreneurs who have learned to negotiate the special angles of this multifaceted niche market.

The Culture of the Customer

The foremost business challenge for Mr. Chow is building relationships across cultural boundaries. The way to achieve that, he says, is to go the extra mile for the customer.

"A customer ordered a job which had already been translated into Chinese from English," he recalls. "Although we do offer English and Chinese translation services, it was not part of the order. I realized that the translation was not as accurate as it could have been." Even though he wasn't obligated to rewrite it correctly, Mr. Chow took the extra time to improve the piece.

With great pride, Mr. Chow continues, "that customer said, 'If I had known you before, I wouldn't have had to burn the midnight oil so many times.' You must formulate your own tactics, know your strengths, and use them to your advantage."

Competing with or adapting to the demand for quick printing, digital printing, and Internet technologies are other challenges that Mr. Chow sees as increasingly important.

The Forces of History

Mr. Chow's story begins with pressures he faced as a business professional in Hong Kong during its historical transition from British to mainland Chinese rule. As a merchant banker responsible for dealing with multimillion-dollar syndication loans in the early 1980s, Mr. Chow was well aware of the looming expiration date of Great Britain's 1898 lease on the territory of its former colony. By the terms and provisions of Sino-British Joint Declaration of 1984, Britain had agreed to convey all of Hong Kong to the sovereignty of the People's Republic of China in 1997.

Mr. Chow, who holds an MBA from the Asian Institute of Management, didn't care for the prospect of the mainland's communist government taking control of Hong Kong. He kept his eyes open for an opportunity, and while working for a commercial finance conglomerate in hotel acquisitions and developments in New York, he was able to get his green card.

In 1992 he met the owner of the GM Group, who took a liking to Mr. Chow. "Any time the man would have a question or problem relating to management or personnel, he would visit me downtown and ask for advice," Mr. Chow says.

No Chapter 11 Option Here

One day the owner offered Mr. Chow the chance to acquire his own business by taking over GM Group. His financial background served him well, he says, as he researched the viability of the company. Mr. Chow's interest was piqued. The company was generating revenue while most of the rest of the American economy was undergoing the recession of the early 1990s. Putting his life's savings on the line, he bought GM Group in 1993 for \$300,000. Like every entrepreneur, Mr. Chow not only risked financial and professional failure on top of business and personal liabilities, but also what he calls "confidence"

bankruptcy."

To prepare himself, he trained alongside GM Group's press operators for three months. He also spent three weeks back in Hong Kong studying printing management with a major overseas financial printer. During that time he interviewed 30 industry professionals about printing processes and business strategies. "This gave me the confidence and the 'muscle' to decide to become a full-service printing business entrepreneur in New York," Mr. Chow says.

LanguageCraft's origins were somewhat different: it started as a hobby, according to Mr. Croll. Before co-founding LanguageCraft in 1996 with Henry Cui, Mr. Croll worked in the export business, specializing in the Middle East. "A friend and client was having trouble with creating a magazine geared towards Middle Eastern peoples," Mr. Croll explains. "Anyone can set type for European and Latin-based languages as long as the proper software is used. However, when you get into the languages that have different characteristics—Arabic and Hebrew, for example, that read right to left, or any of the Asian languages that have anywhere from 12,000 to 16,000 characters—the documents are no longer portable. You need to employ major investments in operating systems to handle those languages."

Pulled This Way and That

Both firms face the paradox of simultaneous shrinkage and growth in their markets. Mr. Chow thinks that because of the Internet, demand the for printed material is less. However, he believes that he can cope with the contraction. "The overall market is shrinking, but I am in a niche market," he says. Also, he notes his company should benefit from the current exo-

dus of New York printers from downtown Manhattan to cheaper real estate elsewhere in the tristate area. Mr. Chow plans to stay put despite the virtual impossibility of increasing the physical size of his 9,500 sq. ft. operation. He'll stay put, he says, because New York City-based buyers of graphic arts services continue to prefer to use printers in Manhattan.

Mr. Croll reports that demand for typesetting in foreign languages is growing by leaps and bounds. "Today's multinational nature of business, including the importance of ethnic groups in the U.S., especially in the New York metro area, are factors that are contributing to the growth of

this market," he says.

It is not only the commercial markets that are growing, indicates Mr. Croll. Legislation and social programs also increase the amount of foreign language typesetting that needs to be generated. "The laws need to reach people that speak all languages" in a culturally rich city like New York, Mr. Croll says.

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When Mr. Chow took over GM Group, 90 percent of what it printed consisted of foreign-language materials such as Chinese menus. The remaining 10 percent of was in English. Since then, Mr. Chow has expanded the English-language portion of his work to 60 percent and has acquired such upscale clients as Elizabeth Arden and DKNY. The remaining 40 percent of GM Group's work is made up of jobs in Chinese, Korean, Russian, and Spanish.

Mr. Chow explains that his motive for building what he calls the "mainstream" business in English was competitive pressure in his starting niche. "There are more than 15 printing houses in the Chinatown area. Those printing houses compete mainly on price for one market, the Chinese market in New York," he says. "From the very beginning, I knew I need-

ed to diversify."

Mr. Croll says LanguageCraft does about 40 percent of its typesetting in Chinese, Japanese, and Korean; 25 percent each in Arabic and Russian; and 10 percent in English. He says the company can also accommodate Mongolian, Georgian, Thai, Vietnamese, Kirghiz, and many more.

Garbled in Translation?

Both businesses face their share of technical hurdles. "The computer was not initially designed to handle these languages," Mr. Croll observes. "We have to work very closely with the printer. We need to know the printer's capabilities in order to provide a format that is useable to ensure jobs go as smoothly as possible."

Mr. Chow says that when it comes to misconceptions about printing in foreign languages for New York City based clients, there are too many to list. One of the main things that most people fail to realize is that foreign-language printers still rely heavily on traditional film-based techniques. Computer-toplate isn't feasible for these printers, Mr. Chow says, because of the very expensive font software and the limited market.

In an effort to reduce some of confusion between graphic designers and printers, the GM Group hosts a Parsons School of Design Project. This is the second year in which the company has participated in the program, which gives student artists and designers an opportunity

to gain practical experience.

"We bring in the students to our shops and let them talk to the pressmen and experience the process first hand," Mr. Chow says. "I feel good about the social contribution aspect of the educational program, even though I know it is not cost effective. Student visits often slows down production, but I believe it is good for business in the long run."