

Co-mailing Expands to Standard Mail

As reported in the last newsletter, Brown Logistics has begun offering co-mailing to our clients, and the results are very positive. Brown is in the process of going a step further, by making co-mailing available on Standard Mail, or catalogs.

"As with co-mailing other classes of mail, this is an opportunity for catalogers to merge their mail list file with multiple mail files from other catalogers, to optimize packaging and move common destination mail deeper into the postal system," said Rob Helms, Director of Brown Logistics Services. "By expanding co-mailing to Standard Mail, Brown is once again going the extra mile to meet the needs of our clients."

Now, both catalog and periodical clients can enjoy the benefits of co-mailing, including greater savings on postal rates,

improved presort discounts, optimal delivery time, and improved physical condition upon delivery.

Just like Periodical co-mail, Standard Mail accounts are required to have a Centralized Account Processing System (CAPS) debit payment account for participation. In addition, Standard Mail customers need to be aware of specific co-mailing address layouts.

"Because Standard Mail has additional addressing requirements, such as a company mailing

permit and a return address, customers need to work with their Sales Representative and Brown Logistics Representative to ensure that these areas are properly designed," explained Helms.

For more information about co-mailing, please contact your Sales Representative or Brown Logistics Representative.



Investing in the future

(continued)

There will also be a new binder and stitcher, with 28 pockets for each. Approximately 100 employees are expected to join the division.

"The expansion will not only increase overall production capacity at Brown," said Gallagher. "This additional volume will also help to expand and enrich Brown's mailing platform, allowing more customers to benefit from co-manufacturing opportunities and to participate in larger, more efficient co-mailing pools. These distribution services help all of our customers to reduce their mailing costs."

Brown's Waseca, MN plant added a single web 2x8 press last year and is in the process of adding another 2x8 single web press. East Greenville, PA is also on schedule to receive a new 2x8 press.

"The success of Brown Printing continues to grow with the addition of these presses," added Gallagher. "Increasing our client base allows us to grow even more."



SUMMER 2007
VOLUME 18
NUMBER 2

BROWN

a Gruner+Jahr Company

Advantage

Published by Brown Printing Company

Brown's Commitment To Green

Brown Printing Company (SW-COC-002334) has always been environmentally conscious. And we've always been customer service oriented. One more indicator of these ongoing commitments was our recent certification to the Forest Stewardship Council (FSC) standards.

"FSC certification is a growing trend in the industry," explained Duane Senst, Brown's Manager of Inventory Controls. "A high percentage of wood harvested for paper making is from forests that are responsibly managed. More and more forest owners are seeking FSC certification so the trees they produce will be more easily accepted by paper makers."

In January of 2007, Brown began the certification process in order to provide

our customers with the ability to print on FSC-certified paper, and market the use of that paper. A third party company called SmartWood performed the assessment. They visited two of our three plants and took a look at the receiving process. Senst explained how it worked.

"Much of the assessment is based on our ability to properly receive and manage the paper. SmartWood looked at how the rolls were marked, and if we checked the certification numbers on incoming paperwork from the mill."

On May 1, 2007 Brown was rewarded a multi-site Chain of Custody certification on all three plants. This certification is valid for five years. SmartWood will conduct annual audits and review our paperwork chain to make sure it coincides with the jobs that require FSC certification.

"As part of the certification process we had to show that we had the controls in place to track FSC-certified paper from receipt through the production process to the final printed product. We also are required to confirm that the certification number of the mill is valid, before designating the paper as FSC. An FSC website lists all current FSC certificates," said Senst.

"This is a service for a specific part of our customer base. Some magazines we print deal with environmental issues and our customers feel it's important to print on FSC paper and put the FSC logo on their magazine," he explained.

Brown is proud of our environmental history. FSC certification is one more way we can contribute to the overall management of our resources while meeting the needs of our customers.

CHAIN OF CUSTODY CERTIFICATION PROVIDES A GUARANTEE ABOUT THE PRODUCTION OF FSC CERTIFIED PRODUCTS. IT IS THE PATH TAKEN BY RAW MATERIALS FROM THE FOREST TO THE CONSUMER.

BROWN

a Gruner+Jahr Company

FIRST CLASS MAIL
U.S. POSTAGE PAID
MAILED FROM ZIP CODE 60098
PERMIT NO. 178

P.O. Box 1149, Woodstock, IL 60098



The Cleveland Clinic, located in Cleveland, Ohio, is ranked one of the top three hospitals in the nation by *US News and World Report*, 2006. The report

rates hospitals in 16 specialties, and the Cleveland Clinic is among the nation's best in all 16.

Earlier this year, Brown took over the printing of their monthly magazine, The Cleveland Clinic Journal of Medicine (CCJM). This perfect bound 8" x 10.5" magazine is clinically oriented and written for physicians. Brown also prints various supplements to the CCJM.

"Cleveland Clinic is a perfect fit for Brown," said Paul Kruse, Brown sales representative.



"We brought them new ways to do things. I brought in experts from distribution, prepress, and paper to convince them this was the right move."

Kruse was aggressive in seeking to get the business, but his visits were always welcome. Peter Struder, Executive Publisher for the CCJM appreciated the consultative sales calls.

"Brown came to us frequently," said Studer. "They brought us great ideas that we were able to put into effect with our then printer.

They impressed me with their knowledge and expertise."

Kruse elaborated: "We told them they could save 5.5 percent by going to short cut-off press technology. Nobody ever mentioned that to them. Our prepress specialist from Waseca came

in and talked to them about B.Direct and Virtual Proofing. Brown's Postal Affairs Manager analyzed how they were doing things and came up with new ideas on how to save money."

Brown also offered new paper ideas that enabled the Clinic to save money without sacrificing quality. All these efforts ultimately worked. When the Cleveland Clinic was ready to re-evaluate their printer and printing needs, Brown, one of four finalists, was awarded the contract.

"Brown's plant impressed us," said Studer. "It was the most modern and up-to-date. In fact, the day we did the Waseca plant tour was the day they kicked off their Automated Guided Vehicles and the Automated Storage and Retrieval System."

Now, with five issues under our belt, what's the report card from the Cleveland Clinic?

"We're very happy," Studer said. "Brown has not disappointed. They have come through, as we expected they would."

Investing in the future

In August, Brown's Woodstock, IL facility will break ground for the addition of a new Goss Sunday 3000 2x8 press. The stacked press will provide next generation technology, and allow Brown to produce 64 pages at a time. The previous generation 2x6 press allowed production of 48 pages.

"This new press is an investment in the future for Woodstock and for Brown," explained Bill Gallagher, Vice President and General Manager of Brown's Woodstock division.

"It will benefit our customers by offering more automation, greater efficiency, and state-of-the-art technology."

Gallagher expects the new press, which will go into production in July 2008, to grow Brown by about 9 percent. That's not the only thing that will be expanding. The Woodstock facility will add 40,000 square feet to accommodate the four units on the main level and four units on a mezzanine level.

(continued on back)

A Proud Milestone

Brown Printing Company has quite a lot to celebrate this year. We've come a long way from our start as a family-owned business to the fourth largest magazine and catalog printer in the United States. And it took the efforts of many people to achieve that accomplishment.

Wayne "Bumps" Brown was the cornerstone of the company. Without his vision, Brown Printing Company would not have gotten started. When he passed the baton on to our parent company, Gruner + Jahr, (G+J) he put us in very capable hands. Their investment over the years has enabled Brown to become one of the most



technologically advanced printing companies in the country. And the thread that held us together through the various transitions – from changes in ownership and changes in leadership to changes in technology – is our employees.

"Our employees have allowed us to perpetuate the business for 50 years," said Dennis Braunshausen, Vice President and General Manager of the Waseca (MN) division. "They're the one constant.

"Thanks to their work ethic and can-do spirit, they have the ability to adapt to many changes and to successfully service our customers. And our parent company has given our employees the tools they need to keep the business growing. Great employees, great parent company,

great customers.

It's been a great recipe for success."

During the 50th anniversary celebration in Waseca July 13th and 14th, we celebrated many of the people who have helped make Brown Printing what it is today.

The festivities kicked off with an opening ceremony at which Volker Petersen, our new President and CEO, welcomed all the guests to this special

event and the open house. Dr. Bernd Kundrun, CEO of Brown's parent company G+J, announced that the shareholders had approved Brown's next expansion project – a \$38 million investment into the growth of our Woodstock, IL facility.

"This investment is significant not only for the Woodstock division, but the entire company, as it shows G+J's commitment toward print and Brown," Kundrun remarked in his speech.

Brown Sales Offices

Brown has added several new East Coast sales offices. Please contact one of our knowledgeable sales teams to discuss your printing needs.

East Coast Offices

Atlanta, GA	770-625-4908
East Greenville, PA	215-679-4451
Fairfax, VA	703-385-3385
New England	603-886-4891
New York, NY	212-782-7800
Tampa, FL	813-643-3615
West Palm Beach, FL	561-630-1441

Midwest Offices

Burnsville, MN	952-898-7500
Columbus, OH	614-777-0303
Dallas, TX	972-478-4312
Waseca, MN	507-835-2410
Woodstock, IL	815-338-6750

West Coast Offices

Santa Monica, CA	310-392-3705
Walnut Creek, CA	925-295-1640

In addition, former G+J CEO Gerd Schulte-Hillen, who was instrumental in G+J's purchase of Brown, was recognized for his achievements. "Bumps" was also honored with a standing ovation, and the mayor of Waseca designated the week of the festivities as Brown Printing Week. It was a great community celebration.

Throughout the two-day event, approximately 2,500 people visited the facility and toured the plant.

"People were absolutely in awe of what it takes to print a magazine," said Braunshausen. "They have a whole new respect for the process. And our employees were very proud of what they do. It couldn't have been a more perfect celebration."

"People were absolutely in awe of what it takes to print a magazine,"