

The Year of the T-Shirt

I may be the only man in America—at least in the suburban aging jock category—who doesn't own a Nike, Reebok, or professional sports team T-shirt. Don't feel bad for me, though, because in the last month alone I've picked up a Kodak T-shirt, another one from Xerox, the NAQP T-shirt that was part of the package I got when I checked in at Quick Print '92, and then a beautiful bright red Signal Graphics shirt when I spoke at their first-ever national convention.

I love these T-shirts, but maybe not for the reason you think. To me, they represent a lot more than wearing apparel. I love them as a product for quick printers to sell—especially after what I saw in thermal transfer equipment and supplies at Quick Print '92. And maybe even more than that, I love them as a combination of product and a marketing tool for quick printers to put to use on their own behalf.

Product In Demand

Anyone who doesn't think printed T-shirts are a product in high demand hasn't been keeping his or her eyes open. In a recent trip through the local mall, I counted more than 40 people wearing T-shirts emblazoned with the names of *local* small businesses. Several more wore shirts that appeared to have been printed by larger companies, but for some specific, local event, like an IBM Branch Credit Department picnic.

At the Signal Graphics convention, we were sharing a hotel with a family reunion. There seemed to be 18-20 members of this family running around in printed T-shirts proclaiming in three bright colors that "I'm A Taylor."

That relatively small number is significant. In fact, I think it's the key to the opportunity for you. A quick printer is never going to compete with an automated screen printer for quantities up in the hundreds or thousands. But just as there's a market for relatively small quantity offset printing and copying, there's a market for small quantity "screen" printing of T-shirts, coffee cups, and various other items to be used as "ad specialty" or promotional items. It's a market that exists right now, and it's a market that's going to grow a lot larger simply because the technology now exists for cost-effective production of smaller quantities. That technology combines traditional thermal transfer techniques with new products that generate the transfer artwork from a color copier.

The Alternative

To fully understand your opportunity here, it might be helpful to better understand the current alternative for someone who wanted to buy a small quantity of printed T-shirts or other promotional items.

Let's say that one of your current customers was interested in buying 20 two-color printed T-shirts for some sort of an event or a small promotion. What would that cost, and what else would it involve? I called a local screen printer this morning with that scenario in mind, and here's what I learned.

The minimum order at this shop was four dozen units. I could buy less, I was told, but I'd still end up getting charged for 48. And based on a 50/50 white shirt (50% cotton/50% polyester...more-or-less the standard economy grade in the screen-printing industry), the price structure would be \$4.50 base price per shirt, \$.50 per shirt for each additional color, and an additional \$15.00 set-up charge to make the screen for each color. The colors choices were limited to certain standard colors (forget about process color!) and the prices were also based on separated, camera-ready artwork being provided. With this pricing structure, the 20 shirts your customer would like to buy would cost at least \$270.00... \$13.50 per shirt!

We can compare that to an offer that I recently got from a national ad specialty catalog. They published a price for quantities as small as 25, but it was \$8.50 per unit, with the same kind of extra charges applicable. So local or mail order, it seems that 20 printed T-shirts are going to cost about the same.

How much would it cost you to produce those 20 T-shirts? The materials involved, including the transfer material, the click on your color copier, and a 50/50 white T-shirt should cost no more than \$5.00, and maybe as much as a dollar less depending on quantity issues. There are waste/spoilage considerations, but they are manageable...and they can be built into your cost. In terms of labor cost, it should take no more than an hour to complete a project like this, so factor that in at your current hourly rates. With material, waste considerations, and direct labor costs totalling something on the order of \$5.50 - \$6.00 per unit, wouldn't you be happy to sell 20 printed T-shirts for \$10.00 each?

For your customer, that's a nice little savings over the alternative. It may be enough of a savings to let the customer decide to actually go ahead with the idea. Remember, making small quantities cost-effective is really the issue here. The key to this market niche is not simply having a lower price than a competitor. It's the ability to bring the whole project in at a price the customer can live with.

And I think it's noteworthy that we're only now getting to the *big* added-value kicker...unlimited color! At a price even lower than two-color screen printing, you can be providing *full-color* T-shirts.

Two Ways To Grow

I've been saying for a long time that you only have two ways to make your business grow. One way is to gain more customers. The other is to sell more *stuff* to the people who are already your customers. Most printers seem to agree that the second should be the easier of those two endeavors.

Next, though, you have to consider that you only have two categories of things that could make up *more stuff*. You can sell them more of the things that you already sell. And that's good, but it still has limits attached. And let's face it, it's also a little bit dull. As your alternative, you can be constantly looking for new things to add to your "line" of products to meet business communications needs. That's the kind of strategy that projects you as being innovative and forward thinking, and it makes you the kind of printer a modern business person wants to do business with.

I think you're going to be surprised at the response you'll get from people when you tell them that you can produce high-color custom printed T-shirts in very small quantities at very reasonable prices. When they learn that the days of having to order dozens are over with, a whole new world of possibilities opens up.

And here's what you can say *next*. "This is only one of the things we can do with our color copier. Are there other situations where the ability to produce a small number of copies of something in full color would be valuable to you?"

Prospecting And Promoting

T-shirts can help you gain new customers too...in a couple of ways. I'm not sure there's *anything* that has greater appeal right now as a promotional give-away. That was certainly in evidence at Quick Print '92, where there were *always* people in line at the Kodak and Xerox booths for the T-shirts these companies were making and giving away.

Did Kodak and Xerox gain new customers in return for their investment in hundreds of T-shirts each? Maybe not on the spot, but they got people's attention. And I'm pretty confident that they started a process with the T-shirts that will lead to a substantial number of copier placements down the road.

I thought it was interesting that Kodak and Xerox went about "qualifying" each T-shirt in a somewhat different way. Kodak sent out a pre-show mailing to Quick Print '92 registrants with a coupon entitling the holder to a free T-shirt. You could even bring your own photograph—or any other type of original artwork—to be used to create a personal, "one-of-a-kind" T-shirt. (I came to the booth with a black photocopied flyer for my *PRINTSELLING* video, which they colorized on the copier, and then turned into a T-shirt. It's now my proudest possession. Thanks, Kodak!) The only requirement of this promotion was to take a tour of the booth with a sales representative. In that way, Kodak used T-shirts to guarantee a chance to tell it's whole story to a substantial number of convention attendees.

Xerox, on the other hand, let me register at a corner of their booth for a T-shirt, without any requirement to speak with them at the show. I filled out a card, and came back after a while and picked up my T-shirt. But they got what they wanted—my name and some information about my level of interest. Within two weeks I had received two separate follow-up mailings, with information on a wide range of Xerox products and services.

You can make either or both of these techniques work for you, too. I used to work for a forms company that used T-shirts as a lure to increase response to it's direct mail programs. They sent out a pretty straightforward offer to a company-name-only list of businesses. Send back the name of the person who buys the business forms and we'll send you one of these T-shirts with our logo on it. The response rate to these mailings often went over 20%. I once placed an order for 1000 of the T-shirts, which we figured would last for about 4 months worth of monthly mailings.

To apply the Kodak technique, why not use T-shirts as an incentive to get people into your shop for an on-site presentation of your capabilities? Aren't you confident that you can turn people into customers if you can get them into your shop? I think any printer could design—or have designed—an attractive T-shirt using the shop's own name and logo. If you make it nice enough, people will want it, I promise you. And they'll wear it, and then you'll be getting free advertising! Remember, millions of people actually pay for the privilege of wearing advertising for Nike and Reebok. They may not pay you directly, but the advertising value you can buy for a couple of dollars worth of T-shirt is a *good deal*.

If you have a color copier and the thermal transfer equipment, you have the capability to make the same offer Kodak made at Quick Print '92. Come for a tour of our shop and bring in your artwork, and we'll make you a T-shirt of just about anything! That may not have the same broad-based advertising value to you, but it might also be all it takes to get the attention of a certain type of prospect.

Future Focus

I think quick printers in general have done a good job of using their own “products” and production capabilities to develop appropriate promotional tools. I don’t know too many printers, in fact, who *don’t* give away printed note pads or calendars or similar items to promote their businesses.

By the same token, though, I don’t know too many printers who pay enough attention to the importance of finding new “products” to sell. Quick printers should look at a company like Rubbermaid, a perennial winner in *Fortune* magazine’s annual rankings of the nation’s most admired companies. With thousands of successful products already in the marketplace, Rubbermaid still makes it a core element of strategy to keep adding more...hundreds of new products each year. Most of them are innovative. Some of them are a little bit copy-cat. But that doesn’t really matter, because *all* of these products allow Rubbermaid to continue and continue to capitalize on it’s reputation for excellence at what it does.

That’s really what you can do by adding new products. You give people who already like you more chances to buy from you. And as a specific new product, I encourage you to take a good look at the color copier/thermal transfer combination, because I think it’s going to be a real winner. Short-run, high-color “screen” printing meets a *want* in the marketplace that’s only going to grow. It gives you something to sell, and something to sell with, and that to me is a nearly unbeatable combination.

I saw a lot of great things at Quick Print '92...equipment and products. But I think it’s fair to say that this was *The Year Of The T-Shirt* there, both as a product *and* as a promotional device. I’d like to think that the next twelve months might be *The Year Of The T-Shirt* for you. And maybe several other new products too!