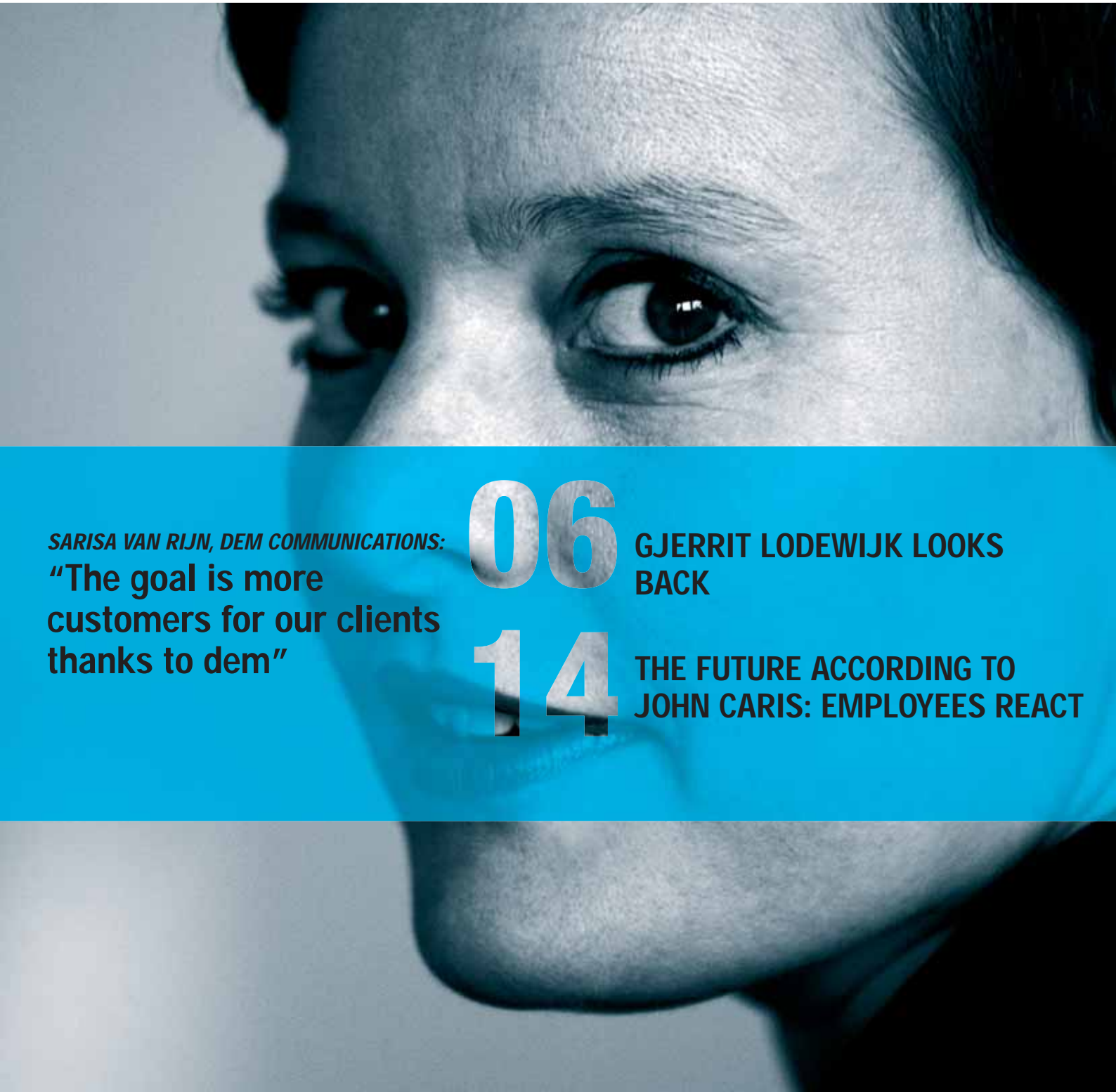




COMMUNIQUE ⁰¹₀₇

RSDB Shareholders Magazine



SARISA VAN RIJN, DEM COMMUNICATIONS:
"The goal is more
customers for our clients
thanks to dem"

06

**GJERRIT LODEWIJK LOOKS
BACK**

14

**THE FUTURE ACCORDING TO
JOHN CARIS: EMPLOYEES REACT**

RSDB COMMUNIQUÉ, NO. 1-2007

In this issue:

- 3. Brief news Print Productions
- 4. newyears speech John Caris
- 6. Gjerrit Lodewijk looks back
- 9. Brief news Marketing Communications
- 10. dem communications
- 12. RSDB internal training well received
- 14. Employees react



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**HUMO TO
ROTO SMEETS**



Starting January 2007, the leading Belgian weekly Humo is to be printed and finished by Roto Smeets Deventer. Besides that, Sanoma Magazines Belgium has awarded Roto Smeets a multi-year contract for the new monthly Milo and extended the agreement for Story, among other titles. This means yet further growth in Roto Smeets' substantial share of the market for printing and finishing Belgian weekly magazines.

Humo is Sanoma Magazines Belgium's most important title. The weekly first appeared in 1936 and has developed into one of the strongest brands in Belgium. Humo appears in an average print run of 275,000 copies. Sanoma Magazines Belgium and Roto Smeets have a close relationship, recently reinforced by the signature of a co-operative agreement. Besides the titles already named, Roto Smeets also prints other major Sanoma Magazines Belgium titles, such as Libelle and Flair.



**Heidelberg
heroes**

Dutch Design Week, which was held this year from 21 to 29 October, saw the first meeting of the Heidelberg Heroes, which is an idea of Stadvis Productions and was organised under contract from Roto Smeets GrafServices. This meeting place for advertising people and graphics designers attracts exciting speakers in a sharply organised graphics milieu at Roto Smeets GrafServices Eindhoven. The idea is to inspire graphics designers and ad makers by allowing them to become closer acquainted with the very best in their professional areas. Speakers for the event were sought among designers and creative advertising people who had distinguished themselves exceptionally in the previous year. Graphics heroes with their own characteristic style or striking projects, talking about their work, their approach and their vision.



Erik Kessels. Co-founder and creative director of the Kessels Kramer Amsterdam Communications Bureau.

This year's panel included Piet Parra and Erik Kessels. Piet Parra is a renowned designer / illustrator, perhaps best known for his work for Rockwell Clothing. Erik Kessels is co-founder and creative director of the Kessels Kramer Amsterdam Communications Bureau. Their lectures attracted a great deal of interest. More than 100 guests were welcomed in the RSGS Eindhoven premises. The warehouse was transformed into a genuine little theatre and the print shop, where lunch was served, was also specially spotlighted for the occasion. Many enthusiastic responses were received after the event closed and it has thus been decided to organise another Heidelberg Heroes next year.

NEWYEARSSPEECH JANUARI 3rd 2007

On January 3rd John held his newyears speech for the RSDB management. We like to share with you what he said:

“During the second half of 2005 and the first half of 2006, both the Executive and Supervisory Boards invested a great deal of energy in trying to put through a deal with another industrial party in Europe. On 17 May we made a statement to the press that the deal was off. I want to take this opportunity to emphasise once again that that the collapse of the deal had nothing to do with the RSDB profits warning contained in the same press release. Many aspects ultimately caused the deal to fail. It was this disappointing outcome that led Hans de Jong to decide to resign.

19 June saw the annual shareholders’ meeting. I indicated that, compared with the competition, we had performed well in 2005 and also that it’s a battlefield out there, and will remain so for the time being. The following months saw publications from the competition that confirmed this picture. Even though there was talk of an economic recovery in many areas, we can only conclude that our industry is not yet plucking its fruits. The annual meeting was also told of the restructuring of RSDB – a restructuring that I, and the Supervisory Board with me, believe is urgently needed. It is needed because we need to bring commerce and technology closer together in Print Productions, the ultimate goal being to create an enterprising, large-scale business that is a force to be reckoned with, both in the market and among our suppliers.

Being enterprising also implies another style of management for the organisation and its staff. This demands a great deal of management expertise, right across the board. This can only be achieved if management ensures that they have a great deal of substantive knowledge about the processes they lead. The ultimate goal: create a new culture. An enterprising culture.

Also within Marketing Communications we have opted for a change. We will split the companies for the time being into a communications and an automation group. The communications group contains Media Partners, Design Domain, dem communications and Logic Use, while automation consists of 2Organize and Leads to Loyals. The expertise and client base of these two groups are so different that a common market approach would not be the right choice.

Two working groups, commerce and HRM, have now completed their enquiries and a request for advice has been submitted to the Central Works Council. The third working group, Holding, has not yet submitted a request for advice, but has reported on the current status. This is because a number of aspects have to be looked at.

We didn’t let our heads hang after May 17, but went right on looking for possible – albeit scarce – ways to shape a different future. In a number of interviews I have stated that it would become clear in 2006 what sort of role we were going to play in the European graphics industry. Various talks have recently been held with other industrial parties, but up to now we have not found a candidate prepared to take such a step at the present time. Who knows? Maybe in the future. Sad, but life goes on.



RSDB is not poverty-stricken, nor desperate. But the pressure from the market remains high. That is why this year, self-assured and with great energy, we must direct our attention to those matters we can influence and achieve. I am confident in my belief that RSDB, with its new structure and a culture that values enterprise, will remain at the top for a long time yet.

Speaking of the top: top athletes often give talks to business, illustrating the connections. And yes, there are many similarities, but there is one big difference between top athletes and us: we have to deliver a top performance right until our pension, and that's a lot older than any top athlete. So our stamina has to be many, many times greater and is therefore tested far more often.

In closing I wish you all a very successful new year! ●

John Caris



Ex-Chair of the Supervisory Board looks back

“THERE’S A LOT OF CONSTRUCTIVE THINKING HERE”

Last summer Gjerrit Lodewijk departed as Chair of RSDB’s Supervisory Board. “What I like is the way you build up contact with the people and the business. It really gives you that “us” feeling. And that feeling hasn’t disappeared yet.”

Gjerrit Lodewijk’s study still contains lots of things that recall his time with RSDB. There’s a copy of ‘Het Natuurboek’ on the table, one million copies of which were printed this year by Roto Smeets. A cabinet holds a cylinder, inscribed “With thanks from the RSDB commissioners”.

Silent witnesses which show that a commissioner’s role at RSDB was more than just a sideshow for Lodewijk. “It was pretty intense now and then”, he tells us. “Sometimes I was in Hilversum two or three times a week. But I always did it with pleasure. The nice thing about being a commissioner is the “us” feeling: you’re involved in the organisation’s daily business, in good times and bad.”

COINCIDENCE

Gjerrit Lodewijk’s involvement as a commissioner at RSDB came about more or less as a coincidence. “I started business as a potato exporter and I sold my company in 1969. After that I chaired several special interest organisations, some of them in the agricultural sector. We published a magazine with Casparie and the then director, Mister Hof, asked me if I wanted to be a commissioner.” Lodewijk stayed on as a commissioner after Casparie was taken over by Koninklijke De Boer, ending up as Chair of the Board of Commissioners (Supervisory Board) in 1999, which task he performed until June this year.

In Lodewijk’s opinion you mustn’t be too mysterious about the commissioner’s function. “You’re a sounding board for management. The commissioners look at the business plan to see if it’s a good one, or if internal co-operation is satisfactory, and if the company has an eye to innovation. You’re a sparring partner when it comes to major decisions.”

But don’t you have to know the business through and through if you’re to do that? “Not necessarily. Actually, it’s a good thing if you can keep your distance, make comparisons with other branches of industry. Mind you, I’ve come to learn quite a bit about sheets, rotogravure and offset over the years!”

Besides the Executive Board, Lodewijk has always had close contacts with the Central Works Council. “That always went very smoothly. If I compare it with other industries – and I’m a commissioner in several other firms – I can say that the employees play a far greater role in the graphics industry. They’re constructive in their thinking.” And that’s important, Lodewijk believes, because even more changes are on their way for the RSDB employees. “It’s certainly not going to get any easier. ▶

“IT’S A GOOD THING IF YOU CAN KEEP YOUR DISTANCE, MAKE COMPARISONS WITH OTHER BRANCHES OF INDUSTRY”

INVESTMENT

Lodewijk has witnessed many changes at RSDB over the years. There was growth for years. Maintaining that growth demanded heavy investment, something with which the commissioners were also involved. “Acquiring new rotogravure machines for Etten-Leur and new presses in Deventer, those were enormous investments, which needed a lot of discussion with the executive board.” It was clear right from the start that such acquisitions wouldn’t immediately lead to more profits. “The competition wasn’t sitting on its hands, either. The expansion led automatically to overcapacity and the prices went down. You know that in advance, but that’s the way the market works. If you don’t innovate you might as well forget it.” Digitisation is also a fascinating process, in Lodewijk’s view. “We talked a lot about that. You sometimes have the idea that you’re pounding on a pile of feathers. But I’m not too pessimistic about the future. If I look at a newsstand I’m astonished at the number of magazines on display.”

DELISTING

RSDB has invested in technology, but also in takeovers. Plantijn was taken over on 1997, for instance. With hindsight, might it have been better not to do that? “It was a good decision at the time and it did have its advantages for us. But the market became tighter. Moreover, small printing plants are less predictable and that’s not pleasant if you’re listed on the stock exchange. That’s why we were justified in divesting PlantijnCasparie.”

Another hot topic in recent years is the stock exchange listing. That stems back to the time before Lodewijk was a commissioner. “Koninklijke De Boer was listed and the rest more or less followed on from that.” Initially there wasn’t much of a problem. “You had to render your accounts and pay the shareholders a decent dividend, after which you just got on with business. But from 2000 on the climate for listed companies changed completely. Shareholders have become more critical; they busy themselves far more with the way a company is managed.

It takes the executive board more time and energy, to the detriment of other matters.

That’s why it was logical that RSDB tried to get the company out of the exchange last year. The Supervisory Board spent a lot of energy on the delisting, too. “It’s tremendously sad that it led to nothing in the end. We were so close.”

FITNESS

Lodewijk has now been succeeded as Chair of the Supervisory Board by Montgomery, from the UK. “The Tabaksblat Code on Corporate Governance [which sets down guidance on the maximum number of commissioner’s posts that can be held by one person, and how long they may be held, Ed.] says that you can serve at most three terms as a commissioner, and I’m well over that,” he says. “I still hold a couple of commissioner’s posts and I have more time for other things.” You can’t see by looking at him that Lodewijk is approaching seventy. “I train every day, my wife and I cycle regularly and we play golf. And we can go on holiday longer now. That wasn’t possible in the hectic RSDB days. The company takes precedence.”

He nods yes when asked if he misses RSDB. “Of course. Even if it were only because I can’t participate in the delisting, which I see as necessary and inevitable. It’s needed to ensure that RSDB stays a healthy company for everyone, perhaps most importantly for the employees themselves. But the current board will run things smoothly, I’m sure.”

Lodewijk also has complete confidence in the course being followed by the current management. “John Caris is doing a fine job: the decisions to restructure the company and to move out of Hilversum, they’re both very sensible.” ●

ALLERHANDE

Allerhande is the Albert Heijn supermarket chain's in-store magazine. Logic Use has developed an entirely new advertisement booking system for the magazine, which links all the

parties involved, both within Albert Heijn and outside (suppliers, advertising agencies). This will make Albert Heijn's large-scale advertising procedure clearer and more transparent. The new system allows suppliers and ad managers to book ads on line and monitor progress. Space is reserved directly when bookings are made and the bookings are checked by means of an approval round. The system is also linked entirely into WorkWizz Publisher, which is used to streamline Albert Heijn's editorial process.



WORKING WITH WORKWIZZ

WorkWizz is an on-line program that helps streamline the print media publication process. It cuts production throughput time and offers a clear insight into status and progress. Moreover, it also considerably cuts the chance of errors. WorkWizz was developed by Logic Use, a Group company that specialises in digital process solutions. WorkWizz offers custom-designed solutions, meaning that every system is fitted to a title's specific production process. The system has been implemented successfully for the Albert Heijn and Praxis products.

DESIGN DOMAIN AND EURAIL

Design Domain has another new client: Eurail. Eurail is a company that for more than 20 years has been offering rail journeys throughout Europe, mainly known for their Inter Rail product, which gives young people (up to age 26) access to attractive rail routes. Design Domain is to completely restyle the Eurail promotional package, including the Travellers' Guide and Pass Cover for the consumer and the Sales Manual for Eurail staff.

Design Domain is also developing a completely new house style, to be set down in a House Style Handbook.

Inter Rail is also to receive its own logo and house style, also developed by Design Domain. The order is a fine example of cross-pollination between RSDB companies: the assignment came in via Roto Smeets, where Eurail's brochures have been printed for some time.



PRAXIS

DIY chain Praxis puts out a special offer brochure about 10 times a year in a print run of 6.2 million. Logic Use has developed a solution for them that allows Praxis to manage and control the entire production process, from the start of the folder right through to delivery of final PDFs to the printer. Praxis worked previously with an external image bank, receiving images and text from a number of suppliers, but now text and image are tied together and Praxis itself now manages all the image material. A complete overview is indispensable when you're publishing an average of more than 140 articles.



dem communications has a direct, personal approach

'SURPRISING' AS TRADEMARK

Things don't often get out of hand at dem communications. If a client wants a direct mail shot within a fortnight, that's what they get. Clients are aware of the passion and devotion that is helping this small bureau – part of Marketing Communications – to grow faster than expected.

"I ONLY TAKE ON INSPIRED PEOPLE WHO LOVE THEIR BUSINESS"

Sarisa van Rijn, dem communications

dem communications describes itself as a "small, sparkling and creative bureau that thinks and does", specialising in "campaign communication". dem stands for direct editorial marketing. "That means that dem combines editorial techniques with direct marketing. What it means in practice is that we think up and create editorial communications with a campaigning edge," says Sarisa van Rijn, the motive force driving dem communications. "This can take many forms: folders, magazines, digital newsletters, door-to-door papers, commercial inserts, roadside ads and ceiling mobiles. Pretty much everything, in fact, except radio and TV commercials. The goal is always to tie existing customers closer and to gain new ones."

SUCCESSFUL APPROACH

dem's approach seems to be successful. Their clients include Etos, FBTO, Sunweb Vacations, La Place, Versatel and Albert Heijn. For high-street chemist Etos they do the door-to-door free sheet as well as all the in-store promotions material. One of their new projects is Le Magazine, a culinary magazine for La Place and retailers V&D. dem has also developed an inspiring magazine for tour operators Sunweb. Van Rijn: "People just don't look at a catalogue any more. They book direct via sunweb.nl. The magazine allows people to talk about their holidays, which attracts others."

If Van Rijn thinks a client is right for dem, she tries to reel them in with creative talent. Ikea, for instance, were sent a game "effective communication with consumers", complete with bow and arrow. An unorthodox approach like this has a lasting impact. With a little luck and a lot of effort, it might turn a company into a client.

"Surprising things" are something of a dem trademark. At New Year clients received a bright pink (dem's house colour) chair with the message "You're sitting pretty with dem". The dem staff themselves had dyed the seat covers pink during the weekend.

GETTING RIGHT DOWN TO IT

It's this sort of enthusiastic effort that marks out the little bureau. "I only take on inspired people who love their business" says Van Rijn. "That's important for our clients, too. They know that we go for it." Van Rijn also constantly stresses the need for personal contact. "We know our clients and they know us. As a client of ours, you're always sitting down with the people who actually do the work for you. We offer a high level of service, immense flexibility and you can reach us 24/7. So if a client wants a direct mail shot in a fortnight, for example, then that's what they get. Naturally we always ask first what the goal of the mailing is. But we don't start with endless consultations, like many ad agencies do. No, we get right down to it." ●

Our own approach to training a great success

“WE HAVE SO MUCH KNOWLEDGE IN HOUSE”

At RSDB we have been training our own staff since last year. We've seen employees transform into talented teachers as a result. It costs less, too.

Once upon a time a printer was a craftsman who concentrated principally on a beautiful end product. “But the trade has broadened out,” says training co-ordinator Frank van Wieringen. “A print shop nowadays looks more like a processing plant, like an oil refinery. At one time printers concentrated on the end product, but now we expect them to manage the process, like a process operator.” This development has to trickle down through the professional training schemes, of course, but it's not happening enough, according to the plant managers. The pace of development, especially in rotogravure and finishing, is so fast that the training schools can barely keep pace.

EFFECTIVE, CUSTOM TAILORED, COST CONSCIOUS

The training schemes supplied by the existing institutes cost RSDB a lot of money, while the quality doesn't match the company's expectations and demands. “That's why we took a look to see whether we might be able to do the training some other way. The idea was to make use of the expertise and skill we already have available within the company. It was decided to have our own employees do the training, using ‘visiting lecturers’.”

The first rotogravure foundation course was set up in early 2005 at RS Etten. “The pilot went well: seven of the eight candidates

successfully crossed the finish line and can now call themselves B printers.” In large part that's thanks to the efforts of Aad Groot, who is responsible with Van Wieringen for the training. “Everything went according to schedule, thanks to some tight planning. He made sure that training progress wasn't endangered when the production pressure got fierce.” He also has to ensure that the training content continues to closely match the demands of daily practice.

Working with visiting lecturers turned out to be a great success: it's not only useful to pass on your knowledge; it's also a great thing to do. The same plan was then also followed for training in Finishing at RS Deventer and RS Weert. “In this way the visiting lecturers also make a contribution in the other plants,” says Van Wieringen.

EXPANSION

Now that the first courses have been run so successfully, plans are being made to expand this sort of internal training and courses. Van Wieringen: “RSDB is always working on optimising performance in the present difficult market. We have to offer smart training, too. In many cases we can train people better and at lower cost than the existing institutes. Another great advantage is that the lecturers, and the knowledge they bring with them, stay inside the company. And finally, we have seen even now that the knowledge is shared and spread throughout the group. That will only serve to make RSDB stronger.” ●



Robert Niles lecturing to colleagues at Roto Smeets Weert during the stabbed binding course.

**John Caris's canteen meetings
greatly appreciated**

LOOK TO THE FUTURE

In recent months John Caris has visited all Print Productions branches to explain RSDB's plans for the future. Everybody was given the opportunity to put questions directly to him, to criticise and make suggestions. What do they think of the new CEO's plans? What did they think of the meetings? And how do they view the future?



Sebastiaan Beterams,
SPS Hilversum

"We shall have to achieve a higher turnover with fewer

people. John made that very clear. It could have been even clearer in my view, but I realise he can't answer all questions. We're listed on the stock exchange, after all. I find his views appealing. The possibility of a merger with another company is being kept open, but we're not standing still in the meantime. I'm not surprised at the decision to wind up Hilversum. I moved to Hilversum five years ago, so it's unavoidable that I shall have to commute further. So be it. I see change as an opportunity, not a threat."



Rien Schouw,
*Roll store foreman,
Roto Smeets
Etten-Leur*

"John's story was clear. He

comes across as honest. He's not promising the earth. It's even clearer to me now that Roto Smeets is on its own in Europe and we have to work together. He couldn't take away my uncertainty about the future, but that's the way it is. Am I afraid that my own job's on the line? You never know for sure, but I think we've made all the economies we can. I don't think they can cut out much more at Etten-Leur – not until they start taking on people with four hands."



Leon Caniels,
*Freight dispatch,
De Wit*

"We were taken over and I still wasn't sure what RSDB's plans

were for De Wit. Were we allowed to look for more customers outside the RSDB Group? I asked John Caris about that. He told us that De Wit is doing all right and that we can grow. There were also rumours doing the rounds here that RSDB was going to be taken over. He squashed those. It's more likely that we'll take over other companies. I'm not afraid for my job. We made far more turnover last year and you still need people to do the work. I quite understand that we're going to move, because Eindhoven's not particularly accessible. It's not ideal for me personally. At the moment I can still get to work on the bike, but that'll soon be over."



*"IT'S EVEN CLEARER TO ME NOW THAT
ROTO SMEETS IS ON ITS OWN IN EUROPE"*





“PEOPLE LIKE BEING ABLE TO ASK DIRECT QUESTIONS, TO CRITICISE”



Martin Grefte,
*Director,
Roto Smeets
Utrecht*

“I went to all the meetings and John’s story was

well received here in Utrecht. People like being able to ask direct questions, to criticise. John himself has also been up to his elbows in printing ink. They appreciate that. It’s not so important here whether we go on the takeover war-path or whether we’re taken over. We’re used to a lot here. John has also made it clear that there is still more fat to be trimmed from the organisation. But as far as the production personnel here are concerned, I reckon we’ve just about reached the limit. The plans to close Hilversum were well received here. We hope our colleagues will come our way!”



Henk-Jan Taheij,
*Account
manager,
Roto Smeets
Grafiservices
Eindhoven*

“I see John Caris’s

plans as a continuation to Roto Smeets Sterker. The market’s changing and we have to change along with it. I think it’s a very good thing that John Caris visits the plants himself, close to the people. In the short term I don’t expect any jobs to disappear here, but I did get the impression that the focus is mainly on the big, capital intensive plants. It’s all relatively small scale here in Eindhoven. But they will have to invest here, too, if we aren’t to fall behind. I hope they’ve made allowance for that.”

John Caris will visit the Marketing Communications companies in the coming months