Artik: web-to-print to profit

LOCATION Toronto **SIZE** 5,500 sq. ft. **ANNUAL SALES** $2.5 million **EMPLOYEES** 18 full-time
SERVICES embroidery, screen and digital printing, including customized T-shirts, sweatshirts, baseball caps, pens, mugs, key chains, buttons, mouse pads, golf balls, and paper products such as calendars, flyers, postcards, greeting cards and envelopes – even stickers, magnets, temporary tattoos and custom-shaped, diecut business cards **www.artik.com**

Rafi Danan, left, and Saul Nir show off a button the firm created and distributed free to help smooth relations between riders and TTC employees in Toronto

The new Artik zone

"Rafi did some amazing marketing efforts online and offline," Saul Nirl says of his business partner. "We had a large stream of customers and orders, but it was clear that while the company expanded, it was in dire need of some better systems and organization." So Nir spent a few months organizing the bookkeeping—an area he used to fear and avoid. "To my amazement, our very expensive contract bookkeeper was managing online web surfing more than our books," he recalls. Nir found a new bookkeeper and together they tackled the books.

Artik's next major need was a business management software system to keep everything organized. "We were no more a small T-shirt company," Nir explains. "We now had many thousands of orders a year, with many of the orders having several different custom screen printing and embroidery designs. We were now an information management company dealing with all the information from our customers and suppliers."

Onsite 7.0 by Shopworks helps Artik keep track of its order data

Nir says his search for the right business management software was extensive. "I saw programs that cost under $1,000 and also some that were over $150,000," he recalls in a blog post. Finally, he found a program "created by a guy that actually had a screen shop just like us, and he developed a program called Onsite 7.0 by Shopworks. He spent 11 years perfecting it and creating a great business management software that uses FileMaker pro database. It was priced in the $20,000 range and has been just great to work with."

Now, Nir reports, all of Artik's information is in one place: accounting, design details, product specifications, customer and vendor information, marketing, analysis, etc. "All customer service reps are working on the same database, and everything is being updated in real time," he says. "For the customer this means getting the correct design on the correct items and delivered on the due date." If a customer comes back a year later, Artik can immediately pull up the last order details, see a thumbnail of their design, find a link to the art files, see the P.O. to the supplier and clone the order to create a new order. "This may be routine to big companies but for us it is a major improvement and a point of pride," notes Nir.

CHALLENGE While Google ads worked for Artik, the cost per order/ROI was deemed too high for the $5,000 investment. So, now what? Web-to-print proved to be the answer—to the tune of some $60,000 per month coming mostly from online sales

Like a lot of companies these days, you can find Artik on social media sites such as Facebook and Twitter. Back in 1993, Artik.com was one of the first online stores in Canada, primarily selling screen-printed T-shirts at first. If there's one thing that Rafael (Rafi) Danan and Saul Nir always have had, since starting the company 26 years ago, it is vision. The pair decided to combine their computer science and economics degrees, along with their experience in the apparel industry, to form a new business.

Over the past 18 years, Toronto's self-proclaimed "Promotional Product Supplier" has developed proprietary design software to help its customers create their own designs via a web browser and a little imagination. Customers can add text and text effects and see their designs on images of the items, including digitally printed business cards, flyers and envelopes. The screen printer expanded in 2010 and now offers commercial digital work.

Online visitors can find literally thousands of products and an occasional blog post at the Artik website. It's not the same company it was a dozen years ago, according to Nir, who had left the day-to-day operations to run another business but remained as a silent partner. "When I left Artik we had stable sales and focused mostly on custom printed T-shirts and sweats," he remembers. "Our customers were mostly in the Toronto area." Annual sales, now at $2.5 million, more than quadrupled during Nir's 10-year hiatus.

STRATEGY Use technology to manage customer information and grow a regional T-shirt screen printer/promotional products firm into a growing force in the North American commercial print sector

This is a story of how web-to-print technology turned a business around. But, as many printers know firsthand, growing your business can have its painful moments. The staff at Artik has gone through some major

changes. For one thing, Danan got rid of his five sales reps and brought in four order-takers instead. "Everyone pulled together and helped create a new, organized environment," praises Nir. "We have an extremely strong, experienced group of employees who are all contributing to Artik's growth." Geographically, the firm's customer base has grown way past Toronto.

For its web storefront provider, Artik went with Amazing Print Corp., the Concord, Ontario, firm that has facilitated millions of postcard, business card and stationery orders with proprietary online, on-demand printing technology since 1997. Its suite of web-to-print software features template-based tools that effectively market, drive and close sales. Danan says he has known Slava Apel, CEO of Amazing Print, "for a long time. When he showed me the program, at first I was not impressed. But then I saw the possibilities and I fell in love with it. That was three years ago."

The challenges, he continues, are "to get to as many people as possible without lowering prices—and without it costing us too much—and finding the right clientele,

Gear on the floor

- 2 Anatol screen printing presses (a 10-colour and a 6-colour)
- button-pressing machines
- numerous printers and Xerox 700 and 240 colour printer/copiers
- embroidery facility featuring 26-head auto machines
- diecutters
- guillotine paper cutters
- in-house digitizing

Xerox 700, one of many printers in the Artik shop

within the right demographic." Another challenge was to overcome printers, such as online giant Vistaprint, which actually give business cards away for free. "We had to learn the Vistaprint system and capitalize on it," Danan admits.

His advice to other printers thinking about a move into web-to-print: "If a printer considers web-to-print, he must understand that he is committed to web optimization. It takes a lot of time and money. Without that, don't buy the program," Danan says bluntly. "When you optimize

your web-to-print, the rest of your business is going to increase—and when I say increase, I don't mean 30% or 40%. I mean 1,000% or more! If I don't sell any business cards online, the benefit I receive from the whole system outweighs the cost of the system by far." ⓖ

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