



Member Associations of

**PRINTING INDUSTRIES OF CALIFORNIA**

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### Headline Summary

- 2014 Posters
- Patent License Issue
- Paid Sick Leave
- Patent Listserv
- PIC Member Website
- Exemption for Manufacturing Equipment
- SCAQMD Rule 1130

### Paid Sick Leave

AB 1522 (Gonzales, D-San Diego) guarantees all California hourly workers up to three paid sick days per year. Supporters say 80 percent of low-wage workers do not get sick pay. Under the bill, employees who work 90 days in a year would earn at least three sick days. AB 1522 would insure people do not feel a financial obligation to work when they're sick.

The state of Connecticut and several major cities including San Francisco have adopted similar laws. Previous attempts to pass a state-wide measure in California have failed. The measure is now in the Assembly Labor and Employment and Judiciary Committees.

# WatchDog

Guarding the Business of Print

February 2014

## 2014 Posters

All California businesses must display up-to-date labor and safety notices where all employees can see them to be in compliance with federal and state laws. Last year's (2013) all-in-one poster no longer meets the federal and state 2014 requirements; therefore, it is important that you order the new one.

Updated posters include the changes listed below:

- **Discrimination:** Added Military and Veteran Status to the classification of the protected class.
- **Notice of Withholding:** Changed from "California" to "California Personal Income Tax PIT"
- **Unemployment Insurance:** The new notice states that you can obtain the data from your employer, physician/practitioner instead of Doctor's office.
- **OSHA:** Updated the Concord address

The posters are

- Laminated on both sides and printed in high-quality full color
- Combo measures 27" x 39"
- Posters are guaranteed to be the most up to date versions available

The cost for the 2014 all-in-one poster is the same as last year, \$24.50, which includes postage and sales tax. A credit card is required for purchase. To order your posters, contact Rose Dorado at [rosed@piasc.org](mailto:rosed@piasc.org), 323-728-9500, or order online at [www.piasc.org](http://www.piasc.org).

## Patent License Issue

Numerous printers have received notice from attorneys representing CTP Innovations that the workflow they employ infringes on two patents owned by CTP. The patents cover a workflow process of a "user" facility (e.g., publisher or designer), a central service facility connected by private or public network, and a printer, who produces a pdf and images plates. This opens the likelihood that CTP Innovations could take action against other printing companies to obtain a license or face suit. The printer would then have to prove that our battle against patent trolling has been a multi-faceted campaign.

Printing Industries of America, however, continues to battle patent trolls by successfully lobbying in the U.S. House of Representatives to pass HR 3309, a bill to deter abusive patent litigation. Now it must pass the Senate. PIA's goal in early 2104 is to accomplish a legislative solution.

Among the legislative remedies we support: the need to include more information in demand letters and in the pleadings filed by patent owners; giving the Federal Trade Commission (FTC) the authority to target abusive conduct; more transparency of patent ownership; making it easier for companies to challenge the validity of business method patents at the USPTO; and providing stays to customers while patent owners litigate with suppliers.

## Patent Listserv

This listserv is a forum for member companies that have received letters from patent owners alleging infringement and/or had legal complaints filed against them by patent owners. Unfortunately, "patent trolls" are a growing menace to the printing industry. Currently there are a number of trolls asserting patent rights against printers. [A troll is a company that purchases patents for the sole purpose of intimidating firms into paying for a license, quite different from patent owners that use their patents.]

The way a listserv works is you will receive an email whenever another listserv member posts a question or comment on the topic. Here are some of the ways you can use this listserv:

- Find out if other companies have been approached by the same patent troll
- Share the content of demand letters and associated licensing fees
- Ask for advice on how other companies have responded to a patent troll
- Share and solicit defense strategies
- Seek printers interested in forming joint defense group

To join the listserv send an email to [telserv2@lists.printing.org](mailto:telserv2@lists.printing.org). The email message should contain only the following message: "Subscribe [patent@lists.printing.org](mailto:patent@lists.printing.org)". Do not include signature information or a subject line.

When posting to the forum, please use [patent@lists.printing.org](mailto:patent@lists.printing.org).

### PIC Member Website

Staff is developing a website so that the three PIC affiliates can easily access important information and publications in the following areas: human resources, safety, environmental, sales tax, and business technical.

The site will also enable a member to find his elected officials by simply entering the member's zip code and find sample letters that members can email to legislation with the click of a mouse. The site should be live in early March.

## Exemption for Manufacturing Equipment

Beginning on July 1, 2014, and extending until June 30, 2022, "qualified" purchasers of manufacturing, and research and development equipment will be eligible to obtain a partial exemption of the sales and use tax rate. For the period beginning July 1, 2014, through December 31, 2016, the exemption will reduce the state sales and use tax rate by 4.1875 percent. For the period beginning January 1, 2017, through June 30, 2022, the exemption reduces the state sales and use tax rate by 3.9375 percent to coincide with the 0.25 percent state rate reduction. The exemption applies to the state tax portion only. It does not apply to any local, city, county, or district tax. The exemption on qualifying purchases is limited to \$200 million per year per qualified person.

In order to qualify for the exemption, the property must be used primarily in manufacturing, processing, refining, fabricating, recycling of tangible personal property; research and development; maintaining, repairing, measuring, or testing any qualified tangible personal property; or used by a contractor in the performance of a construction contract for a qualified person that will use the property as an integral part of the process as described above or as a research and storage facility in connection with those processes.

#### Qualified property includes:

- Tangible personal property used in pollution control that meets established state or local government agency standards.
- Special purpose buildings and foundations used as an integral part of the manufacturing process, or that constitute a research or storage facility.

#### Qualified property does not include:

- Buildings used solely for warehousing.
- Consumable property with a useful life of less than one year.
- Furniture, inventory, and equipment used in the extraction process or storage of finished products that have completed the manufacturing, processing, refining, fabricating, or recycling process.
- Property used primarily in administration, general management, or marketing.
- Property used in any other aspect of the business other than those qualifying uses. Leases regarded as "continuing sales and purchases" of "qualified property" by "qualified" lessees also qualify for the exemption.

## SCAQMD Rule 1130

The South Coast Air Quality Management District (SCAQMD) has proposed an amendment incorporating certain United States Environmental Protection Agency's (U.S. EPA) Control Techniques Guidelines (CTG) recommendations applicable to printing operations not included in the current rule and other minor improvements to facilitate clarity and rule enforceability.

With the participation and technical backing of Gary Jones, PIA National, PIC has participated in conferences calls with the SCAQMD staff and negotiated changes that will not surpass that of other states. Proposals include:

- Incorporate minor revised fountain solution VOC content requirements
- Revise rule language for control device capture and control efficiency

Rule 1130 will be considered for amendment by the SCAQMD Governing Board at a Public hearing tentatively scheduled for April 4, 2014.

