

Lonetown Press

Lonetown Press was opened in January 1992 to provide a highly personalized contract printing service to artists and others devoted to hand-printed lithography as a fine art medium. Founded by Randy Folkman, a master printer with eight years of experience, the company was capitalized for about \$30,000 of Randy's money, which was used for the purchase of a Griffen Press and printing materials and supplies. Lonetown was located about 40 miles north of New York City in Fairfield County of southwestern Connecticut.

Randy planned to operate as a one-man shop, at least for the first year. As a master printer and occasional artist in his own right, he had worked at Redvale Press, a private printing studio, for the two years prior to founding Lonetown. Before that, he was employed for two years at a studio, in New York City and for four years at a print shop in Houston, Texas. While in Texas, he completed his hand printing apprenticeship under the supervision of a Tamarind-trained master printer.

Randy wanted to work primarily at his printing and was especially interested in working with up-and-coming artists. Over the long term he wanted Lonetown to become recognized as a quality, highly personalized shop. At the same time, Randy hoped to pay himself fairly and make some profits as well as learn more about how prints are distributed. Otherwise, he did not want to become overly involved in what he saw as the business or "financial" side of Lonetown.

With the founding of Lonetown Press, Randy realized he would need to determine what price to charge and how to quote prices. He contacted an accountant with whom he shared his background and knowledge of the business.

HAND-PRINTED LITHOGRAPHY

Artists are attracted to hand-printed lithography because of its mystique, the quantity of images that are produced, and the technical results the medium offers. Lithographs are created by drawing on a stone or plate with pencils, crayons, or other materials with which artists are familiar. With a variety of surfaces and materials available, the medium is versatile for artists who can easily visualize from the drawing the resulting prints or graphics, as they are called in the trade. The development of hand-printed lithography in the United States is described by Antreasian and Adams:

Although the principles of lithography are in essence simple, the technical processes involved in the printing of fine lithographs are exceptionally complex. For this reason, artists wishing to make lithographs have, since the early years of the nineteenth century, worked in collaboration with master lithographic printers: Gericault with Hullmandel and Villain, Redon with Blanchard and Clot, Picasso and Braque with Mourlot and Desjobert.

Any lithograph printed from a stone or plate conceived and executed by the artist is an original lithograph, whether it is printed by the artist himself or by a collaborating printer. Until late in the nineteenth century, lithographs were rarely signed in pencil, and individual impressions were seldom numbered. Since that time, however, it has become customary for artists to sign and number each impression, attesting in this way both to the authenticity of the print and to its quality. Often, prints made in a lithographic workshop also bear the printer's bindstamp or chop. Like the artist's signature, this mark attests to the quality of the work.

Original lithographs are normally printed in limited editions, although the size of the edition may vary

This case was prepared by Professor Fred W. Kniffin of the University of Connecticut, with the assistance of Amy Erlanger, as a basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. Copyright © 1993 by Professor Fred W. Kniffin.

over a wide range. In the United States, artists' editions characteristically range from 10 to 100; in Europe, editions of 200 or more are not uncommon. The limiting of editions is due not so much to technical considerations as to intention. The artist may wish, as a matter of principle, to limit editions of his work, or he may wish to avoid an undue commitment of time or money to a single edition. . . .

By 1960, lithographic workshops had all but disappeared in this country. There were few master printers, and it was only with the greatest difficulty that an artist might engage himself in lithography. As a result, few of the major artists working in the United States made lithographs during the 1940s and 1950s.

In 1960, Tamarind Lithography Workshop was established in Los Angeles under a grant from the Ford Foundation for the primary purpose of providing a new stimulus to the art of the lithograph in the United States. Since 1960, a number of professional lithographic workshops have opened throughout the country, many of them staffed by artisans trained at Tamarind. The lithographic workshops maintained at art schools and university art departments have likewise increased in number and, under the influence of the Tamarind program, have greatly improved in quality. Now, in the United States as well as in Europe, the artist again finds it possible to work in collaboration with skilled printers, and in these circumstances American Lithography has enjoyed a notable renaissance.

While hand-printed graphics drawn by an artist were considered original art, they were priced lower than original canvasses and were therefore generally more affordable. With lower prices than canvasses, the sales of hand-printed lithographs held up well in periods of recession when sales of the total art market were predictably slower.

Prices for hand-printed lithographs varied from \$30 to \$10,000 for modern prints; older prints of old masters were even higher. An artist whose canvasses commanded \$20,000 might sell his hand-printed graphics for \$1,000 each. Typical prices for 22 × 30 inch prints ranged anywhere from \$150 to \$500 depending upon the artist, printer, and where the prints were purchased.

Consumers acquired prints from art galleries, publishing houses, and auctions and from other

individuals such as dealers, interior decorators, artists, and printers. Corporate art buyers often purchased graphics for their headquarters and other executive office buildings.

The publisher of a print is anyone who pays for the printing costs of an edition. Publishers may be galleries or publishing houses, or individuals such as dealers, artists, or printers. When not the artist, the publisher pays the artist a flat fee and, after paying the printing costs, owns all the prints except those few retained by the printer and the artist.

In response to an inquiry from Lonetown's accountant, a master printer stated that, in his experience, graphics or print galleries operated on a 50 percent markup from their selling price to the consumer. Of the costs that galleries paid publishers for prints, he estimated that artists' fees accounted for 25 percent and printing costs another 25 percent with the balance going to publishers. On this basis, a print offered by a gallery to retail at \$2,000 to the buyer entailed total printing costs of \$250.

THE INDUSTRY AND LONETOWN PRESS

The hand-printed lithography business in the United States had, perhaps, a half dozen major print shops that generally did their own publishing. These major shops usually employed four or more printers, while the balance of the industry of 50 or so shops were one- or two-printer operations. There were probably fewer than 60 print shops in the U.S. accepting hand-printed lithography work in 1992. Recent price schedules of the Tamarind Institute and two printing companies are shown in **Exhibits 1, 2, and 3.**

For at least some of their business, most shops copublished. This involved a negotiation of charges in which the printer accepted some number of copies of the artist's edition in exchange for the printer's services. For example, Lonetown Press might retain 10 to 25 copies of a 50-print edition in lieu of the costs for printing services rendered. In this situation, the artist would not incur an outlay for printing and Lonetown would assume responsibility for selling the graphics to compensate for the printing.

EXHIBIT 1***Typical Prices for Lithographic Printing******Effective 1 January 1992***

The total cost of an edition is the *base charge*, plus the *impression charge*, plus *surcharges* (if any), plus the *cost of paper*. Paper will be billed at the most recent price paid by Tamarind with an allowance for care and shipping. The dimensions of a lithograph (paper size) are also a factor in determination of price. Tamarind's prices for printing are established in four groups, according to dimensions, and show the *maximum size* allowed for that price category. Prices for lithographs larger than 30 by 40 inches will be estimated upon request.

Base Charges

The *base charges* (per edition) include the services of Tamarind's professional staff, all costs related to graining of stones or plates, lithographic materials used in making drawings, materials and papers used in proofing, such proofing as is reasonable and necessary to arrive at a *bon à tirer* impression, the printing of the first 10 proofs and/or impressions (however they may be designated), curating services, tissues, and wrapping materials (packing for shipment, if desired, is billed separately).

| | <i>Size</i> 15 by 22 in. 38 by 56 cm. | <i>Size</i> 19 by 25 in. 49 by 64 cm. | <i>Size</i> 22 by 30 in. 56 by 76 cm. | <i>Size</i> 30 by 40 in. 76 by 102 cm. |
|--------------|---|---|---|--|
| One color | \$140.00 | \$200.00 | \$240.00 | \$ 340.00 |
| Two colors | 320.00 | 390.00 | 450.00 | 580.00 |
| Three colors | 450.00 | 530.00 | 600.00 | 750.00 |
| Four colors | 560.00 | 640.00 | 710.00 | 900.00 |
| Five colors | 660.00 | 740.00 | 820.00 | 1,050.00 |
| Six colors | 760.00 | 880.00 | 930.00 | 1,200.00 |

Impression Charges

The first 10 proofs and/or impressions are included in the base charge; no charge is made for proofs and/or impressions rejected because of technical imperfections, or for proofs or impressions that become the property of the collaborating printers or of Tamarind. The following charges apply to all other impressions, however they may be designated:

| | <i>Size</i> 15 by 22 in. 38 by 56 cm. | <i>Size</i> 19 by 25 in. 49 by 64 cm. | <i>Size</i> 22 by 30 in. 56 by 76 cm. | <i>Size</i> 30 by 40 in. 76 by 102 cm. |
|--------------|---|---|---|--|
| One color | \$ 6.00 | \$ 7.00 | \$ 8.00 | \$10.00 |
| Two colors | 12.00 | 14.00 | 16.00 | 20.00 |
| Three colors | 18.00 | 21.00 | 24.00 | 30.00 |
| Four colors | 23.00 | 25.00 | 27.00 | 33.00 |
| Five colors | 27.00 | 29.00 | 31.00 | 36.00 |
| Six colors | 31.00 | 33.00 | 35.00 | 39.00 |

EXHIBIT 1 (continued)**Surcharges**

| | |
|----------------------|--|
| Stone charges: | Technical processes: At sizes below 22 by 30, there is no price differential for work on stone. Surcharges for stone begin at 22 by 30 inches (\$40.00) and increase proportional to size; the surcharge for use of our largest stone (36 by 52 inches) is \$165.00. |
| Blended inking: | A surcharge will be added for use of blended or split inking. The charge is determined by the complexity of the blend; it will never be less than 10 percent and may be up to double the impression charge. |
| Curatorial services: | When the design of a print requires special curatorial services (as examples, tearing to a template, cutting to irregular shapes, applying metallic leaf, etc.), surcharges will be added proportional to the time required. |
| Technical processes: | Use of all standard lithographic drawing materials and processes is included in the base charge, including direct drawing on stones or plates or through transfer methods. For use of photographic processes and such special techniques as image reversal, printing on chine colle, etc., surcharges will be added proportional to the time required. |

Examples

The cost of editions of 50 impressions of single-color lithographs at sizes 19 by 25 inches and 22 by 30 inches printed from stone on Rives BFK, would be calculated as follows:

| | <i>19 by 25 in.</i> | <i>22 by 30 in.</i> |
|--------------------------|---------------------|---------------------|
| Base charge | \$200.00 | \$240.00 |
| Surcharge for stone | 0 | 40.00 |
| Impression charge (50%*) | 350.00* | 400.00* |
| Paper charges | 50.00 | 50.00 |
| Total: | \$600.00 | \$730.00 |

*This figure may be adjusted depending upon the number of trial and/or color trial proofs.

Abandoned Projects

On occasion, an artist reaches a decision to abandon a project without printing an edition. In that event, Tamarind will refund a portion of the base charges, as follows:

1. If the project is abandoned prior to processing and proofing of the plates and/or stones, Tamarind's total charge will be the sum of \$100.00, plus any surcharges for stone, plus \$25 for each metal plate (or small stone) used. The remainder will be refunded or applied to another project.
2. If the project is abandoned during or at the end of a first proofing session (a session in which all of the printing elements are proofed, one upon another), Tamarind's total charge will be the sum of the surcharges for stone, and 75 percent of the base charge. The remainder will be refunded or applied to another project.
3. If a project is abandoned at any point beyond the end of the first proofing session (as defined above), the full base charge will be paid.

PAYMENT OF ONE-HALF THE TOTAL ESTIMATED CHARGES
IS DUE BEFORE WORK IS BEGUN.
THE BALANCE IS DUE UPON DELIVERY OF THE EDITION.

EXHIBIT 2
*Vermont Graphics, Inc.**

| Price List | | | |
|--|----------------|----------------|----------------|
| September 1990 | | | |
| Proofing Charges (price including all materials) | | | |
| <i>Colors/Runs</i> | <i>15 × 22</i> | <i>22 × 30</i> | <i>29 × 41</i> |
| One | \$ 78.25 | \$ 117.20 | \$ 156.25 |
| Two | 148.50 | 219.00 | 281.25 |
| Three | 219.00 | 320.25 | 406.25 |
| Four | 289.00 | 422.00 | 531.25 |
| Five | 359.00 | 535.50 | 656.25 |
| Six | 516.00 | 750.00 | 937.50 |
| Seven | 600.00 | 872.00 | 1,087.50 |
| Eight | 684.50 | 828.00 | 1,237.50 |
| Nine | 768.75 | 1,015.65 | 1,387.50 |
| Ten | 853.00 | 1,237.50 | 1,537.50 |
| Printing Charges per Impression | | | |
| One | \$ 7.75 | \$ 10.25 | \$ 13.30 |
| Two | 14.50 | 18.50 | 23.70 |
| Three | 21.00 | 27.00 | 34.30 |
| Four | 27.75 | 35.50 | 44.80 |
| Five | 34.50 | 52.75 | 55.30 |
| Six | 49.00 | 62.70 | 79.00 |
| Seven | 57.00 | 72.75 | 91.50 |
| Eight | 65.18 | 82.80 | 103.25 |
| Nine | 73.20 | 93.00 | 116.75 |
| Ten | 81.00 | 103.00 | 129.50 |

*Disguised name.

A variation on co-publishing occurred when printers gave discounts in exchange for a part of the edition. These types of agreements were believed to be particularly appealing to up-and-coming artists to whom Randy wished to cater.

Lonetown's accountant had developed estimates of both annual and per job costs for the shop, since she was thinking of adding a markup to labor and/or material costs as the basis for creating a price schedule. Randy, however, was somewhat skeptical of this approach because he had concerns about pricing too high or too low in relation to competition. He wanted to price high enough to be taken seriously, but low enough to attract initial

EXHIBIT 3
*Oklahoma Print Shop**

| Price List | |
|---------------------------------|----------|
| For 22" × 30" Size | |
| 50 Prints | |
| June 1992 | |
| Proofing Charges | |
| <i>Colors/Runs</i> | |
| One | \$120.00 |
| Two | 170.00 |
| Three | 235.00 |
| Four | 285.00 |
| Five | 350.00 |
| Six | 420.00 |
| Seven | 495.00 |
| Eight | 575.00 |
| Nine | 665.00 |
| Ten | 735.00 |
| Printing Charges per Impression | |
| <i>Colors/Runs</i> | |
| One | \$ 7.20 |
| Two | 10.80 |
| Three | 16.80 |
| Four | 21.60 |
| Five | 25.20 |
| Six | 28.80 |
| Seven | 32.40 |
| Eight | 36.00 |
| Nine | 39.60 |
| Ten | 43.20 |

business. The accountant figured business expenses would run \$11,000 annually, not including Randy's salary needs of \$30,000 per year.

Lonetown Press Annual Expenses

| | |
|---|----------|
| Public relations (personal entertainment) | \$ 3,000 |
| Advertising | 2,000 |
| Travel expenses | 2,000 |
| Depreciation | 1,300 |
| Lawyer & accountant fees | 1,000 |
| Insurance, electricity, heat | 1,000 |
| Property taxes | 700 |
| Total | \$11,000 |

In addition to the master printer's labor hours, cost estimates that could be directly traced to each job were:

5-Color—50 Print Edition

| <i>Item</i> | <i>Cost</i> |
|---------------------|-------------|
| Standard paper | \$ 175 |
| Ink | 10 |
| Printing plates | 95 |
| Various chemicals | 20 |
| Total costs per job | \$ 300 |

The most comfortable edition size for Lonetown Press was 50 prints; and editions over 200 prints were definitely less desirable. With editions of 150 and over, the master printer in a one-person shop often encountered some tedium, which could adversely affect the quality of his work.

At Lonetown, the largest acceptable print was 30 × 40 inches, since this was the maximum size that the Griffen Press could accommodate. Smaller paper sizes presented no problems.

Although four to five colors appealed most to Randy, the number of colors in a print was not of great importance. However, since each color in a print must be printed separately, printing additional colors required additional printing time.

A typical or average job for Lonetown might be a 5-color 22" × 30" edition of 50 prints. Randy felt that he could produce 25 such editions per year, or about one such edition every two weeks. Working at this rate would leave him barely sufficient time left over to consult with artists and galleries and do his bookkeeping and purchasing.

Randy felt confident about the long-term success of Lonetown; however, his immediate concern was quoting prices on several pending inquiries. He had decided that his price schedule should have separate prices for proofing and printing, prices for three sizes (18" × 24", 22" × 30", 30" × 40") and prices for one to 10 colors. In addition, he wanted his price schedule to, in some way, reflect his preference for printing smaller editions.