



# **The Promo Distributor's Guide to Apparel Decoration**

What to know about finding a decorating partner,  
adding in-house decoration and more

By Amanda L. Cole

**A**fter about 20 years as a distributor in the promo industry, Club Colors wanted to add more value to its client relationships. The company already offered embroidery services, but outsourced the rest of its decoration.

“Why do they continue to come to us?” Cris Tase, partner at Club Colors, Schaumburg, Ill., asked when considering the company’s differentiator. “Because if you’re looking just for a straight up product distributor—they’re a dime a dozen. It’s a Google search away. So we went down this road of looking at both technology as a differentiator and also the decoration capabilities in house. And so the focus on the decoration piece, the reason we found it to be potentially a strategic differentiator, is that we don’t really have to worry about anybody’s production schedules. We can control our costs and still validate the quality of decoration is to our standard.”

Fast forward eight years, and Club Colors now churns out about 8,000 screen prints and up to 800 heat transfers in-house each day, along with 1,800 pieces of embroidery, with those numbers rising during college season when the distributor services more than 900 campuses nationwide.

But it’s not just about costs. Decoration isn’t a guaranteed moneymaker. Tase and his business partner Jeff Baumet, Club Colors’ chief financial officer, went through nine years of financial history before making the choice to add dedicated decoration capabilities.

“We didn’t pull the trigger until we could demonstrate that it was going to win for us no matter what because we had the business,” he said. “We had the right team. We spent some pretty good dollars on bringing in team members that already had the training. ... But we definitely had the scale to where we knew that it was the right decision.”

Not all distributors will follow the same path to a decorating destination. Kelley Rice, owner of Imagination Print & Design, Oswego, Ill., is a graphic designer who launched a print shop with decorated apparel and later added promotional products. Mike Yager, president of Spotlight Sport & Corporate Wear Ltd., Humboldt, Saskatchewan, Canada, had a career in retail management before launching his promotional products and decorating business. Though all three distributors offer in-house decoration, they each outsource decoration as well. Whether it’s orders that fall outside their capacity or decoration methods not offered in-house, opportunities exist to find the best balance. Or, distributors can stick to selling and outsource decoration entirely.

“It’s not a magic bullet,” Tase said. “It is supposed to be an add-on to an already successful business model, great clientele. It’s just supposed to enhance your value proposition to the client and the marketplace. If your business is already not doing so great, you should probably evaluate other parts of business before jumping into what I consider a highly technical but incredibly beneficial field trip.”

## **1** Finding a Decorator

Outsourcing to decorators opens up a whole new sector of business with little upfront investment. Aside from various decoration methods, they offer fulfillment options that range from folding, tagging and bagging to drop shipping and labeling. But how do you find the right decorator?

Referrals seem to be the most reliable option. Ask distributor peers, talk to suppliers or network at trade shows and industry events, whether live or virtual. (Yager found his decorator when he sat down to eat lunch at a trade show.)

“I certainly don’t mind telling people who’s good in the industry,” Tase said. “There’s plenty of business out there, so there are no secrets in this industry.”

Next, learn more about decorators’ capabilities and qualifications. Tase recommended questioning them on their machines, order sizes, color limits, turnaround times or whatever elements are important to a distributor’s business. Sharprint, a Chicago-based decorator, sends extensive sample kits to prospective customers that display its techniques, while Tase requests decorators complete a sample of the hardest logo he has on file. What a decorator is willing to do to gain the business may vary, so Yager offers small jobs as a way to rate them firsthand.

Also consider geography, as the desired decorator location could vary depending on the project or customer. Yager, whose customer base is 90 percent local, prefers a nearby partner, while Tase points out that a lot of decorators are located near blank goods suppliers, which cuts down on transit times.

Decorator perks could also sway you or your margins. Sharprint, which offers screen print, embroidery and direct to garment, shares its vast knowledge through a blog and in-person education sessions that offer tips on the entire sales and decorating process for beginners and veterans alike. 5B’s Inc., Zanesville, Ohio, jumped into the screen print business five years ago and opted to not have screen setup charges. Both Sharprint and 5B’s benefit from select suppliers offering free freight to their facilities. 5B’s, which boasts clients like New Era and 47 Brand, also waives outgoing freight charges to distributors who use its internal stock of Fruit of the Loom, Jerzees and Richardson Headwear. Shane Biles, marketing manager at 5B’s, noted that it helps to reduce transit times as well as shipping costs that are hard to explain to end-buyers.

“All of a sudden [distributors] have \$80 in freight, which makes it difficult for them to outsource that job because they’re like, ‘I can’t tell my customers that it’s going somewhere else. Now I have to pay shipping. It’s cutting into my margins,’” he said. “That just makes it easier for us to be involved. We’ll ship it to them for free. It’s like we never existed.”

Regardless of preferences, having a decorator or pool of decorators lined up before an order comes in will help to avoid scrambling. Tase aims to have decorators on hand for typical

outsourcing needs, plus an additional 20 percent to 30 percent capacity for rush orders. At the same time, don't vet numerous decorators and not have the promised volume to give them.

"You shouldn't plan to have a decorator network of 10 people and you're small peanuts to all 10," Tase said.

Strong decorator relationships can lead to better production times, better pricing and occasional favors, but there needs to be a certain level of volume to back it up. George Kilian, founder and CEO at Sharprint, noted detailed purchase orders are part of the ideal partnership too.

"And when you get to relationships like that, if they call me today, and say, 'George, I need 150 shirts tomorrow to be delivered,' we're there," Kilian said. "We'll get it done. We may be packed, but we'll always figure out a way to squeeze it in and take care of our good people."

## **2 Adding Decoration In-House**

There comes a time when distributors may want to add to their margins by moving decoration capabilities in-house. Though it's not that simple, since it involves a large upfront cost of purchasing equipment and possibly hiring staff. There needs to be enough business to warrant the investment costs—but also what does it mean for the decorator relationships a distributor has already established? For most decorators, there are no hard feelings, but their thoughts on the new business venture may vary.

"That to me is such a disaster that I always try to tell people, 'Don't do it,'" Kilian said. "Not just because we want the business or anything, but you end up spending more time in production figuring that out when you should be out there selling and bringing it to people like us to get the job done correctly."



**Screen printing equipment at 5B's facility. The company began offering in-house screen printing five years ago.**

"You want to do one-piece, six-piece, 24-piece? You want to handle all those in house, knock them out, go for it," Biles, a third-generation employee at 5B's, added. "But if you're a one-press shop and you get hit with a 500-piece order that you're going to be hand-producing on a manual, you might as well upcharge the customer 80 cents and have us knock it out for you. That makes total sense."

Tase noted that Club Colors still uses about five screen printers despite having in-house capabilities. (A decorator even helped to set up Club Colors' initial shop.) He estimated embroidery equipment could cost anywhere from \$20,000 to \$200,000, and screen printing startup falls around \$200,000 to \$250,000 after also factoring in screen equipment and building modifications to allow for proper ventilation. Heat transfers have a cost of entry at about \$3,000 for a heat press plus start-up samples. Direct to garment printers range from \$15,000 to \$25,000.

**"What I find is promo distributors typically are great salespeople and great marketers. And so they don't necessarily want to tie up all of their time with production."**

**- Josh Ellsworth, senior vice president of dealer and enterprise sales, Stahls' DFC**

## Crisis Averted: Selling Decoration During COVID-19

Victor Pena is in the direct to garment manufacturing business, but when the pandemic quickly pushed many promo distributors' sales to almost zero, the president and CEO of OmniPrint International Inc., Costa Mesa, Calif., challenged himself to find a way to encourage customers to keep printing. He started laser-cutting face masks and mixing hand sanitizers in his new chemistry lab (typically reserved for inks).

"If somebody's not ordering a T-shirt because there's no product-market fit right now for it, because everyone is at home in their pajamas, then make sure that the product that you're offering has a fit so you can decorate it and be more successful," Pena said. "In this case, it ended up being face masks, so that was my initial motivation. And right now there's a lot of people that are printing face masks with our machines who are able to survive, and I'm super grateful for it. Some are donating them and some of them were giving them to the UPS drivers and even printing them for restaurants doing the curbside pickup."

Don't hesitate to take advantage of online shopping opportunities during this unique selling environment. Josh Ellsworth, senior vice president of dealer and enterprise sales for Groupe Stahl, parent company of Stahls' DFC, Masontown, Pa., recommended tracking three key performance indicators—average item price, average order size and average store size—with the goal of increasing the total cost of each order. He noted recent trends may help with those indicators.

"I saw a meme that instead of just ordering a T-shirt and shorts, now it's going to be T-shirt, shorts and face mask, so, we just added one more product to the mix," he said "... It just helps to build out that cart size and increase the visibility of a brand logo."

At OrderMyGear, there has been a shift in clients moving to fundraising stores to support closed businesses or furloughed workers. Kelley Rice, owner of Imagination Print & Design, Oswego, Ill. and an OrderMyGear customer, had a moment of panic when schools were closed and she had \$20,000 to \$30,000 in cancelled orders in a single day. But she was able to quickly recover with her e-commerce platform to create social distancing-themed apparel stores and a program in which businesses in her town could sell apparel with no cost to participate. Rice helped to raise \$11,000 overall, a record online store for her business.

"[Customers] hunkered down, but they were still shopping online," she said. "And they definitely wanted to support small business, so this was a way to not only support local businesses, but it kept us going, kept my presses going, and we've just been super busy."

Equipment manufacturers, like OmniPrint International, Costa Mesa, Calif., warn distributors to have adequate training and practice before taking decorating jobs. Prior to selling equipment, the company coaches distributors to use existing decorators in OmniPrint's network until the distributor builds up to at least five shirts a day, which better justifies the equipment investment.

"Five shirts a day isn't a lot," Victor Pena, OmniPrint's president and CEO, said. "The main exercise is for people to say, 'Hey, do I have that volume and can I build to that volume and beyond?'"



**A direct to garment printer used by Spotlight Sport & Corporate Wear.**

At Stahls', which sells heat presses, vinyl cutters and print/cut systems, Josh Ellsworth, senior vice president of dealer and enterprise sales for GroupeStahl, parent company of Stahls' DFC, Masontown, Pa., doesn't recommend buying the works because the company sells custom precut and preprinted transfers, in addition to connecting distributors to decorators in its network.

"What I find is promo distributors typically are great sales-people and great marketers," he said. "And so they don't necessarily want to tie up all of their time with production. Some will hire for it and make it a department, but it still takes time to manage. It's a tough distinction for people, so most will invest



Photo: Getty Images by LanaStock

in a heat press or maybe two machines, but they really don't have the desire to bring it completely in-house because it's not in their typical skill set."

Kelley Rice, whose shop has been open full-time since 2010, admitted she attempted screen printing, but didn't excel at it. That's OK, she said, because she has experienced help and her skills were a better fit on the design side of the business. (When her former employer went out of business, she bought its manual screen printing press and hired the former business owner to do her screen printing.) As her business grew, so did the need for a second screen printer, which she admits has not been an easy task.

"It's a hard position I feel like to employ," she said. "Right now we have a great guy who has a lot of experience—probably 30 years of experience under his belt printing with automatics and setting up shops and different stuff—so I was really excited to find him, but I've gone through some younger employees who just didn't quite cut it."

When determining in-house versus outsource plans, be mindful of decorators' minimum quantities. At 5B's, there is technically a six-piece minimum for embroidery, but Biles admitted the decorator will go as low as a single item. However, for screen printing, 5B's is strict with its 24-piece minimum to make

sure the company is hitting its margins. Mike Yager, meanwhile, has established a great working relationship and flexibility with his local screen printer.

"If we do need something quickly turned around or if it is a small order of 12 pieces or 10 pieces, they'll do it for us," he said. "They may grumble in the background that we don't know about, but they know too that if they say 'no' to us, we may find someone else, so it's all about that building a relationship both ways."

Rice, who added in-house heat transfers three years ago to fill a void for full-color and one-offs, finds the workflow and costs work in her favor if she outsources large orders and all embroidery. Just like suppliers, decorators offer better rates on larger orders and typically can knock out production faster.

"What we're sending out is usually the higher runs, because then I'm paying 50 cents a print as opposed to \$3 a print," Rice said. "OK, we'll knock out the small ones. You guys do the big ones that are going to jam up our presses.' ... It just makes the most sense to get those out and get them completed right away."

Each distributor model may differ, but it's important that distributors find what works best for them. Yager has done embroidery, direct to garment and vinyl heat transfers from

# “You shouldn’t plan to have a decorator network of 10 people and you’re small peanuts to all 10.”

– Cris Tase, partner, Club Colors

Spotlight’s start, and then added a print/cut machine recently to offer more transfer variety. He continues to outsource all screen printing jobs even though he admits he has less control over those projects’ in-hands dates and margins.

“That’s the catch,” Yager said. “We’re tied to their timeline. We’re tied to their pricing and it’s not as easy to get a little better margin. But if we were to print things in-house, embroider them in-house, we control the timeline and we control the quality because we’re doing it right there, and we can control the pricing and definitely get much more margin out of it.”

## 3 Integrating E-commerce Stores

Decorating ambitions aside, having an e-commerce platform is a must. Not only does it provide a web

presence, but it streamlines workflow, as in the back-and-forth emails, phone calls and in-person conversations that lead up to an order. Mitch Hammer, senior director of marketing for OrderMyGear, Dallas, suggested using a platform that can function as an extension of a business to help fuel growth.

“Over the last five years, a lot has switched online where everyone is now expecting a buying experience where end-consumers can go onto a website, they can pick out their shirt, they can pick out their size, they can pick out their uniform or their water bottle,” she said. “And so as this end-consumer is now demanding more of an online experience, we are seeing a rush of folks specifically come to us in need of a solution that will allow them to have a completely customizable popup store and online experience.”



Photo: Getty Images by psisa

Each store is completely customizable within an hour or so—even less time if duplicating a previously made store. Each team or corporate store can have its own customized link and parameters of how long it will be open, what items are available and what each item costs.

Another feature is the fundraising ability, which allows users to select a set amount from each item or a percentage of sales for a cause. Yager credits OrderMyGear for helping his company surpass its fundraising goal and reach customers around the world during an effort to benefit a junior hockey team from Spotlight's town after the team's bus crashed, killing 16 and injuring 13 in April 2018. Spotlight, the former official merchandise supplier for the team, created an online store with a goal of raising \$4,000 to split amongst the 29

affected families. In the end, the site processed more than 5,000 orders and raised more than \$300,000.

"If it wasn't for their platform and having the ability to go to e-commerce like we did, there was no way we could have had that large amount raised for that fundraiser, Yager said."

All that time saved on order management can be better used selling and decorating. And outsourcing these decoration programs is on the table—even through your e-commerce vendor's decoration network.

"We would do all of the technology side—working on the decoration, the logos, making sure things are placed correctly, and then we would work with the brands or the suppliers to make sure the products get to a decorator and then get to you," Hammer said. "So some folks just want to outsource that and we'll help with [it], but we don't actually touch any product."

At Stahls', Ellsworth views an e-commerce platform, like Stahls' Spiritwear, as an essential component of a distributor's business as online shopping continues to grow.

"People want their own shopping environment, and the idea of the flash sale with timing of open and close dates really helps you with batch manufacturing orders to do quantities perceived as little as one," he said. "You can batch them together when a store closes and do them cost effectively."

And an added bonus is customers are paying in advance, as in when they select their items and checkout, a reversal of how many distributors do business.

"In our industry, it's been super difficult for people to make people pay up front and have them check out," said Pena, who developed an e-commerce platform at OmniPrint called Wurk. "So platforms like Wurk make it just another e-commerce thing where you got to checkout, and you got to pay. The customer is already educated, now they got to pay you up front for your shirts and you're not waiting to get paid. You're not having orders where people bail on you when you've already printed them." [bm](#)



Heat transfers from Stahls' DFC.

---

# WHO WE ARE

---



Promo Marketing provides engaging and authoritative coverage on industry trends, sales and marketing strategies, and the latest news for promotional products distributors and suppliers. Our goal is to connect our readership with cutting-edge solutions and provide stories of success that will drive the future goals of their organizations. Our magazine, website, e-newsletter and multimedia content offer a one-stop shop for information and insight into the promotional products industry.

## **NAPCOMEDIA**

NAPCO Media, Promo Marketing's parent company, is a leading B2B media company specializing in creating community through content via integrated media programs, video services, marketing services, events and event management, custom content, eLearning and market research. NAPCO Media has rapidly expanded its portfolio to include NAPCO Video Services, NAPCO Events, NAPCO Marketing Services and NAPCO Research.