



Joseph L. Rotman School of Management  
University of Toronto

# **Rotman**

## **The Print Shop at Eva's Phoenix (A)**



### **“Training Youth for Life”**

“The Print Shop gave me a chance when no one else would.”

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Professor Ann Armstrong, Rotman School of Management, wrote this case as a basis for classroom discussion. It is not intended to show effective or ineffective practice. She would like to thank everyone at the Print Shop for giving their precious time to answer her many questions. © 2004

## **Purpose**

The Print Shop is a social enterprise designed to train at risk youth and to be a revenue generating social service. It is both a training facility and a commercial print shop. It provides homeless and at risk youth the opportunity to learn fundamental work and life skills. The Print Shop is located at Eva's Phoenix - see Exhibit 1 for a description of Eva Smith and her vision.

The youth are paid entry-level wages and are accountable for duties and responsibilities that mirror those of most printing operations. Even before the youth are hired, they job shadow to get an appreciation of working in the graphic communication industry.

The Print Shop is based on a blended value proposition which entails social, economic and environmental dimensions. It is dedicated to "continuing asset building" so that the youth can become self-sufficient in the long term. Success is achieved if *both* the youth and the Print Shop develop self-sufficiency.

## **Operations**

The Print Shop specializes in "trainee-friendly" print work, typically small format job printing (11" x 17" and under) in one colour and 2-3 spot colour reproduction. It can work with most graphic design software programs. In-house graphic design work is also available. Commercial projects include business cards, letterhead, business cards, forms and brochures. Finishing services include trimming, folding, scoring, perforating and shrink-wrapping.

The Print Shop occupies 800 square feet in Eva's Phoenix. It has four presses: an A.B. Dick 360, an A. B. Dick 9810, a Heidelberg QM-46 and a Multilith 1250, all with colour heads, and other donated equipment.

Michael Rolph joined the Print Shop as its business manager after a long career in advertising. His role is to manage the systems, the people and the business opportunities of the Print Shop. His challenge is "to make sure that the fine line between training needs and business demands is relatively constant."

The Print Shop is supported by an advisory board which includes senior members of the graphic communications industry. The board provides advice on curriculum, employment opportunities and technology. See Exhibit 2 for the members of the advisory board as well as the Print Shop's organizational context. The Print Shop participates actively in the graphic communications industry; for example, it has had booths at trade shows.

## **Curriculum**

The program lasts for 23 weeks and is offered in three stages:

1. Youth get life skills training and counselling for three weeks;
2. They get on-the-job print shop training for 20 weeks; and

3. They make job connections and career development in the last four weeks.

They learn fundamental employability work habits (e.g., team work, attendance, punctuality and safety) as well as a customer service orientation. Youth learn about the graphic communications industry and go on tours of organizations so that they can see where they might work after graduation. The Print Shop brings in peer mentors to assist both the trainees and the instructors with training and production. The peer mentors are themselves Print Shop graduates. Once the youth graduate, they stay connected to the Print Shop through a two year follow-up program.

They receive training in job planning and organization, prepress using various software programs on both PC and Macintosh platforms, small offset press operation and binding and finishing.

The program is delivered by two well experienced faculty, Patrick Fisher and Bill Kidd, who work part-time. They have a deep appreciation of the challenges that their students have faced in the past and are patient and flexible in how they deliver the curriculum.

## **Outcomes**

The Print Shop started production in 2002. It trained ten youth in print shop and small business skills - six graduated and four were employed. In 2003, all 11 graduates have gone on to graphic communications programs or to commercial print shops. While four lost their opportunities, two have been re-employed.

Graduates have become press helpers and operators and production assistants, earning between \$8.00 and \$14.00 an hour. Every year, a graduate is awarded the Toronto Club Printing House Craftsmen's Student Award.

In 2003, the Print Shop had revenues of \$50,000, achieving 30 per cent business cost self-sufficiency. It got 80 per cent of its work from other community organizations and 20 per cent from 'caring corporations'. Its clients include Street Kids International, Queen West Community Health Centre, Eva's Initiatives, Royal Bank of Canada, Scotia Capital and the Rotman School of Management.

In 2004, it is on track for revenues of \$100,000, achieving 50 per cent of business cost self-sufficiency. Exhibits 3a and 3b present the 2004 financial statements for the Print Shop.

## **Voices - Graduates**

“My training at Phoenix Print Shop helped me get into higher education in visual communications. My Phoenix Print Shop Scholarship Award has helped me stay there.”  
Rebecca

“I had serious problems with alcohol and was living on the streets. Two months after starting a substance abuse problem, I got a job at the Print Shop. I met great staff who listened to me and taught me the wonders of printing.” David

“I was kicked out of my Dad’s house at 19. I had nowhere to live. I now work as a junior pressman and live in a two bedroom apartment and am a peer mentor at Eva’s Phoenix.”  
Reinieire

“At the Print Shop, you get respect and support and the teachers are really patient. ... The staff advocates for me to employers – just because I’m deaf, it doesn’t mean I’m dumb.”  
Andrea

“It felt like there was family – it was mind-blowing.” Noel

## **Voices – Advocates**

“The real end product is the changed person - it’s a very human enterprise. You can’t do better than that!” Michael Rolph, Business Manager, The Print Shop

“I believe that the social enterprise path...has integrity as a ‘third way’ of doing business and delivering social service.” Andrew Macdonald, Manager of Social Enterprise, Eva’s Phoenix

“We have a great concern for the lack of entry level staff available to our industry. The Phoenix program is an excellent feeder system providing employers potential staff already knowledgeable in print processes.” Brian O’Leary, Vice President, Kwik-Kopy

“There are few initiatives that encourage young people to consider printing as a career choice. Eva’s Phoenix offers this advantage to the industry as well as providing guidance to homeless and at risk youth by giving them structure, education and a path to self-improvement.” Myrna Penny, Managing Director, PrintLink Canada

“This is a win-win partnership for Xerox and the Phoenix Print Shop. The graduate we hired has the right combination of a positive attitude and the critical skills and training necessary to enable him to ‘hit the ground running’, and instantly contribute to our team.” Robert Wright, Manager of Customer Relations, Xerox

## **Future Goals**

The Print Shop’s 2005 social goals are to have 12 participants, ten graduates and eight graduates employed in career-oriented occupations. It also aims to have 75 per cent business cost self-sufficiency. Business costs are defined as “the actions taken by [the Print Shop] to

sell products or services [to] the market.” Its longer term growth goals are to achieve 100 per cent business cost self-sufficiency by 2006 without compromising the social mission.

The Print Shop also has social costs which are defined as “the actions and functions that [the Print Shop] takes on in order to enable homeless and at risk youth to work within the enterprise”. The Print Shop is working on the assumption that the ratio of business to social costs will be 60:40 in 2005.

At a recent planning session, several factors were identified as critical to the Print Shop’s ability to reach its goals. They are (a) high performance work flow (b) optimizing the sales mix, the equipment and space and (c) high performance outreach and intake, training and production and job development.

## **Investors**

Key investors include the Toronto Enterprise Fund of the United Way of Greater Toronto, Human Resources and Skills Development of Canada, Heidelberg Canada, St. Stephen’s Job Connect Program, the Scotia Capital Global Markets Group and the Royal Bank of Canada Foundation.

It has been looking for other sources of funding and participated successfully at the first Canadian Social Investors Forum, held in April 2003. Ten community organizations participated and 100 potential social investors attended. The ten organizations worked for three months with volunteer business coaches to develop their business plans. The forum was described by the Globe and Mail’s David Ticoll as “an exciting new charity model that showcased the spectrum of social investment initiatives”.

The Forum is a joint initiative between the Tides Foundation and the United Way of Greater Toronto to encourage venture philanthropy. The forum builds on the experience of Social Venture Partners of Seattle, Washington. So far, the Seattle forum has resulted in investments of US\$145,000 of in kind services, US\$300,000 in invited low interest loans and US\$307,000 of cash and stock in various types of community organizations.

## **Challenges**

Several significant challenges lie ahead for the Print Shop and, in particular, for its social enterprise coordinator, Andrew Macdonald. He needs to look at how (1) to financially sustain the Print Shop, (2) how to measure its performance more precisely still and (3) how to advocate for and to diffuse the social enterprise model so that it becomes a more significant “category in current economic analysis”.

## Exhibit 1 – Eva Smith’s Vision

Eva Smith (1923-1993) co-founded the North York Emergency Home for Youth, which was later renamed Eva’s Place in her honour. Her passion was in helping people, especially urban youth, to use their skills to find solutions to their challenges. Now her passion lives through three shelters in Toronto, known jointly as Eva’s Initiatives.

Eva’s Initiatives’ mission is “[to] work collaboratively with homeless and at risk youth [aged 16 to 24] to actualize their potential to lead productive, self-sufficient and healthy lives by providing safe shelter and a range of services, [and to create] long term solutions for homeless youth by developing and implementing proactive and progressive services.”

In the Greater Toronto Area, there are 10,000 homeless and at risk youth. Most are on the streets as they have suffered family breakdown and abuse. Many struggle with substance abuse problems and crime and prostitution are common.

Eva’s Place, Eva’s Satellite and Eva’s Phoenix provide housing for at risk youth. Eva’s Phoenix is an innovative 50-bed transitional housing and training facility in downtown Toronto. It was once a fire truck repair garage and has been redesigned as a set of ten townhouse units featuring private and communal living spaces. It has a main street that all the units overlook. Fifty youth apprenticed in the construction trades and helped to build the facility. Forty-one of the youth found work soon after completing the renovation. As one youth puts it, “I used to sleep under a bridge. Now I can build one.”

Eva’s Phoenix has won many awards for its innovative design. As well, it has been recognized by the Toronto Board of Trade as an outstanding example of public-private partnerships. The approach to designing Eva’s Phoenix is being developed for replication across Canada.



In addition to providing secure shelter for one year, Eva's Phoenix provides mentoring and training services. Youth are trained for employment in printing, culinary arts, network administration or film production. "One Day, One Dollar" is a film about the realities of life for youth forced to live on the street because of the abuse they face in their homes.

Photo: Levitt Goodman Architects at [www.google.com](http://www.google.com)

## Exhibit 2 – Advisory Board and Organizational Context

Mary Black – Ryerson University

Bob Dale – Pilot Graphic Management

Brian Ellis – Heidelberg Canada

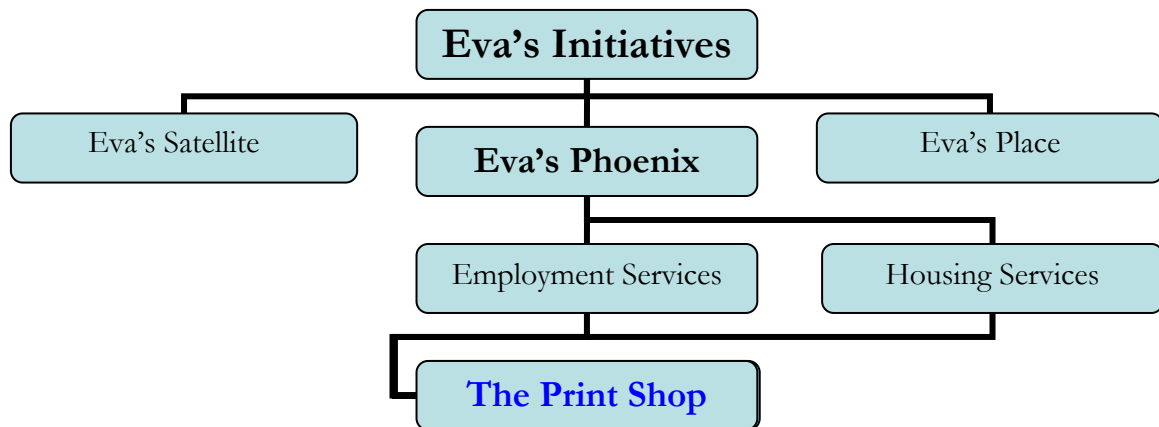
David Gibbins – Consultant

Patricia Gloudon – Scotia Capital

Jim Neate – Ernest Green & Son

Brian O’Leary – Kwik-Kopy Canada

Mike Tobias – Ember





## Exhibit 3a – Financials – January through September 2004

### Profit and Loss

#### Ordinary Income/Expenses

##### Income

Sales	55,528.70
Uncategorized Income	30.00
Social Investment Income	231,973.63
Education Funds	2,978.46

Total Income 290,519.79

##### Cost of Goods Sold

Job Expense - COGS	20,755.69
Capital Expense	24,944.29

Total COGS 45,699.98

Gross Profit 244,819.81

##### Expenses

Business	69,836.72
Social	82,878.27
	152,715.09

Net Ordinary Income 92,104.72

**Net Income \$92,104.72**

## Exhibit 3b – Financials – January through September 2004

### Summary Balance Sheet

Assets		
Current Assets		
Chequing/Savings	69,876.62	
Accounts Receivable	17,707.22	
Other Current Assets	8,680.00	
Total Current Assets	96,263.84	
Fixed Assets	69,297.17	
Total Assets	165,561.01	
Liabilities & Equity		
Equity	165,561.04	
<b>Total Liabilities &amp; Equity</b>	<b>\$165,561.01</b>	