

# The \$50,000 a year drop-out

By DIX HOLLOBAUGH

Bill Peverill had the kind of sweet deal many men would envy. His vice-president of marketing job with a big Des Moines manufacturing company paid him in the neighborhood of \$50,000 a year. He had a healthy expense account, traveled a lot — Sweden, South America, Germany.

But, he says, "I was spending 80 per cent of my time just going to meetings."

With that, the Harvard Business School grad, without an order in his pocket or a printing press to his name, pulled up 13-year roots with Frye Manufacturing Co. here, a maker of carbonless paper, and set out his own seedling company to print business forms.

It's not as irrational as it sounds. Bill Peverill's years with Frye had seen the development of a new "carbonless" paper — a paper that would eliminate many sets of bothersome carbons.

And at a time when more and more businesses were running ten and twelve-copy forms through their computers, the need for "specializing in these impact business forms" was apparent.

The giants in the business form industry — Moore Business Forms, Standard Register, Varco — didn't want this specialized segment. Peverill went after what the giants didn't want.

But Peverill fields the question of the financial sacrifices involved in making the move from Frye by saying, "My expense account with Frye in a year's time was way over what I've taken out of this company as salary in five years."

The company he started — Computer Papers, Inc., Copi for short — is five years old and beginning to turn a profit after four years in the red. "We made \$1,000 last year and were tickled to death," Peverill says. And based on a fiscal year ending June 30, the 1974 sales of "a little more than \$1 million will mean a profit for us in the five-figure bracket," he says.

More than 80 per cent of Copi's business comes from outside the state. Inroads on the home front have been slow and slim.

Peverill's well placed hometown connections (his board of directors reads like the Greater Des Moines Com-

mittee) didn't shed much sunshine on his seedling company five years ago.

There was moral support and financial backing, but presidents of big companies, who also happen to be good friends, don't have much heft when it comes to purchasing. When you get a company off the ground, that's where it's at.

Peverill, William J., lit his pipe, slouched in his chair and remembered when (name withheld by request) "called all his bigwigs together and introduced me. He put his arm around my shoulder and said how he thought it was great that I was starting this business and all that. Well, those guys were mad. They thought, and I guess rightly so, that 'if he's so buddy buddy with the boss, why does he need our business.'"

He didn't pick up any orders that way. It was through the connections he had made with Frye that he scratched out some business. That parting with Frye was a friendly one, Peverill says. Frye had a nationwide network of paper distributors and Peverill asked them to start selling his specialized line of printed business forms.

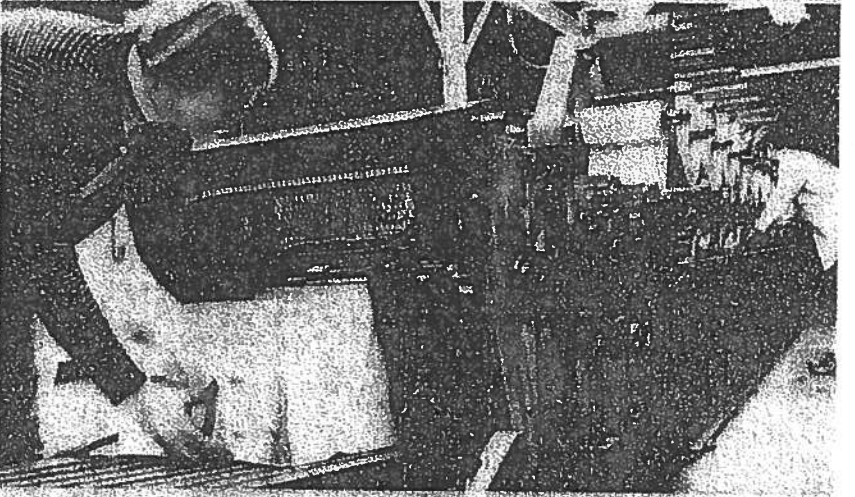
Copi has some 300 business forms dealers selling in 30 states. Frye (the manufacturing company was owned by Frye Industries, Inc., which used to be called Pacific Industries, and then merged with Equity Corp. and Bell Intercontinental Corp. and Wheelabrator Corp. and was called Wheelabrator-Frye, and then decided to be Frye Copysystems Co.) is the major paper supplier to Copi.

Peverill says he left Frye just about the time all the complicated scrambling in stock options, mergers and high finance began. It made his head spin, he recalls.

Peverill admits it probably is difficult for an "outsider" to get really turned on about continuous forms and carbonless paper in the latest decorator colors . . . canary yellow, pink, blue, green, goldenrod, salmon and buff.

But his company can take all of this and produce a continuous form that will zip through all models of computers with ease and the carbonless paper assures clarity that makes it difficult to tell copy No. 1 from Copy No. 12, he says.

William J. Peverill, 45, in his office at right. Below, John Hess, operations manager.



When Copi has a job requiring 15 carbons of the same form, 15 rolls of paper are fitted on this collating machine, much the same as 15 strands of thread through the eye of a needle. Machine glues and perforates paper. Dave Adams operates equipment as Tim Deskin checks finished forms.

The forms Copi produces are used in computers for invoices, orders, inventory control, bills of lading.

Even with the help of a \$150,000 loan from the Iowa Business Development Credit Corp., in 1970 there were times when he "wondered if we would go broke."

"If we keep our noses to the grindstone and don't do anything different, we should see sales of around \$3 million within the next five years," he says.

He shuffles (Peverill doesn't walk, he shuffles) around the plant, in and out of offices, happy as a clam, lingering the canary yellow and green and pink carbonless forms and saying, "I wish I'd done it sooner and better."

President Peverill is easily accessible to all employees all of the time and he was hard put to come up with any so-called titles for his person-

nel. "There are no titles around here," he said.

Peverill, the president, thought about titles for a day and called back to say: John Hess is operations manager; Howard Brazeo is factory manager; Robert Clasen is local sales manager. Accounting manager is Barbara Reynolds, Jan Davidson, the customer service manager, and Donna Drouillard manages production control.



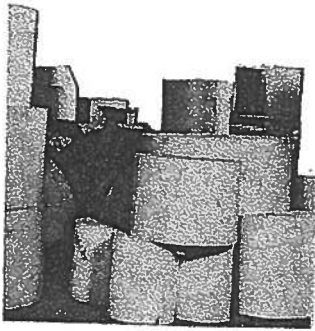
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## ON THE COVER

Modern technology has spawned a new manufacturer in Des Moines for the computer industry. Computer Papers, Inc., 118 Fourth Street, has a product sold nation-wide that can produce 12 accurate, legible copies with one pass through the computer. On a typewriter, 20 good copies can be made. With handwriting, 10 copies can be made. The new process was developed by William J. Peverill, president of Computer Papers, Inc., shown submerged in some of the revolutionary forms at his plant in Des Moines. The company does custom work for other business form manufacturers who hesitate to "risk so much money in specialized inventory, equipment and education," Mr. Peverill said. The carbonless forms are money-savers for computer operations when 10 or more copies are desired. It not only saves a second pass through the computers for a second print out but it eliminates the wrestling match with all those sheets of carbon papers. While this is new and in great demand, Computer Papers also provides the whole range of six- and seven-part snap out forms to customer specification. For a story of a company who dared to pioneer new computer forms for data processing, turn to pages 22 and 23.



Part of the 100,000 pounds of paper stock at Computer Papers.

## Computer Paper's 12 - Copy Forms Can Cut Computer Time in Half

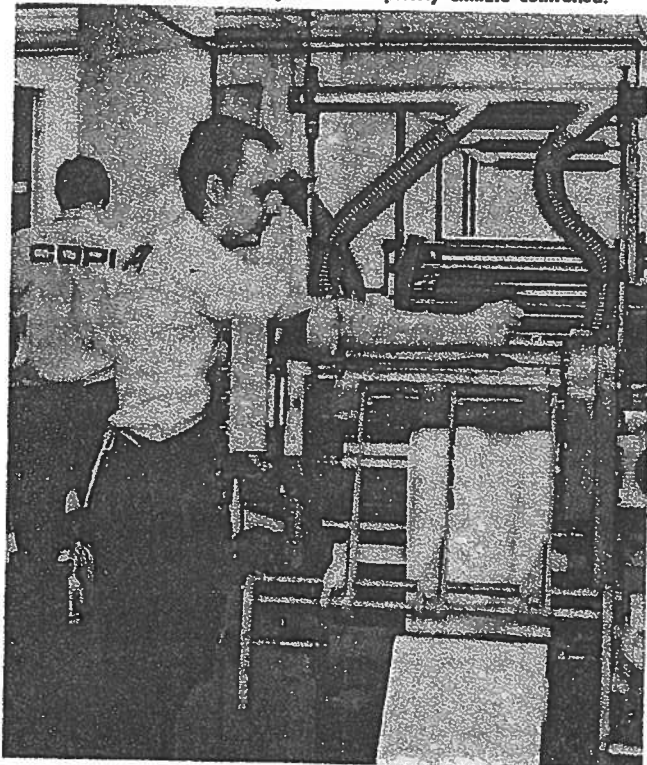
**M**IDWEST manufacturers, institutions, governmental agencies and businesses are running 12-copy forms through their computers — and No. 12 is perfectly readable.

At the same time, the computer users eliminate 11 sets of bothersome carbons and cut computer time in half by eliminating a second printout for 12 copies.

The revolutionary new forms are being produced by the tons at Computer Papers, Inc., 118 Fourth Street, Des Moines, Iowa.

The key to the carbonless forms is a mechanical transfer of non-fading chemical backing on the forms from sheet to sheet.

A high speed, rotary offset press can handle 11" paper stock for business forms printing at Computer Papers, Inc., Des Moines. Operator is Dave Drouillard. The modern plant is completely climate controlled.



"We are the only company in the U. S. specializing in these impact business forms," says 40-year-old William J. Peverill, founder and president of the new company.

"Others just won't invest in these specialized papers," he added. "And this is the key to our early success—our willingness to carry this inventory and our ability to work with these different raw materials."

Since its beginning only six months ago, Computer Papers has turned out forms for companies from Maine to California.

Some orders are for only 2,500; others for quantities by the truckload. Some are canary, pink, blue, green, goldenrod, salmon, and buff in weights of 12, 15 and 20 pound stock. Some are printed in three colors; some with

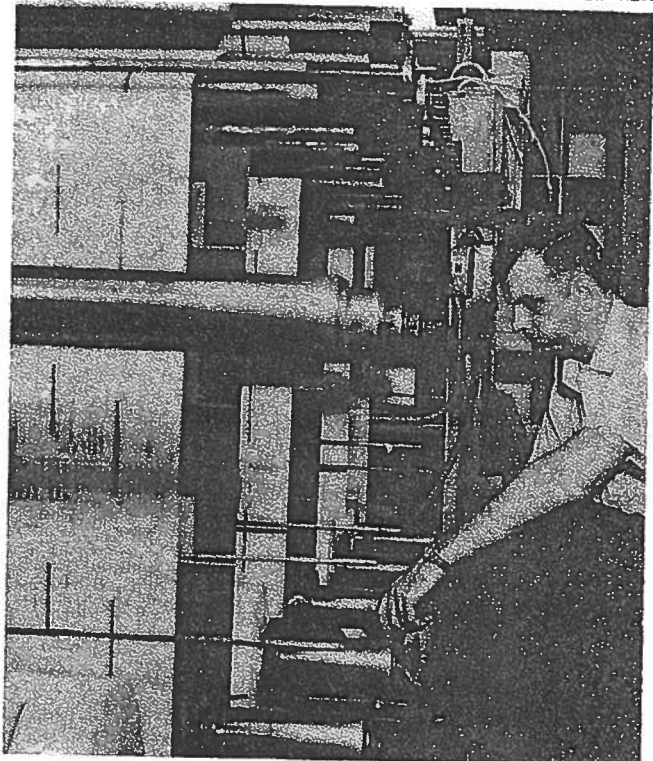
different instructions on the different copies and some where pricing or other confidential or nonapplicable information can be blocked out.

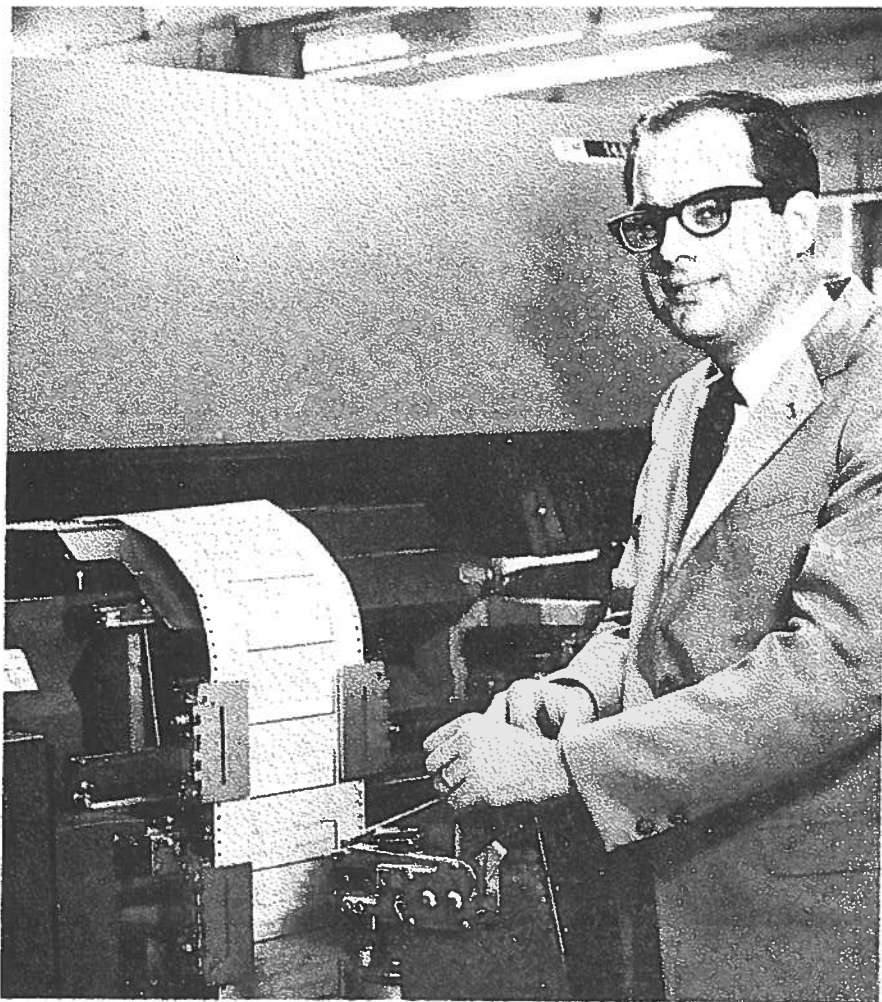
The continuous forms zip through all models of computers with ease and with such great clarity on transfer it is difficult to pick No. 1 copy from No. 12.

Production is accomplished in an 11,000-square-foot, climate-controlled plant on specialized equipment that can handle either 8½" or 11" form depths or multiples. Perforating and crimping is performed simultaneously with the printing. Second stage collating on nearby equipment completes the job.

Computer Papers' president is a very candid man. Claims Mr. Peverill: "Generally, if a company requires more than six copies on a computer we can save

Dale Swift threads seven-part, pull-apart form through collator at Computer Papers production plant. The new company has the equipment and know-how to handle regular and computer forms orders of all sizes.





John Hess, left, sales manager for Computer Papers, checks Copidata form going through computer at Frye Manufacturing Company, Des Moines. Twelve copies can be printed at once.

that company money."

The sharpness of his offset printing is superior to the rubber roller printers. The sharpness of the copies off the computer printers is superior to these using interleaved carbons.

"And we are here," says Mr. Peverill, "where we can personally help design the forms, test them on our equipment and the customer's computer before a costly mistake occurs."

In Iowa, Copi—a shortened logo for Computer Papers—sells direct to the customers. Across the nation, however, Copi sells its Copidata forms through 250 systems forms designers, business forms distributors and other business forms manufacturers, who look to Copi for doing the specialty work.

Mr. Peverill, former sales manager and marketing vice president with Frye Manufacturing Co. for 12 years, developed the new Copidata process in conjunction with Litho Formas, S. A., Mexico's largest business forms manufacturer. He also is part owner in the largest business forms manufacturing plants in Guatemala, Portugal and Spain.

But his chief interest is developing and serving a growing midwest and U. S. market. Starting from zero, Copi's first year's sales are heading for a half-million dollars.

The continuous, trouble-free computer forms include the customer's logo, spacing bars, special rules, screens, per-

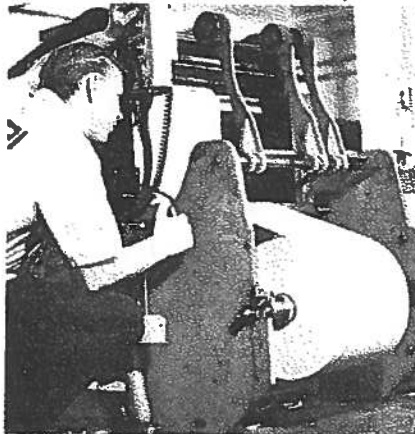
forations, crimps, printed instructions.

They are used for invoices, work orders, acknowledgements, inventory control, bills of lading, shipping tickets, purchase orders, customer counts, profit and loss statements.

Used in typewriters or billing machines, Copi mechanical transfer forms can make 20 clear copies. If the information put on the forms is handwritten, 10 legible copies can be made.

"Much of our work comes from other forms manufacturers," says Mr. Peverill, "so we are becoming a custom manufacturer, and we welcome this business."

Colored stock, three-color impressions, perforating, crimping, part of the specialized production going into Computer Paper forms. Operator Alan Oliver, an experienced pressman.



While the computer and multi-copy business is Copi's specialty, it also produces a full line of carbon interleaved snap-out and continuous forms to customer specification.

"Our regular six- or seven-part forms are as good as anyone's and better than most," Mr. Peverill stated. "We are strictly offset and therefore come up with a more legible, cleaner printed form. We want to do this type of work also."

Computer Papers has more than 100,000 pounds of paper in stock, ready to turn out the small or large order for forms. It has the equipment and workforce ready to move.

While it is building these two segments of its business it already is looking to expanding product lines with ancillary equipment and efficiency forms. A carbon-copy sorter for simplifying separation of computer copies will be offered on a lease basis soon.

A patented Copimailer—a combination computer-produced letter, bill, addressed envelope, and a snap-out return envelope is in the prototype stage now.

"The estimated preliminary savings of our Copimailer for one big company with whom we now are working," Mr. Peverill stated, "will run as much as \$100,000."

Some of Iowa's largest insurance, utility, manufacturing institutional and governmental organizations have or will use computer paper forms this year.

The military is interested in the forms because of the security of no telltale carbon copies that could reveal classified information.

"We have a very good, trouble-free product that we are offering from our Des Moines facility," said Mr. Peverill.

Shop foreman Gary Hoshaw makes check of continuous and snapout forms going out of Computer Papers production plant, Des Moines. Orders are processed swiftly.



**NEW!**

# Looking for 'Trouble' To Find Opportunity

**M**any forms manufacturers tend to resist the use of new materials for the understandable reason that they are reluctant to slow their presses, make the necessary adjustments, and retrain personnel.

But to William J. Peverill this fact spells opportunity in big, bold letters. Peverill is founder and president of Computer Papers, Inc., of Des Moines, Iowa. The firm was established just this past summer to manufacture business forms which use mechanical transfer carbonless papers.

"We decided that there was a place for a company that chose to be in the business of using more troublesome materials, not because it had to, but because it wanted to," said Peverill.

A graduate of Amherst College and Harvard Business School, Peverill was vice president of marketing and sales manager of Frye Manufacturing Co. for the last 12 years.

The new firm's principal product

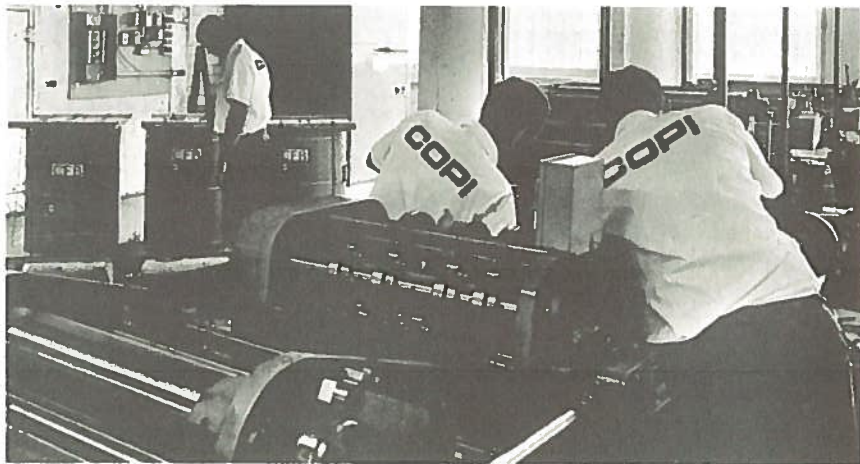


Computer Papers President Peverill

is Copidata Forms, which produce up to 12 computer printer copies on one pass, and as many as 20 typewritten or 10 handwritten copies. The company is currently making stock and custom continuous forms and expects soon to be producing snap-apart sets as well. It

*Continued on page 35*

**PRESSMEN** Dave Drouillard and Dale Swift get foreign-made equipment ready to produce 12-part stock Copidata form which will be used in computer printout.



**Business  
forms  
will  
never  
be  
the  
same  
again...**

## COMPUTER PAPERS

*Continued from page 33*

markets its products through dealers, except in Des Moines, where it sells direct.

Copidata stock forms are printed in up to 12 parts and in two constructions, lightweight and medium weight—the former for extra copies, the latter for easier handling.

Peverill developed the printing techniques being used by his firm in conjunction with Litho Formas, S. A., a group of business forms manufacturers in Mexico, Guatemala, Spain and Portugal, who have had considerable experience in utilizing difficult papers.

Computer Papers' 11,000-square-foot plant in Des Moines is air-conditioned and moisture controlled because this is a virtual necessity in manufacturing these specialty products. The plant is equipped with foreign-made presses which have been modified for the specialty product. The web presses print offset and rubber plates. By industry standards, they are narrow in width but this affords better control over the paper web, Peverill says. Standard collating and bindery equipment are

used. The force of 10 employees is being expanded.

Peverill is candid about the difficulties involved in handling the mechanical transfer forms.

"For a company doing other work—say carbon interleaved forms—making these specialized products could result in disrupted and decreased production. The products are more difficult to print, punch and glue. Carrying a specialized inventory runs the risk of slow turnover or even obsolescence. No inventory, on the other hand, results in high purchase prices, late delivery, or high waste."

Peverill sees the principal place of the mechanical transfer carbonless paper continuous form in those installations where a number of copies are required and where the customer is either having to make several expensive passes through the computer, or having to resort to costly recopying, and where the elimination of carbon delevaing is a consideration.

He does not see this type of forms construction taking over huge portions of the business forms market, but he does see "a market significant enough for a specialist manufacturer to have plenty to do." □



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Tom Hutchison, vice president of Merrill, Lynch, Pierce, Fenner and Smith, interviews Bill Peverill, president of Computer Papers, Inc.

## Computer Papers . . . . . Bullish On Carbonless Forms

**C**omputer Papers began operations in 1968 with a specialized marketing orientation—carbonless business forms. Conceived with a “Think Small” approach to market segmentation, it strove to “Grow Big” with its product specialty. The following interview between the Company’s founder and president and Thomas Hutchison, Vice President, Merrill Lynch, Pierce, Fenner and Smith, reviews how the Company has developed in an industry where there have been many dramatic changes over the company’s short history.

**Hutchison:** What was your original concept in founding Computer Papers, Incorporated?

**Peverill:** In 1968, we were impressed by the fact that while a number of firms were manufacturing carbonless business forms, not one—to our knowledge—was **specializing** in the product. We were of the opinion that if we specialized and concentrated on carbonless, only we could develop some competitive advantages and could provide outstanding service on these products to our customers. At the time we started the company, most manufacturers were producing carbonless forms only if they had to do so. This is still largely true. Our approach was and is a positive one—we **wanted** to produce carbonless forms.

**Hutchison:** What kinds of competitive advantages accrue to the specialized producer?

**Peverill:** Well, most of the advantages are typical for any specialized producer. In the first place, we produce carbonless forms every day, and not just every now and then. Our pressmen (many of whom have made carbonless paper) gain experience in, and an attitude towards, these products that cannot be duplicated in a general product plant.

We buy these papers in large quantities and carry an enormous inventory (even larger than the producers themselves) including the exotic types. We don’t run short of materials and experience costly underruns, and we don’t have leftover expensive materials which we can’t use as is the case in most general product plants.

**Hutchison:** What kind of growth have you experienced?

**Peverill:** We, of course, started out “*from scratch*” as the smallest producer in the U.S.A. among 550 forms manufacturers. We are pretty certain that today we are among the top 100 companies. We think we can be among the top 50 in the next few years. And this has been accomplished in a growth industry where you are “*shooting at a moving target*.” We pride ourselves somewhat, too, on the fact that we are selling in all 50 states to more than 75 of Fortune’s 500 companies, and are now the largest user in the United States of one of the major carbonless paper types. We are satisfied that our concept is a viable one.

**Hutchison:** How did you select the name COMPUTER PAPERS?

**Peverill:** There were several reasons. Since the bulk of our products would be used on computers, we thought it advisable to include it in our name. Moreover, since the major emphasis in our product line is on the raw materials—and we wanted to stress this—we thought Papers would add functional meaning to our trade style. But we have had some problems with our name. We make a substantial number of unit set forms—easily 40% of our volume—which are not used on computers. Moreover, some forms buyers overlook us because they believe we make paper which we don’t (although some of our management group, including myself, have had backgrounds with carbonless paper producers). We are probably best known by our “*nickname*”—**COPI**—but even here we have a little problem because while a fair amount of our products have a substantial number of parts, we make a lot of two and three-part forms.

**Hutchison:** Isn’t it true that a lot of your sales volume is done on the West and East Coasts, despite your location in Iowa?

**Peverill:** Yes, this is true, but it is not as surprising as it may appear. The raw materials we use are all made



near us—some right here in Des Moines. Forms buyers have discovered that shipping these raw materials (including waste) all the way to their suppliers and then back to them is **basically** an added cost. Moreover, the elimination of carbon paper and the somewhat higher cost of carbonless forms reduces the importance of freight. Probably of greater importance is the fact that **COPI** is the only company in the United States **specializing in custom carbonless business forms**. Of greater interest to us is why we don't do more volume in the Midwest.

**Hutchison:** Are you able to make any carbonless business forms?

**Peverill:** Well, almost. With the addition of 14" equipment last year, we are in a position to produce 90% of all forms depths. The additional press sizes we will add in 1975 should increase this percentage to 95%.



*Manufacturers of business forms with COIPOWER!*

**Hutchison:** What about the future for carbonless business forms? Do you foresee continued growth?

**Peverill:** Carbonless now represents about 20% of industry volume, but we think that percentage will increase to at least 35% by 1980 and this percentage will be on a substantially increased base.

**Hutchison:** Did the so-called "Paper Crisis" give carbonless a new "thrust?"

**Peverill:** The paper crisis affected carbonless in at least three ways. As paper became short, it became more "convenient" for mills and converters to supply carbonless papers which are more profitable. Second, carbonless eliminates the need for carbon paper which was in critically short supply. And finally, the paper shortage resulted in a narrowing of the gap price between carbonless and carbon interleaved forms.

Of course, the paper shortage is probably over most of 1975. But we are confident that the underlying factors are still present, and that this same situation will return again maybe before the end of the year. What is often overlooked is that there has been a substantial commitment to carbonless converting facilities and these facilities compete—successfully—for the procurement of base register bond stock.

But the arguments for carbonless paper forms—elimination of carbon paper and all that entails as well as improved manifolding and handling—are strong enough for that market to grow with or without a paper shortage.

**Hutchison:** What do you think is the most important deterrent to the use of carbonless?

**Peverill:** We think the basic arguments for carbonless are—all things considered—so strong that the real important barrier to its use is one of product education. This is why we place so much emphasis on educational materials, product seminars, samples, magazine articles and in depth product knowledge on the part of our customer service representatives. We think any progressive business forms dealer can build a strong case for selling **only** carbonless business forms.

**Hutchison:** But are you not a little bit prejudiced?

**Peverill:** Yes, I suppose we are.



Following a day of meetings and discussions during the IBFI International Seminar (from left to right), **Eva Biesta** of The Netherlands, **Max Hermieu** of France, **Kathryn Peverill** of the United States and **Gerry Meyer** of West Germany enjoy dinner in the Hotel Meridien in Paris.

