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***For Immediate Release***

**IWCO DIRECT INVESTS IN PRODUCTION PLATFORM RESET TO ENHANCE EFFICIENCY AND COST STRUCTURE**

Chanhassen, Minn. (March 23, 2012) — IWCO Direct, a leading national provider of direct marketing solutions, will invest \$4 million to reset its production platform during the next 60-120 days. This reset is driven by opportunities presented with the company's recent \$13 million purchase of high-speed equipment from DGI Services, LLC combined with response to market strategy shifts within the financial services and insurance sectors. Certain customer service and production functions will be relocated to its Chanhassen, Minn., and Hamburg, Pa., facilities which will reduce cost structure and provide greater postal benefits for customers. Once the reset is complete, IWCO Direct will be positioned to produce up to 385 million direct mail packages per month, an increase of nearly 30 percent.

"Resetting our production platform with facility consolidations and the higher speed equipment we recently acquired allows us to strategically incorporate greater efficiencies," said Jim Andersen, IWCO Direct chief executive officer. "This will result in additional advantages for our customers, such as better net cost from enhanced postal solutions."

As part of its reset plan, IWCO Direct will consolidate leaseholds to take advantage of available space at its Hamburg locations and a 150,000 sq. ft. facility adjacent to its Chanhassen headquarters.

The company currently leases three facilities in Warminster, Pa., but as a result of this strategic decision to reset the platform, production and fulfillment services will no longer be conducted in Warminster. Instead, two facility leases will be allowed to expire as IWCO Direct relocates the customer service and recovery testing operations of Mail-Gard®, its critical communications recovery division, to one facility. Warminster production and fulfillment services will be shifted to the Hamburg and Chanhassen facilities. With this change, IWCO Direct will be better positioned to expand the Mail-Gard offering reflecting increased space and production capacity at these two locations.

IWCO Direct will also close its facility in Downey, Calif., during the next 60-120 days. The approximately 250 affected employees will be provided pay and benefits continuity, outplacement support and the opportunity to relocate to Chanhassen and Hamburg, where the company will look to fill approximately 100 positions. The company will relocate equipment from the Downey facility to the Minnesota and Pennsylvania facilities and all production work for customers will be realigned to these locations.

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## **About IWCO Direct**

IWCO Direct ([iwco.com](http://iwco.com)), one of the nation's largest providers of direct marketing solutions, has served the needs of North American companies for more than 40 years. IWCO Direct helps its customers acquire, retain and engage customers and members through highly personalized paper-based and digital marketing programs. The company provides direct marketing like no one else by seamlessly supplying all design, production, mailing and management services in an integrated "total package" supply chain solution through operations in Minnesota and Pennsylvania. IWCO Direct pioneered commingling and continues to provide its customers with dramatic postage savings and faster time to market through its proprietary IWCO P.O.S.T. (Postal Optimization Strategy and Technologies) and RideShare™ commingling and logistics management programs, as well as its automated marketing program platform, proprietary data services and Mail-Gard critical communications recovery services. For the latest information on direct marketing trends, industry news, postal regulations and more, visit the [SpeakingDirect](#) blog.

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