

2016 – A Year Never to be Forgotten

Whether it be Brexit, Trump, earthquakes or terrorism the world is resilient. All of a sudden robots will be joined by drones and driverless cars.

In our industry consolidation continues. IVE takes over Franklin Web and AIW. IMPG and PMP propose a merger. Five becomes two. Where to for us?

Both the demand and supply side of the forms industry are shrinking – but not dead. Those who have diversified survive. But new products still have to be created. Last year our Group spent between \$1–\$2 million investing in equipment which we hope helps our Customers help their Customers.

Our product range now encompasses basic Single and Multi-part Continuous Forms, Books and Sets, Bar-coded Documents, Integrated Cards for loyalty programmes, etc., Printed and Plain Thermal Rolls, Plotter Rolls, Digital Printing, Transaction Processing, Mailing and Fulfillment, etc.

We are trying to be the One Stop Shop. We have built a number of on-line matrix's for digital printing for our Customers to eliminate the costs involved in servicing your Customers. In soft and hard dollars there is money to be made.

We strive to prove that we are Your Partner Not Your Competitor. Our emphasis in 2017 will be Customer Service, Customer Satisfaction.

Help us help you!



Tech Trends of 2016

Five shifts that have made the biggest impact

The cloud continued its march, the cybersecurity game changed, Apple spluttered, government cuts faced the music, and the PC zombie reanimated. Learn why 2016 was beautiful and terrible in tech.

Looking back on 2016, we've identified the five tectonic plate shifts that have made the biggest impact on the industry and our readers who use these tools to drive the progress of the planet.

1. Cloud: AWS built on its lead as cloud providers mature

What was most interesting about the Amazon Web Services re:Invent powwow was how far the company has come in landing enterprise customers as well as all-in bets on its infrastructure as a service. Not that the rest of the field was standing still, but AWS easily became Amazon's most profitable business. Amazon is basically an enterprise cloud company that engages in e-commerce for giggles (at least based on the bottom line).

2. Cybersecurity: Data breaches accelerate

It's almost a cop out to declare 2016 the year of the data breach since you could say something similar each year since 2000 or so. But 2016 brought maturity to data breaches and a marketplace where attacks from years ago still deliver value for cybercriminals. Yahoo closed out the year by disclosing 1 billion accounts were breached and that incident was separate from a previous attack that compromised 500 million folks. Yahoo takes the cybersecurity whipping boy prize for 2016.

3. Apple: Can't get out of its own way

We can't help but look at 2016 as a year of Apple sliding back toward mediocrity—despite the fact that it remains the most profitable company in tech and the most valuable business in the world. Nevertheless, it did little to dispel our long-term scepticism about the company as its competitors continue to gain ground and Apple shows few signs of opening new markets or finding its next big thing.

4. Governments: The underfunded giants are at risk in tech

As we look back at the OPM hack of 2015, it was not a one-off, and instead signalled a new normal in the state of affairs for governments handling technology.

The Australian Census debacle stands tall as an example of an agency trying to deal with a dismal budget, a multinational vendor with bad plans in the shape of IBM, and a structural inability to change its ways. To cap off 2016, Australia's version of the IRS, the Australian Taxation Office was victim to a two-day outage thanks to its HPE storage arrays falling over.

Until governments start to refund agencies to handle IT and protect their data properly, there will be a cavalcade of governmental security and infrastructure bumbles that should serve as a warning to the private sector on what not to do.

5. The PC: Dead like vinyl records

Microsoft's Surface Pro and Surface Studio, Apple's MacBook with Touch Bar, various gymnastic Yoga devices from Lenovo; after years in the doldrums, the PC is suddenly interesting again.

A few years back it looked like tablets and smartphones would drive the PC into extinction. And even worse, voice-powered digital assistants packed into new devices are also taking on the jobs that PCs used to do in the home. Business users will remain PC loyalists—they're the people who need to type or write or draw and so the PC is evolving to suit them better. That means lower volumes, higher prices and better design than ever before.

In future, the PC will be more of a niche device, and unexpectedly all the cooler for it. Perhaps PCs will go the same way as vinyl records—spurned by the majority and loved by the hipster connoisseur.

Fraud in Australia – facts and trends

Australia’s payments landscape is increasingly digital. Consumers are abandoning their cheque books and are spending more than ever on their cards, particularly online

In 2015, Australians spent \$1.92 trillion using their cards and cheques; of this overall total, 0.025%, or \$469 million, worth of transactions were fraudulent.

While some areas of card fraud have declined, overall card fraud has risen due to a significant increase in CNP fraud.

The Australian payments industry works actively to combat fraud and uses a range of counter measures.

The rate of fraud on Australian cards and cheques increased from 20.8 cents per \$1,000 in 2014 to 24.5 cents per \$1,000 in 2015.

Australian payment cards fraud

Australians are spending more than ever on their cards and the rate of fraud is increasing.

- The total amount spent on cards in 2015 increased 5% to \$689,470 million. The rate of card fraud increased to 66.8 cents per \$1,000, up from 58.8 cents in 2014.

As a comparison, in 2015 the UK’s card fraud rate increased from 75 pence to 83 pence per £1000 spent. In 2014, card fraud in the US was \$1.27 per \$1,000 and accounted for 48.2% of worldwide losses.

Fraud on Australian cards domestically

With chip technology providing strong protection against counterfeit cards in Australia, fraud is increasingly migrating online.

- Counterfeit / skimming fraud dropped 10% in 2015 to \$22.9 million, down from \$25.4 million in 2014.
- Card-not-present (CNP) fraud increased 38% to \$136.7 million, up from \$99 million in 2014.

Fraud on Australian cards overseas

Fraud on Australian cards is occurring in the US and other countries at terminals that haven’t yet been upgraded to chip technology.

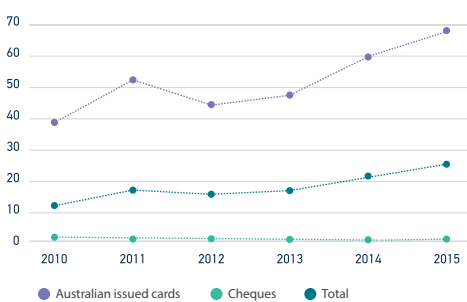
- Counterfeit / skimming fraud increased 77% to \$28.1 million, up from \$15.8 million in 2014.

FRAUD RATES (CENTS PER \$1,000)

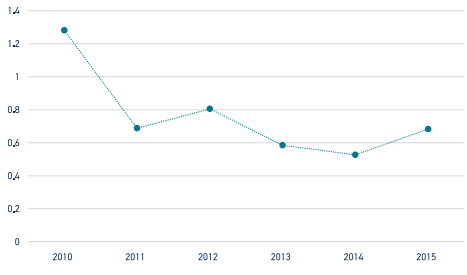
	PAYMENT CARDS	CHEQUES	TOTAL
2010	37.9	1.3	11.4
2011	51.5	0.7	16.3
2012	43.6	0.8	15.0
2013	46.6	0.6	16.2
2014	58.8	0.5	20.8
2015	66.8	0.7	24.5

Source: APCA – www.apca.com.au and the Reserve Bank of Australia www.rba.gov.au

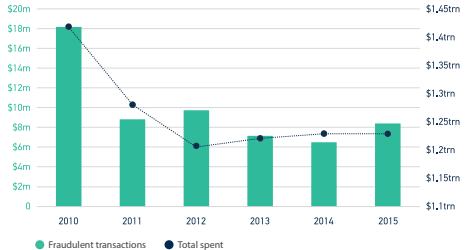
AUSTRALIAN CARDS AND CHEQUES – FRAUD RATES (CENTS PER \$1,000)



CHEQUES – FRAUD RATE (CENTS PER \$1,000)



CHEQUES – TOTAL FRAUD AND TOTAL SPENT



Australian cards have been caught up in large scale data-breaches overseas.

- CNP fraud increased 13% to \$226.3 million, up from \$200.9 million in 2014.

Overseas payment cards used in Australia

Chip technology is protecting overseas cards used for card present transactions in Australia.

- Counterfeit / skimming fraud dropped 14% to \$8 million, down from \$9.3 million in 2014.

However CNP fraud on overseas cards in Australia is increasing.

- CNP fraud increased 7% to \$47.8 million, up from \$44.7 million in 2014

Cheques used in Australia

Cheque use has dropped more than 70% in Australia over the past 10 years. The total rate of cheque fraud increased to 0.7 cents per \$1,000 in 2015, up from 0.5 cents in 2014 - remaining under 1 cent per \$1,000.

Over the years, cheque fraud has declined substantially and it remains low. However, a spike of \$1.9 million in additional losses on fraudulently altered cheques occurred in 2015 compared to 2014.

Measures the industry is taking to protect against cheque fraud include:

- Using fraud detection systems that monitor cheque transactions for suspicious and unusual activity.
- Issuing customer cheques with inbuilt security features that make counterfeiting and altering cheques more difficult.



Introducing a NEW Product from Lamson

YUPO Octopus®

Sticks to flat surfaces without adhesive!

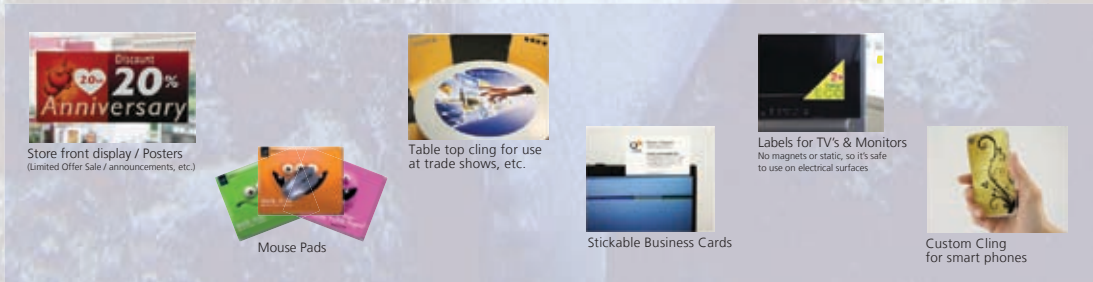
Yupo Octopus is a polypropylene synthetic grade that adheres to any smooth surface. Not just once but kept clean, can be re-adhered as many times as you like. As the name suggests this product works by way of ‘micro suction’ technology exclusive to Yupo which allows adhesion without any glue, magnets or static making it a clean option with no messy residue. Its ability to be removed and reused without residue makes it the ultimate substrate for retail and display applications.

Features and Benefits

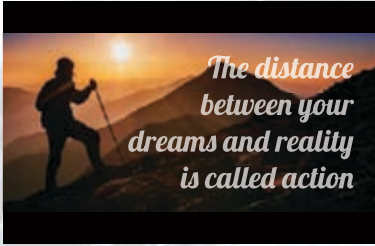
- Adhere to any smooth surfaces using suction technology
- Leave no residue
- Ideal for Point of Sales Application
- Repositionable Synthetic Paper
- Multi useable to any smooth surface
- Not using PVC. YUPO Octopus® is environmentally friendly
- 100% Bubble Free
- Special handling is not required
- Easy to stick on and easy to remove

Applications

- Store Front Display / Posters
- Mouse Pads
- Table Top Cling for use at Trade Shows, etc.
- Stickable Business Cards
- Labels for TV’s & Monitors – no magnets or static, so it’s safe to use on electrical surfaces
- Custom Cling for Smart Phones



We’d like to introduce you to this wonderful new product. Please contact us if you would like some of our motivational poster samples to stick up around your office*



*Please see poster samples above ▲ ▲ ▲

25th Annual Lamson Group Christmas Cruise

They came from all over Australia to join us on the famous Lamson Group Christmas Cruise on Sydney's magnificent harbour.

There were some new faces this year as Channel Partners, Supply Partners, Management and Team Members delighted in a leisurely afternoon of live music (performed by Accoustic Grooves), wining and dining whilst discussing the year

that was and the continuing challenges our industry confront today.

After feasting on a delicious buffet lunch it was time to say thank you to our Channel Partners, not only for their continued support over the years but also for taking time out from their hectic schedules to celebrate with our team.

With the formalities over it was time to bring on the laughs with comedian Marty Fields. He had us doubled over in hysterics with his witty remarks. With the drinks and conversation flowing freely the day was one to remember.

From all of us at the Lamson Group we'd like to thank all of our Channel Partners for their support in 2016. Here's to 2017, may it be our best year yet!

