



PRIMIR Fall Meeting & NPES 2015 Annual Conference Synopsis

Inspired with the vision to leverage challenges into profitable new opportunities, PRIMIR and NPES members gathered together, for the second time, October 26-28, 2015 in Palm Beach, FL, to explore revolutionary changes in media communications, and breakthrough new business strategies, to position their companies on the leading edge of industry transformation.

Focused on the theme “*Future Print: Champions of Change*,” a robust agenda engaged nearly 60 meeting participants, representing three dozen PRIMIR & NPES companies, in strategic conversation, dynamic presentations on breaking research and to explore new PRIMIR 2.0 studies for 2016.

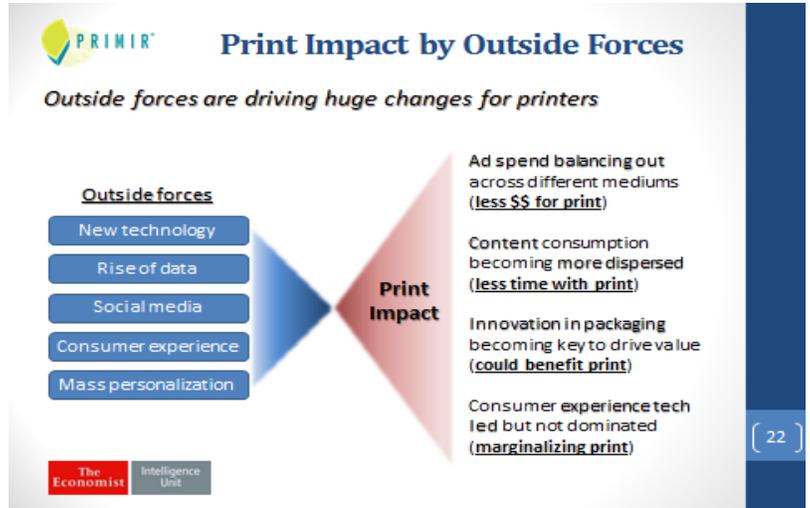


The program opened with the keynote presentation, “**The Champions Code: Lessons of Ethics & Accountability from the Sports World to the Business World**,” by the widely-renowned **Ross Bernstein** – an award-winning peak performance business speaker. In an engaging and visually entertaining style, Ross explained why certain teams are successful, while others aren’t. His informative talk was based on more than six years of research, interviewing more than 1,000 professional athletes and coaches, and resulted in two critically acclaimed series of sports-business books. The first examined how and why certain teams win world championships; the other chronicles the unwritten and unspoken rules in the world of sports, or “codes” as they are known, which detail the

fine line between cheating and gamesmanship – and the consequences involved when that line is crossed. Ross identified some fascinating patterns, metrics and trends developed among certain individuals who possess a very unique DNA. For these unique individuals, or “champions,” it wasn’t always about winning; it was about following their moral compass in order to play the game the right way — with respect and integrity — in order to achieve success. His presentation provided the audience with strategies designed to improve organizational productivity, morale and bottom-line profitability.



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David Humphreys, Director of Custom Research for the Americas, Economist Intelligence Unit (EIU), provided a thought provoking PRIMIR study presentation on **“The Future of Print in the U.S. – Landscape, Implications and Opportunities.”** This session identified the key outside forces that are driving huge changes for printers and the industry.

EIU’s findings highlighted:

- the ongoing contraction of commercial print from 2001, and continuing its decline trajectory for the next five to six years;
- the explosion in technology, data and predictive analytics leading to rapid mass personalization; and,
- the importance of the print industry focusing on the consumer “experience” – which all in combination are significant driving forces impacting multi-channel communications.

Key to this study’s findings and implications, are insights provided by an EIU expert panel convened of outside topic experts in technology, packaging, publishing, and advertising, as well as business strategy and M&A specialists, and print industry executives.

Humphreys noted that print plays an enormous role in consumer perception – “there’s safety in print” – and that print, if used correctly, can become more effective in influencing customers. He also emphasized that printers will have growth opportunities outside of consolidation, including: specialization and differentiation in specific products or verticals (requiring more specialized equipment and labor); leveraging new partnerships and business models to strategically provide ancillary services; and, expanding the talent pool – sales, specialists and younger workers – to remain competitive.

Humphreys concluded in noting that pathways to success exist for both printers and vendor suppliers, but it requires action now...that survival will be difficult with only a print product focus, and those companies that thrive will do so in a customer driven, solutions environment, sitting with partners at the strategy table.

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Eric Frank, PRIMIR Chairman (center), led a lively discussion during the PRIMIR 2.0 task force sessions joined by Ellen Manning, Eagle Systems (center-left), Gina Testa, Xerox (center-right), Deidre Ryder, VITS Int'l. (right) and numerous other company principals, to flesh out RFPs on new topics for 2016 research. Concurrent sessions resulted in a number of studies advancing toward release to consultants for bidding and task force oversight through to study presentations at the June PRIMIR meeting (see related inquiry on location at end) or the 2016 PRIMIR & NPES fall meeting.

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In another PRIMIR study presentation, “**The Future of Direct Mail through 2020**,” **Gilles Biscos** of INTERQUEST focused his remarks on several key issues:

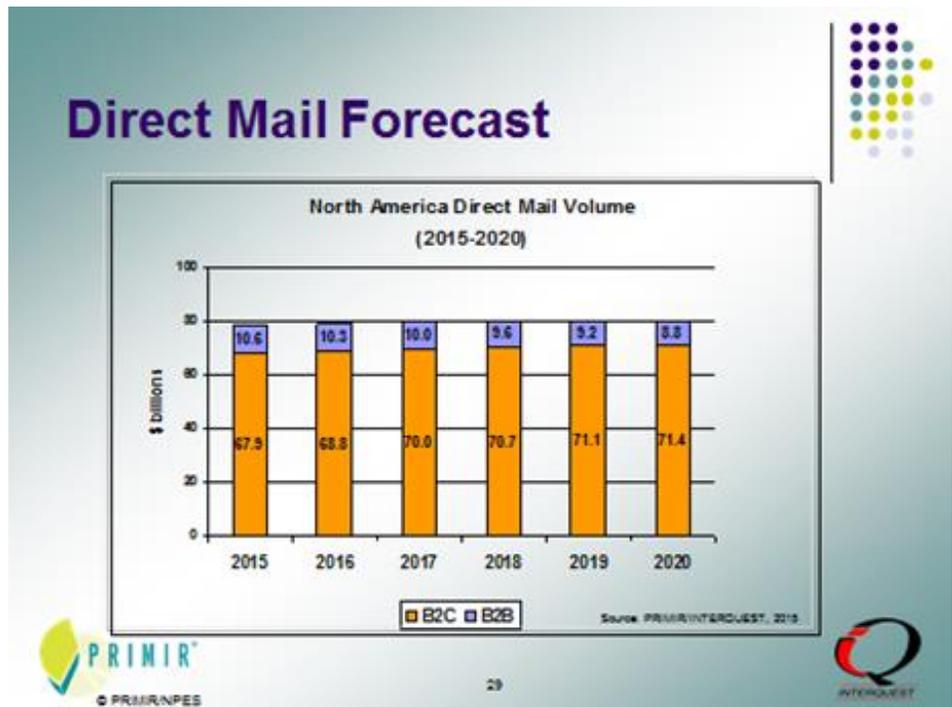
- the impact of changing marketing techniques and technologies on non-catalog direct mail, as well as consumer demographics and preferences over the next five years;
- the role to be played by printed direct mail in integrated campaigns and the impact on key direct mail vertical markets; and,
- the primary threats and opportunities to direct mail, and how printers and suppliers can adjust their skill sets and offerings to best position their companies in the evolving landscape.

Biscos emphasized that direct mail is a proven, cost effective method of getting messages into the hands of customers. Although it faces strong competition from other channels, it offers a number of significant advantages and remains a valuable ingredient in a multichannel marketing mix. When asked about its benefits, interview respondents stressed that direct mail is: tangible and a key element for branding that stays around for a long time, and can be passed around to others; helps drive the call to action more than a digital message; among the most trackable and measurable of all media; and, is the highest conversion and response medium next to telemarketing.

INTERQUEST projects that total direct mail volume (pieces) in North America will slightly increase by 0.4% from 2015 to 2020 as a result of relatively good economic growth and the continuing strengths of direct mail in the marketing mix. Biscos noted that B2C direct mail volume will increase by 1% annually over the period, and B2B volume will decline by 3% to 4% per year.



As it relates to print technology and equipment sales over the next 18 months, survey and interview respondents indicated purchase decisions as “very likely” or “likely” at 46% for color toner; 29% for web-fed inkjet; 28% for sheet-fed inkjet; 23% black toner; 13% for offset press; and, 11% for inkjet on offset.



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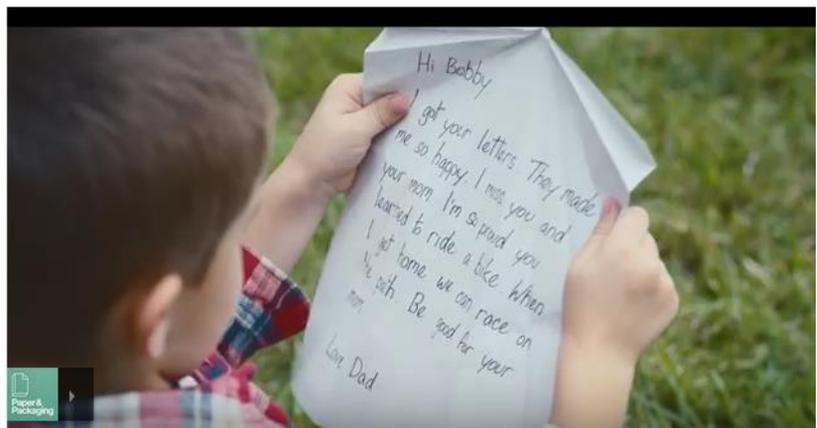


Mary Anne Hansan, Executive Director, Paper + Packaging Board, provided the closing featured presentation for the PRIMIR and NPES meeting, a tremendously engaging session on the P + PB’s promotional and marketing “Paper & Packaging – How Life Unfolds™” campaign utilizing an extremely effective multi-channel mix of media, PR and social outreach. Hansan emphasized that the campaign launched this past summer, is supported and generated by almost 60 manufacturers and importers of paper and paper-based packaging, and created unified messaging for the industry in the minds of consumers.

Run by the Paper and Packaging Board and authorized until 2021, the program aims to slow the decline in usage

of paper and increase demand for packaging with a consumer-focused marketing campaign overseen by the USDA. She pointed to broad national coverage in being recently highlighted in *The Washington Post*, *Wall Street Journal*, NPR, AdAge and many more outlets, and highlighted social media “promoters” among several celebrity influencers.

In the coming weeks, the campaign will showcase how paper and packaging help make the holidays special for children



Watch “Letters to Dad” campaign video: <http://tinyurl.com/qb2ffvl>



across the nation. Hansan recommended meeting participants to check out the integrated effort on the campaign website, www.howlifeunfolds.com or find the campaign on any of the following links: [Facebook](#) [Twitter](#) [LinkedIn](#) [Instagram](#) [Pinterest](#) [YouTube](#) This eye-opening presentation concluded the PRIMIR Fall Meeting & NPES 2015 Annual Conference, on a very enthusiastic high note!

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Each of the two PRIMIR study presentations, are posted under PRIMIR Research ► Research Studies under the actual study title at this [link](#). **REMEMBER: You must be logged in to see these presentations.**

Current PRIMIR Research Recap

*** NPES Member Studies*

The Future of Print in the U.S. – Landscape, Implications and Opportunities **

A presentation of the findings and implications was provided at the PRIMIR Fall Meeting & NPES Annual Conference in Charleston, SC. David Humphreys of EIU is concluding their research and is writing the draft final report to circulate for review by the task force, with the goal for publication and distribution in late 2015. Video overview coming in future.

The Future of Direct Mail Through 2020

A presentation of the findings and implications was provided at the PRIMIR Fall Meeting & NPES Annual Conference in Charleston, SC. Gilles Biscos of INTERQUEST has submitted a draft of the final report which was distributed to all task force members for review and discussion on Nov. 20. The goal for publication and distribution is in late 2015. Video overview is coming in near future.

Wide Format Inkjet Printing Trends & Opportunities

Research is completed, findings were presented by Tim Greene of IDC at the PRIMIR Summer Meeting in Nashville, and the comprehensive report was issued to PRIMIR members in late-October. An [informative study highlights video](#) by Tim Greene can be viewed [here](#).

U.S. Market Trends for Flexographic Printing **

Research is completed, findings was presented by John Sherwin and Joe Gabriel of Freedonia Custom Research at the PRIMIR Summer Meeting in Nashville, and the final report was issued to PRIMIR members in August. An informative highlights video can be viewed [here](#).

Four Additional Studies were Released in 2015:

Tag & Label Printing Trends – informative highlights podcast [here](#).

Print Revenues, Processes and Run Lengths by Applications ** – highlights video [here](#).

Future of Retail Advertising

Adaptation Strategies for Equipment Manufacturers **

New 2016 PRIMIR 2.0 Research Task Forces

*** NPES Member Studies*

*Following are several updated RFP draft backgrounds and scopes of **new** research as determined by task forces that met at the October 2015 PRIMIR Fall Meeting & NPES 2015 Annual Conference. If you would like to join a task force, e-mail Rekha Ratnam (rratnam@primir.org) and she will add you, to be kept informed of conference calls and e-mail activities between now and the **2016 PRIMIR Summer Meeting (tent. late-June, location to be finalized)**.*

Breakout roundtable sessions were conducted, to review and refine study draft RFPs, for the seven new research task forces underway for 2016. Studies, utilizing new PRIMIR 2.0 formats – full



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studies, mini-studies, white papers and webinars – will be funded and launched for completion and presentations at the PRIMIR Summer and combined PRIMIR & NPES Fall meetings. Additionally, a new NPES EIU “*Worldwide Market for Print – Packaging*” study was approved by the NPES Board of Directors, to be conducted in 2016. Below are brief study descriptions that had been refined (or may still be in-process) from the PRIMIR & NPES meeting in Palm Beach. Further details can be found in the RFP objectives and deliverables developed by the task forces; and, will be re-circulated to all task force members for a final round of review conference calls – with those slated for presentation at the June meeting taking precedence. Final steps as RFPs are finalized, will include review and approval by the PRIMIR Executive Committee, then circulation to identified consultants for bids. Members interested in joining any of the task forces should contact Rekha Ratnam, rratnam@primir.org

June 2016 PRIMIR Meeting - Research Projects/Deliverables

Digital Printing Technology’s Influence on In-Plants (*Full Study*)

Growth in digital printing technology has not only had a big impact on how traditional print service providers produce products, but it also provides an opportunity for corporations, brand owners and manufacturers to quickly and inexpensively produce some printed materials in-house. The print customer landscape is constantly changing. PRIMIR members need to know the impact these changes will have on utilization of their products and services, and possible changes in their customer base. Has there been a resurgence of in-plants, if so, why, and what are the impacts to the equipment and supplies manufacturers as well as the printer community? This study will investigate the in-plant market and provide insights into opportunities for traditional manufacturers of equipment and supplies. It will investigate their equipment decision process including how they purchase their digital printing and finishing equipment, types of products produced (and what is printed in-house vs. outsourced), installed base and more. It will identify trends along with a 3-5 year forecast on the state of the in-plant market and digital printing’s adoption.

North American Food Packaging Compliance: Impact on the Printing Industry (*Mini-Study*)**

Migration of chemicals that affect food or its consumer have long been a concern in the food packaging industry; however has recently become a focal point. All companies in the food packaging value chain need an understanding of the impact their role plays in the final packaged product. Printers and converters, as well as ink, coating, adhesive and substrates suppliers and other firms in the print value chain, need a better understanding of food packaging regulations, trends and the impact on the printing/packaging industries. The study will focus on data and trends for North America (Mexico, Canada and the U.S.) in the primary food packaging segments. It will provide a historical overview of recent trends and insights into trends through 2020 for the major food packaging segments. The goal of the study is to focus on ‘critical risks’ and needs in order to provide real value in risk reduction to suppliers, converters and brand owners. In addition, “Low Migration” will be defined and the materials used to meet that definition identified. With this definition, an industry wide conversation can begin on the current and future impact of various drivers and barriers.

Coatings Market in North America by Applications and by Chemistry (*Mini-Study*)

This study would be a comprehensive analysis of the use of coatings in North America. Coatings have become a major topic for innovative ideas. Barrier coatings, aesthetic effects and protection characteristics are keys to securing business. Market size, types, chemistries (UV, EB water, solvent, oil) are all key factors in developing inks for the future. Understanding the chemistries and applications are essential to develop synergistic products to maximize value to the end users. This study will demonstrate to the entire supply chain the benefits, opportunities, and uses in relevant markets to printing and packaging. This study will look back to 2008 as a starting data point, provide data for 2015 and forecast out to 2020.



Brand Owners Influence on the Printing/Purchasing Process** (*White Paper & Webinar*)

Brand owners are becoming increasingly demanding of converters and printers in an effort to differentiate their products in an ever more crowded marketplace. This white paper will provide a broad overview of the roles and responsibilities of the North American brand owner in today's print business environment. It will evaluate the amount of influence brand owners have relative to printing processes, substrates, and more. It will also briefly examine what major corporations expect the brand owners' role to be in the future. This paper may utilize case studies for 2-3 brand owners and look to including of one "success story" where printers and agencies have an influential "seat at the table" and role in process. Several prominent brand owners, agencies and their printers will be incorporated in answering numerous key objectives identified for the white paper.

Fall 2016 PRIMIR & NPES Meeting - Research Projects/Deliverables

Megatrends in Digital Printing Applications (*2010 Study – Data Update*)

In 2010, PRIMIR published a study "Megatrends in Digital Printing Applications." That study established a baseline for whether and when analog (traditional) printing might "tip" to digital printing and/or electronic format. Forecasts and tipping points were presented by print application. Key change areas investigated were technology, market, economic and regulatory. As digital printing technology continues to mature with more capable equipment, new innovations and lower capital and operating costs, it will continue to impact traditional print technologies and the traditional print value chain. With that in mind, PRIMIR is seeking an update to the application data and tipping points in a detailed view of North America (U.S. and Canada) of digital printing and its impacts using 2014 as a benchmark, to provide forecasts through 2020, and provide some general worldwide insights. This study data update will be primarily quantitative and technologies to be investigated are: electrophotography (toner & liquid), inkjet (continuous and drop-on-demand), and hybrid (digital with traditional processes). End use applications will include: catalogs, magazines, newspapers, books, direct mail, ad collateral (i.e., brochures, pamphlets), transactional and packaging, including labels.

Inline Finishing Solutions in the Digital and Offset World ** (*Mini or Full-Study[ies] – TBD*)

With increasing customer demands for quicker turn around, more industry providers are looking into inline finishing solutions for their conventional and digital presses. This study should investigate available solutions for both conventional and digital presses, outlining the pros and cons of inline finishing. Digital solutions are increasingly offering larger formats, speeds are increasing and finishing solutions must keep up with these changes. This study will cover various options and scenarios where inline finishing has been successfully implemented and the future trends for in-line finishing. With a focus on the U.S. market, this study will focus on inline finishing solutions in digital and conventional markets and identify trends through 2020, covering the commercial and packaging segments; and, end use applications: direct mail, magazines, booklets, pamphlets, folding cartons, and reports.

North American MIS/ERP Adoption in Commercial Printing (*Mini-Study: RFP in Development*)

With the penetration of MIS/ERP solutions throughout businesses, this study will identify those that are most popular, what capabilities are most important, adoption rates, and trends to meet future business requirements.

We want your input – for the location of the 2016 PRIMIR Summer Meeting (tent. late-June). An informal survey was conducted at the Palm Beach meeting – and, both MINNEAPOLIS and BOSTON tied in voting. Where do you feel we should go?! Please send your choice to Rekha Ratnam, rratnam@primir.org – THANKS!

***** Best wishes for a profitable and productive 2015 year-end! *****



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