NPES
News
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NPES THE ASSOCIATION FOR SUPPLIERS OF PRINTING, PUBLISHING AND CONVERTING TECHNOLOGIES

NPES 2012 Annual Conference Wrap

Members in attendance at the NPES 2012 Annual Conference, November 10-12 in Indian Wells, California were treated to a compelling business agenda featuring an array of top business and industry leaders specifically selected to help participants plan for the future, based on the changing model for today's printing industry.

To officially kick off the event, on Saturday evening NPES Board members, meeting "veterans" and staff gathered together to welcome our seven "first timers" to their very first Annual Conference before the Welcome Dinner, where the networking among old friends and new continued throughout the night.

Members in attendance at the NPES 2012 Annual Conference engaged in a stimulating business and industry agenda punctuated by the many always-popular peer networking opportunities.

Opening the proceedings on Sunday morning with his session titled *"Global Perspectives from a Global Publisher"* was Paul Rossi, Managing Director and Executive Vice President, Americas at *The Economist*. In his eye-opening presentation on readership trends Rossi stated that "Getting news on the tablet is nearly as popular as e-mail and easily beats out most other activities including social networking and gaming."

Next up, with his timely analysis of the PRIMIR study, *"The Impact of Electronic Technologies on Print,"* was lead researcher Marco Boer, Vice President, I.T. Strategies, Inc. As he explored the challenges and new opportunities on the horizon for firms in the print value chain he shared that "It is a change in business models and value chain control enabled by electronic technologies that is causing an irrevocable decline in print."

Transitioning from print applications to *"Print's Role in the Communications Mix,"* Bob Sacks (a.k.a. BoSacks), President/Publisher, Precision Media Group, scrutinized for conference attendees the impacts of what he calls "El-CID" (Electronically Coordinated Information Distribution) to offer actionable advice for the months and years ahead. Among his insights, BoSacks stated that "Over the next 10 years, one of the main effects of the 'Great Publishing Realignment' will be the deep-rooted change experienced by the magazine industry: from primarily a print-oriented business to one where digital products will represent the largest share of a smaller periodical industry."

Rounding out the morning's program, NPES Chairman **Chris Payne**, Director & Vice President Marketing, Commercial Business, Eastman Kodak Company, addressed some of the key challenges our industry has faced during the past year. He concluded his remarks with an optimistic outlook on the future for progressive NPES members who keep themselves informed and their organizations adaptable.

Capping off a busy day of education, attendees and guests gathered later that evening for the Reception and Awards Dinner, where they took full advantage of yet another networking opportunity to exchange perspectives on the morning's education program and discuss their organization's plans for the coming year.

Early on Monday morning, it was back down to business as the NPES Annual Membership Meeting convened to receive the Treasurer's and Nominating Committee's reports, staff program updates, and elect the association's leadership for the coming year.

Concluding the association business, the day's education program began in earnest as attendees welcomed keynoter Robert B. Tucker, President and Founder of The Innovation Resource, for his presentation titled *"Driving Growth through Innovation."*

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Ralph Nappi, NPES President

What's In and What's Out for 2013?

As we look forward to what 2013 will bring, the NPES staff got together to create its own "IN and OUT" list for 2013. Here's a selection of entries we devised—some serious and some not so much. Why not take a look through and see if you have the thoughts we did or if you would come up with an entirely different set of issues and circumstances. Send your suggestions for What's IN and What's OUT in 2013 to jpratt@npes.org. We'd love to hear from you! ■

ISSUE HIGHLIGHTS

IN	OUT
Fiscal Responsibility	Fiscal Cliff
Streaming	Static
Social Media	News Media
PRINT 13	On Demand
Main Street	Wall Street
Smart Phones	Cell Phones
Instagram	Facebook
MUST SEE 'EMS	WORTH A LOOKS
Postal Reform	Saturday Delivery
IPR (Intelligent Print Recognition)	QR Codes
Mobile Marketing	Internet Marketing
Two Sides	Print Council
Strategic Partnerships	Mergers
Handshake	"Poke"
Integrated Marketing	Mass Marketing
Promoting Print	Killing Trees
Higher Taxes	Jobs
LED	UV
Photo Books	Photo Albums
Dealing with Obamacare	Repeal of Obamacare
3-D Printing	Lenticular Printing
Direct Mail	E-mail
MISTs	BRICs
Time and Materials	Click Charges
Spectrophotometry	Densitometry
Onshoring	Offshoring
Print's Alive and Well	Death of Print

NPES 2013 Global Trade Missions

INDIA

NPES Trade Mission to India
February 23-28, 2013
Includes:

Print Business Outlook Conference 2013
'Mission Possible-How to Profit from New Technology'
February 24-25, 2013
India Expo Centre
Greater Noida, India

PRINTPACK India 2013
February 23-28, 2013
India Expo Centre
Greater Noida, India

CHINA

NPES Booth at China Print 2013/Trade Mission to China
May 11-18, 2013
Beijing, China

MEXICO

NPES Booth at Expográfica 2013
May 22-25, 2013
Guadalajara, Mexico

Why Your Business Should Consider Exporting

Access. Today, improvements in trade finance, the Internet, and trade agreements have dramatically increased access to markets worldwide.

Demand. More than 70% of the world's purchasing power is located outside of the United States. Your competitors are increasing their global market share, and you can too.

Profitability. Exporting can be profitable for businesses of all sizes. On average, sales grow faster, more jobs are created, and employees earn more than in nonexporting firms.

Competitive Advantage. The U.S. is known throughout the world for high-quality, innovative goods and services, customer service, and sound business practices.

Risk Mitigation. Most companies that export have an easier time riding out fluctuations in the U.S. economy and are more likely to stay in business.

Source: U.S. Commercial Service www.trade.gov/cs/factsheet.asp

> **Companies with highly aligned innovation strategies and highly aligned cultures generate 30% higher enterprise value growth and 17% higher profit growth.**

continued from page 1

David Murphy, Director of Marketing, Americas-Graphics Solutions Business, Hewlett-Packard Company *(l)* and Mark Hischar, President & CEO, KBA North America *(r)* with wife Marilyn *(c)*, catch up at the Welcome Reception, the first of many casual networking opportunities throughout the conference.

Distilled from his years of research on leading innovators, Tucker advised participants to "Make innovation a core strategic process because companies with highly aligned innovation strategies and highly aligned cultures generate 30% higher enterprise value growth and 17% higher profit growth."

Next up, to pinpoint profitable new pathways for our industry today, John Jay Jacobs, Visiting Lecturer from the Department of Graphic Communications at Clemson University delved into the *"Opportunities in Emerging Technologies."* The future is bright according to Jacobs who stated, "By breaking out of the boundaries we have placed upon "printing," we once again open "printing" to limitless possibilities."

Gary Dolgins, Director of Sales and Marketing, Blanchard Systems, Inc. *(c)* receives congratulations and the NPES 2012 Harold W. Gegenheimer Individual Service Award from NPES President Ralph Nappi *(l)* and NPES Chairman Chris Payne *(r)*.

Ideally timed, the following presentation by P. Marc Carter, Director, Technology Transfer, OPC, drilled down into the *"Market Opportunities in Printing Electronics,"* where he shared with attendees the truth about "real" production—today and near term; applications segments likely to develop or expand in the near and intermediate term; and, some of the pitfalls to avoid that could derail or delay that growth.

Scott Christopher, actor, comedian and author of *"The Levity Effect"* drew rounds of laughter demonstrating by example for conference participants how the power of humor can drive their business to new levels of success.

Rounding out the program's final jam-packed morning of education, Scott Christopher, author, actor, comedian and self-professed "mild irritant" mesmerized, engaged and drew continuous guffaws from attendees as he demonstrated the power of *"The Levity Effect"* in driving their business to new levels of success.

Plan now to join your industry peers at upcoming NPES programs and events. Visit our calendar of events and get complete program details at: www.npes.org. ■

Congratulations

2012 HAROLD W. GEGENHEIMER AWARDS FOR INDUSTRY SERVICE HONOREES

- Corporate Service Awardee:
  EFI
- Individual Service Awardees:
  Gary Dolgins, Director of Sales and Marketing, Blanchard Systems, Inc.
  Ulrik Nygaard, President/CEO, Heidelberg Baumfolder Corp.

Established by the NPES Board of Directors in 1993, the Harold W. Gegenheimer Awards for Industry Service are presented annually to an NPES member company and an individual employed by a member to recognize leadership and commitment to building a strong future for the printing and publishing industry and its suppliers. The awards are named in honor of the former Chairman of Baldwin Technology Company and former President and active leader of NPES in recognition of his lifelong commitment to technical innovation, sound management, support for education and research and working for the good of the whole industry beyond the limits of his company's interests.

NEWLY ELECTED NPES BOARD OFFICER AND DIRECTORS

- **Richard Trapilo**, Executive Vice President & General Manager, C.P. Bourg, Inc.
- **Erich Midlik**, Executive Vice President, Global Sales, Prime UV Systems, Inc.
- **Gavin Jordan-Smith**, Vice President, Solutions & Production Planning, BIS, Konica Minolta Business Solutions, USA
- **Andy Rae**, Senior Vice President, Heidelberg USA, Treasurer
- **Michael Ring**, President-Xeikon America, Inc. & Vice President-Worldwide Marketing, Xeikon America, Inc.

> There is no doubt that the role of print within the media mix will continue to evolve, becoming more targeted, relevant, personalized and timely.

Greg Salzman is President of Wheaton, IL-based Aleyant Systems, LLC, founded in 2005, provider of software services to the graphic communications industry.

The company develops highly functional and flexible applications using the most current web development technologies available. Aleyant's flagship Web-to-Print software was released in late 2005 and recently rebranded as Pressero. The web-based variable data publishing (VDP) system, eDocBuilder, was initially developed as a module of Pressero, but was released as a separate product in 2007.

One on One
GREG SALZMAN, PRESIDENT, ALEYANT SYSTEMS, LLC

Greg Salzman

Since the "Great Recession" how have your customers' needs changed and your organization adapted to respond to these challenges?

As economic times grew more difficult and turbulent, our customers have been increasingly focused on improving productivity, both for themselves and their customers. This is reflected in a growing demand for higher levels of integration with systems within print service provider operations as well as customer-facing system integration. For both constituents, this integration and automation removes steps and cost from the process of creating, transmitting and producing business communications; improves accuracy across the entire workflow; and, results in tighter, longer-lasting relationships among the parties.

In addition, there is increased interest in cloud-based solutions in order to move software costs from a CapEx model to an operational "pay as you go" model, and to take advantage of the many other benefits of Software as a Service (SaaS), including the reduced need for onsite IT resources.

In today's cross-media, multichannel marketplace the role of print is changing; what new opportunities do you see on the horizon for your company?

Our focus has always been on multichannel communications, with print being one of those channels. We expect to continue this focus while at the same time streamlining and simplifying the process of designing, ordering and producing printed and non-printed materials. Metcalf's law essentially states that value of a system is exponentially driven by the degree of its interconnectedness.

As the role of print changes, we have a responsibility to find ways to make our software interconnect with solutions that support other channels in the marketplace. While this is certainly more easily said than done, we are working hard to create software that is as "future proof" as possible for our customers. Our Pressero web-to-print system is one of the most interconnected solutions in the market today…we will continue to increase this value to our customers.

What technology trends, such as e-communications, have had the greatest impact on your market, and how is your business model changing to adapt and grow?

The growing acceptance across all fronts of cloud-based computing has had a significant impact on our business. Historically, the first part of the sales process was to educate the customer about the benefits of the cloud; today, the discussion typically skips that step.

Secondly, as the printing industry continues to consolidate and marketers/brand owners place growing pressure on service providers in terms of cost and time to market, process automation plays an ever more critical role. That is the reason why we introduced Automated Workflow Integrator, and the reason that we have been able to amass so many partners for this capability so quickly.

We also pride ourselves on our open development platform, our fast time to market, and our ability to quickly grasp customer requirements and translate those into effective and cost-effective implementations.

What do you see for the future of our industry over the next few years?

There is no doubt that the role of print within the media mix will continue to evolve, becoming more targeted, relevant, personalized and timely. At the same time, there is a growing demand for digital alternatives to print. Both of these modalities must work together to deliver the best-possible results for both print service providers and their marketer/brand owner customers.

To that end, print service providers and the suppliers that support them will need to increasingly and innovatively support nonprint alternatives. In many cases, these activities will pull print into the mix, but sometimes they won't. Properly structured and priced, nonprint digital services should be able to garner higher margins, offsetting at least some of the potential decline in print revenues, allowing leading-edge firms to remain viable into the future.

Among the many resources NPES offers, which have been most helpful to your organization?

Coordinated through NPES, visits to the international trade shows and with international consultants have been very helpful as we have grown our business internationally. The consultants have helped make key introductions to international reseller partners and even assist in contract negotiations.

The work that NPES Director of Government Affairs Mark Nuzzaco is doing has been great…it's given me opportunity to express my concerns directly to our lawmakers and I feel as though I am being heard more sincerely than if I had attempted to go to them directly.

I feel bad that I don't have enough time to take advantage of the other services NPES offers…when I read the PRIMIR research I find it helpful…and I have attended some of the Regional Meetings, which are also insightful. ■

> Dr. Zarwan's key "take-away" was for firms to focus on the *community* they want to reach rather than the *platform*.

PRIMIR 2012 Winter Meeting Reveals Important New Industry Research Findings

PRIMIR wrapped up 2012 with a well-attended Winter Meeting held December 3-5 in New Orleans, LA. The meeting featured findings from several recent research studies set to be published early in 2013.

Riley McNulty, Associate Director, InfoTrends, enlightens PRIMIR Winter Meeting attendees on key findings from the new PRIMIR study "*eCommerce & Print Business Models.*"

In an informative presentation, Roman Hohol, Director, Marketing Practice Area of AMEC, addresses the mobile media revolution.

John Zarwan, President and CEO, J Zarwan Partners, provided the group with an overview of findings from a study he just concluded for NPES and PRIMIR, *"Defining and Understanding Communications Platforms Trends and Implications to the Print Value Chain."* While the study identifies and discusses all platforms, Dr. Zarwan's key "take-away" was for firms to focus on the community they want to reach rather than the platform.

InfoTrends presented findings from two key studies they just completed for PRIMIR members: *"eCommerce & Print Business Models,"* and the *"Impact of Integrated Marketing on the Printing Industry."* While Dr. Zarwan's presentation provided a foundational lead into the Integrated Marketing findings, Roman Hohol, Director, Marketing Practice Area, AMEC, rounded out the communications/marketing-themed day by explaining *"The Mobile Media Revolution: Will Print Become a Luxury Item?"*

In other presentations, Tom Ashley, Director and Founder, Pivotal Resources, USA, provided an overview on *"Emerging Printing Technologies"* to set the stage for his spring presentation of findings from a PRIMIR research study on that topic.

Finally, PRIMIR President Kip Smythe, VP, NPES Global Programs, explored *"The Market for Printing Equipment and Supplies"* based on statistics collected through NPES' Market Data Program.

Attendees at PRIMIR's 2012 Winter Meeting take in the findings from the new PRIMIR study about how firms are engaging in integrated marketing and where print fits in the mix.

Also during the meeting the PRIMIR Executive Committee funded two research studies that will be completed in 2013: *"Packaging in Emerging Markets (Latin America & Asia Pacific)"* and *"Value Added Printing and Finishing for Improved Profitability."*

Several PRIMIR co-chairs were recognized for their leadership and participation in study development. Andy Gordon, Director, Enterprise Product Marketing, Mimeo.com and Martha Issa, Business Development and Marketing Director, Unisource Worldwide, were recognized for their task force leadership on the study, *"Evaluating and Understanding Non-Print Revenues of N. A. Printing Companies"* study.

Also recognized were Steve Mohr, Director of Marketing, Packaging at Unisource Worldwide and Colleen Twomey, Assistant Professor, California Polytechnic State University, for their guidance and leadership on the PRIMIR study *"Packaging: Evaluation of Vertical Markets & Key Applications."*

For more information contact PRIMIR Managing Director Jackie Bland at phone: 703/264-7200 or e-mail: jbland@primir.org. ■

PRIMIR Chair Eric Frank, VP Marketing at KBA North America *(top and bottom right)*, recognizes Andy Gordon, Director, Enterprise Product Marketing, Mimeo.com *(top left)*, and Steve Mohr, Director of Marketing, Packaging at Unisource Worldwide *(bottom left)*, for their services to PRIMIR.

Special Report

A Mixed Outlook for Pre-Press Companies?

Marco Boer

As expressed in the NPES Strategic Plan, it is vital that NPES members understand the impacts of electronic technologies on print to adapt their companies for continued success in today's "new world" of print. Responding to this need, *NPES News* features this series of special reports based on the 2011 PRIMIR *Impact of Electronic Technologies on Print* study by I.T. Strategies, Inc. Each monthly report by I.T. Strategies' President and lead researcher on this study, Marco Boer, will examine the variety and timeline for these impacts by key industry segment.

There are several ways of looking at the impact of electronic technologies/electronic display on print, including the relative impact of electronic technologies on page volumes within a specific application, the impact of print loss on NPES members within a specific application, and the loss of page volumes in total in comparison to other applications.

For our definitional purposes, pre-press consists of plate-makers, plates, proofing, and software. For pre-press equipment and supplies manufacturers, the outlook is mixed as the health of pre-press is near-term tied directly to the frequency of print jobs and long-term to the demand for analog printed pages. Near-term, plate manufacturers will be the beneficiaries of the shorter but greater frequency of print jobs. In simple terms, the frequency of jobs is tied directly to the number of plates required. *(See Exhibit 1)*

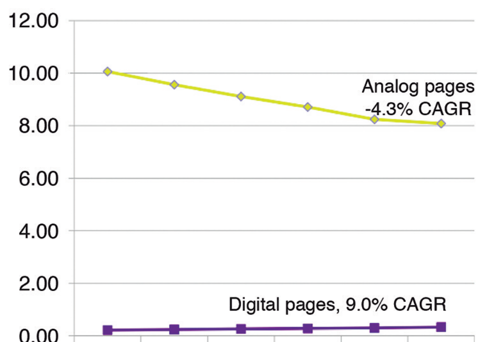
Exhibit 1: An Illustration of the Impact of Growing Job Frequency on Plate Usage

	2011	2015	2018
Jobs/Day	25	50	100
Plates/Job	4	4	4
Total Plates	100	200	400
Average Run Length	2,500	1,500	500
Total Print Volume	62,500	75,000	50,000

Source: PRIMIR "Impact of Electronic Technologies on Print" Study 2011 by I.T. Strategies, Inc.

Long-term however, pre-press faces two threats: electronic display technology displacement of pages and digital printing technology displacement of analog pages. The latter, digital print displacement of analog pages (which removes much of the need for pre-press) is happening in some select applications, but the impact on analog printed pages is small. Analog printed page volume is still so great that even with a 4-5% annual decline in volume and 8-9% growth in digital printed pages, the two will not intersect in the foreseeable future. *(See Exhibit 2)*

Exhibit 2: Trillions of Letter-Size, Simplex Production Pages, North America



	2009	2010	2011	2012	2013	2014
Analog Pages	10.06	9.56	9.11	8.71	8.24	8.08
Digital Pages	0.22	0.24	0.26	0.28	0.30	0.33

Source: PRIMIR "Impact of Electronic Technologies on Print" Study 2011 by I.T. Strategies, Inc.

The threat of analog printed pages transitioning to electronic pages/electronic displays does, however, have a material effect upon pre-press suppliers. The replacement cycles of pre-press equipment is extending as commercial printers try to extend the life of their pre-press hardware (platesetters) as long as possible. When users do upgrade, they are likely to upgrade to a more sophisticated, automated, and higher value platesetter. There is probably one more replacement cycle turn remaining, taking us to the end of the decade.

Plate volumes are relatively insulated for the foreseeable future from unit volume declines due to the growing frequency of print jobs. However, the volumes of plates required does not reflect on the prices per plate that commercial printers are willing and able to pay. As the example in *Exhibit 1* illustrates, the total volume of pages decreases despite the increase in frequency of jobs. This means economies of scale benefits will be lost, putting greater cost pressure on all components of the print process, including plates.

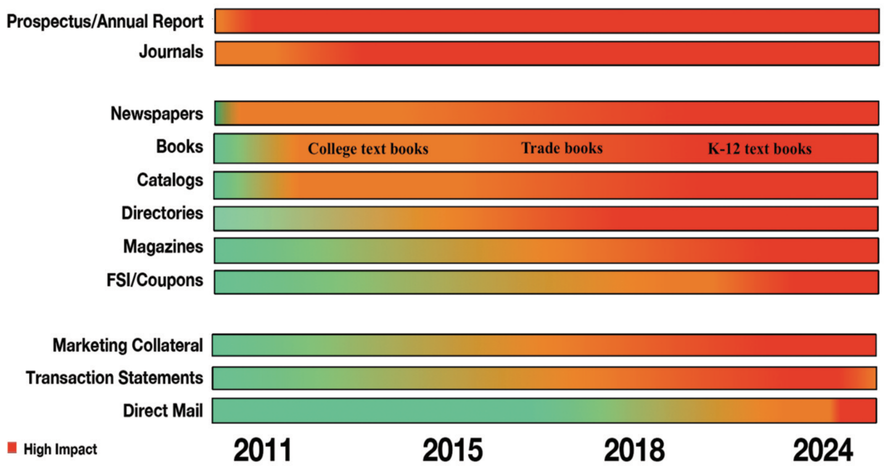
Proofing suppliers also face challenges, as the shorter print runs make the pain level for making a mistake less costly. Soft proofing is becoming more advanced and accepted, and for many print jobs a mistake can be easily corrected on the next run. This devalues or even obsoletes the need for proofing.

Opportunity for Pre-Press Manufacturers

To gain a better understanding of the need for pre-press, one needs to look at it by application. The frequency of the long-run periodical and publishing applications is on the whole unlikely to change, eliminating the boost that other applications have from shorter, more frequent run-lengths. Hence the opportunity for pre-press is in the more sustainable short-run print applications, such as

> To respond, pre-press NPES members must re-invent themselves and extend their knowledge of pre-press up and down the value-chain, as well as into digital printing technology.

***Exhibit 3:* Impact of Electronic Technologies on Print Volumes: A Comparative Look North America, 2011-2024**



Source: PRIMIR "Impact of Electronic Technologies on Print" Study 2011 by I.T. Strategies, Inc.

marketing collateral and direct mail: higher frequency = more plates.

Marketing collateral and direct mail are particularly good focus areas for pre-press manufacturers since, in part, volumes for these applications will be driven more by web-to-print business models—which are contingent upon full-scale automation and very short-run print jobs.

In combination with advanced nesting software, web-to-print providers are able to leverage the substrates users are familiar with, and expect, with the low running-cost of offset print. Transaction printing is projected to be affected less by the impact of electronic technologies than other applications (those who wanted to convert to electronic statements have largely done so by now); it is unlikely to be a growth area for pre-press. Printing transaction statements involves pre-press mainly for logos for pre-printed offset shells, a high margin offset print application that is increasingly under threat from continuous feed production color inkjet printers.

Threats to Pre-Press

As mentioned earlier, the threat to pre-press from electronic technology alternatives has been somewhat mitigated by a higher frequency of short-run print jobs. However, there is another unique threat looming. As print volumes decline and raw material/energy costs increase, commercial printers face a higher cost of goods due to the loss of economies of scale in purchasing power for paper, ink, and plates. Ink manufacturers are passing along price increases, but overcapacity in the plate industry has made it competitively difficult for plate manufacturers to do so. At some point they will not have a choice but to increase the cost of plates to reflect the increases in raw material costs. The plate manufacturer with the most resources is probably going to be the one who can hold off on price increases the longest, and correspondingly may be the one who gains market share.

How Do NPES Pre-Press Members Respond?

NPES pre-press members are very cognizant of the looming challenges, but fortunately have enough "altitude" to change course and direction. They are co-dependent with their customers on print volume, but control of pre-press demand is in neither one's control. To respond, pre-press NPES members must re-invent themselves and extend their knowledge of pre-press up and down the value-chain, as well as into digital printing technology.

Unlike offset press manufacturers, pre-press staff are in touch with their commercial print customers on a weekly or more frequent basis. This link is invaluable, as it provides an opportunity to learn first-hand more about their customers' business and needs. Pre-press manufacturers have an opportunity to translate this knowledge into new ancillary and incremental services offered to their customers. It could be as simple as helping them enter a new business, such as wide-format graphics printing through the sales of wide-format printing equipment and supplies, or as sophisticated as putting in place a high-value MIS workflow software program.

Conclusion

Printed page volumes are in irrevocable decline. Inventory management of print is becoming more efficient and the trend towards shorter print runs, created just-in-time, involves a higher frequency of print job orders. All good news for pre-press manufacturers for now, but ultimately they too will be impacted by the threat of electronic technologies. Pre-press NPES members have the good fortune to alter their course while ultimately, too, facing a decline in their business. Customer interaction is more frequent than most other printing equipment and supplies manufacturers, providing an opportunity to deeply learn about their customers' businesses and translate that knowledge into helping them enter new areas of opportunity.

The challenge is for the traditional pre-press sales representatives to make the effort to learn more about their customers' businesses rather than focusing on the day-to-day competitive pressures in the pre-press business. Once their customers' needs are well understood, a second challenge will be to have available a portfolio of new printing equipment and supplies to support those needs, more likely than not with digital printing equipment. Should pre-press manufacturers have to develop their own digital printing equipment, should they OEM, or perhaps even act as a distributor for other OEMs? There are no simple answers, and much depends upon the timing of where a particular application is in its life-cycle development. One can rest assured however that both OEM and merger and acquisition activity will increase among pre-press manufacturers. ■

> The total market—traditional printing equipment, graphic arts supplies and production digital color presses—remained steady with 2010 levels.

Calendar

January 2013

ICC Meeting
January 30-February 1 • Tokyo, Japan

February 2013

NPES Booth at PRINTPACK 2013/ Trade Mission to India/ Print Business Outlook Conference 2013
February 23-28 • New Delhi, India

April 2013

CGATS/USTAG Meetings
April 16-19 • Irving, Texas

ICC/FDA Medical Imaging Color Conference
April 29-30 • White Oak, Maryland

May 2013

NPES Booth at China Print 2013/ Trade Mission to China
May 11-18 • Beijing, China

TC130 Working Groups Meetings
May 19-24 • Shenzhen, China

NPES Booth at Expográfica 2013
May 22-25 • Guadalajara, Mexico

June 2013

ICC Meetings
June 10-12 • Seligenstadt, Germany

August 2013

CGATS/USTAG Meetings
August 13-16 • Clemson, South Carolina

September 2013

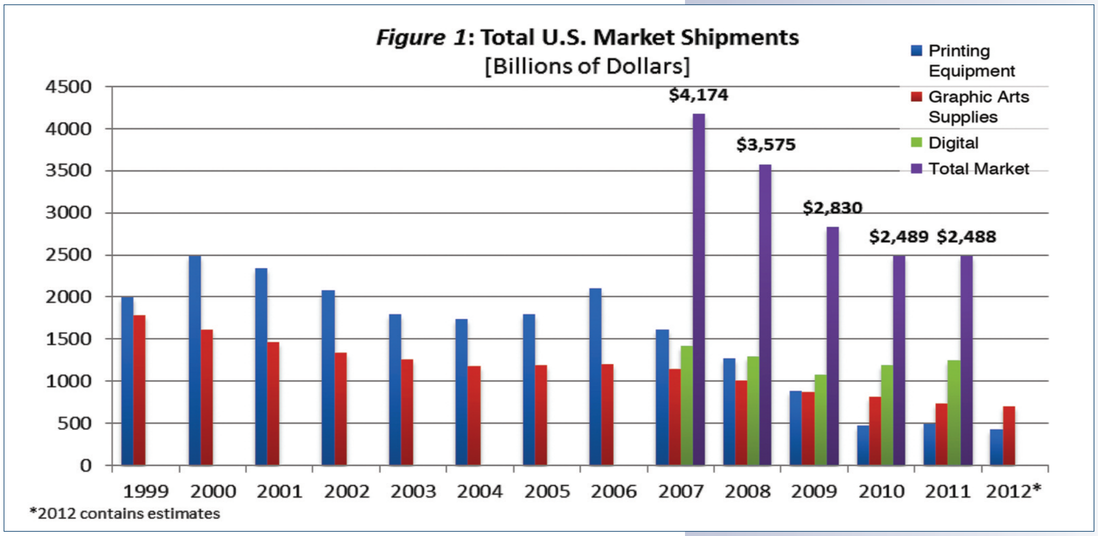
PRINT 13
September 8-12 • Chicago, Illinois

DID YOU KNOW?

Nearly 60% of all paper in the U.S. is recycled. In comparison, less than 20% of U.S. electronic devices are recycled.

—International Paper, Down to Earth Series, Is it Worth Printing?/Choose Print

NPES Market Data Shows Industry Trends



For the various segments of the printing equipment and supplies industry, 2011 was somewhat of a "mixed bag." Compared with 2010 levels total shipments for traditional printing equipment—prepress, offset presses and bindery—grew +4%, while graphic arts supplies—film, plates and proofing products—fell -10%.

Even though printing equipment shipments are half of 2009 totals, there was some growth in 2011: $496.5 million vs. $478.8 million. Shipments of supplies decreased even further, down to $739.0 million from $817.2 million in 2010, feeling the effect of declining print volumes and the switch to digital printing.

The production digital color press data includes light and heavy production equipment sold to the commercial and in-plant printing industry, but does not include sales of production devices to the office market unless it goes to the in-plant printing facility within the organization.

In 2011, the market for production digital presses increased 5% to nearly $1.3 billion, which offset the declines in supplies; thus the total market—traditional printing equipment, graphic arts supplies and production digital color presses—remained steady with 2010 levels as shown in *Figure 1*.

For further details, including snapshots and charts of Printing Equipment Shipments data and Graphic Arts Supplies data, please see the continuation of this article at: www.npes.org.

For more information on the NPES Market Data Program, contact NPES Assistant Director Market Data/Research Rekha Ratnam at phone: 703/264-7200 or rratnam@npes.org. ■

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