



news

THE ASSOCIATION FOR SUPPLIERS OF PRINTING, PUBLISHING AND CONVERTING TECHNOLOGIES

Marketers Among 24 Co-located Events at GRAPH EXPO 2011

With the American Marketing Association's (AMA's) recent announcement of its plans to host a member event during GRAPH EXPO, on Tuesday, September 13, 2011 in McCormick Place, the number of co-located conferences and events at this year's show has climbed to a grand total of 24... *and counting!*

"Given the notoriety of GRAPH EXPO in the marketplace and throughout the print community, and based on the shifts in the marketplace

for marketers, we thought it important to play a role at the industry's leading exhibition," stated Ann Kostopanagiotou, President-Elect, 2011-2012, American Marketing Association, Chicago.

In addition to its member networking event, the AMA will also be the exclusive sponsor of GRAPH EXPO's newest show floor feature—the Marketing Pavilion—where on Tuesday, September, 13, dubbed 'Marketing Day' at the show, the organization will host a series of educational sessions for both marketers and printer show goers.

"For our marketers in attendance, it will be a tremendous 'shopping experience,' where they can meet with the experts and see and explore all the latest innovations in print. And, for our printer audience, based on their interest in becoming 'marketing service providers,' we've scheduled sessions on Tuesday just for them, where they'll gain first-hand perspectives and insights from top marketers on what they are looking for in terms of fully integrated marketing campaigns, which includes packaging, displays in



The Chicago AMA will welcome its members—who represent the American Marketing Association's largest chapter of 1,500 leading marketers—to discover the programming, networking and resources available to them at GRAPH EXPO 2011.

the retail environment, and other products that will help them differentiate their brands," advises Kostopanagiotou. "Our goal is to introduce this program and GRAPH EXPO to our membership—and the Chicago AMA,

which represents AMA's largest chapter of 1,500 leading marketers—and invite them all to join us for the programming and networking, and also to discover all of the resources available to them at the show," she stated.

INSIDE:

- President's Perspective 2
- GRAPH EXPO 2011
- Co-located Events 3
- GRAPH EXPO 2011 MUST SEE 'EMS Program Welcomes Exhibitor Submissions' 3
- One on One: Ken Garner 4
- Market Intelligence News:
- UCC Filing Update 5
- NPES and Printing Industries of America Coordinate Capitol Hill Fly-ins 6
- PRIMIR Summary: Trends & Future of Direct Marketing (Part 3) 7
- New 2011 NPES Tax Calculator 8
- News and Notes 8

Continued on page 2

president's perspective

Your Call or Visit Really *DOES* Matter!



Ralph Nappi
NPES President

The advent of multiple methods of communication has not only impacted our industry, but has had a huge influence on the way our elected officials assess what their constituents think is important. During a recent

meeting on Capitol Hill I learned some facts that make your efforts at talking with your elected officials more important than ever before. Today congressmen average 7,500 contacts per month (!), with the 'lion's share' coming from e-mails, faxes, and form letters and post-cards. Senators receive even more, an average 18,000 per month!! I am told by both staffers and congressmen that absorbing this deluge of information is nearly impossible—and in many cases incomprehensible. This is why they place a much higher value on telephone conversations and face-to-face constituent contact than EVER before.

Like you, our legislative leaders are trying to manage today's communication overload, which now places a greater premium on your time and relationships with them. They want it, need it, and increasingly manage our country by it.

NPES can help you initiate and manage that potential relationship. One of our core competencies has always been the ability to represent the printing industry on Capitol Hill. We will be hosting a **Capitol Hill Fly-in** on **June 14-15** with our industry partner, Printing Industries of America (see related article on page 6).

Now couldn't be a better time...since last November U.S. voters sent 109 members of Congress home for good! Now we need to impress that same number of 'new players' that our issues are important—not just to the printing industry but to the country as well. Issues...

- *like...* the importance of a healthy and viable U.S. Postal Service
- *like...* providing an environment conducive to free and fair trade, especially if we are to help President

Obama realize his goal of doubling exports in 5 years

- *like...* favorable capital investment tax policy and the availability of capital so our customers can finance the equipment they need to buy to become competitive on the world stage

- *like...* an affordable and equitable healthcare system that encourages businesses to offer employee benefits rather than deterring involvement due to out of control costs

- *like...* legal reform that will prevent billions of unnecessary cost to businesses. Yes indeed, last month a bill was introduced in the Senate and House called the *Lawsuit Abuse Reduction Act* with the primary purpose of discouraging and even punishing attorneys who file frivolous lawsuits. In 2008, the tort liability price tag to small business in America was \$105 billion dollars!

- *like...* threats from Do Not Mail proponents on local and state levels. While industry has been effective so far thwarting past threats, we continue to see bills introduced at state levels. In the last two months alone New York, Missouri and Indiana have entertained bills that will curtail the use of the U.S. mail for business.

Not only should the outreach to our elected representatives be about our *issues*, but we can *thank them* for the successful repeal of the onerous 1099 mandate that was originally part of the Health Care bill. Both houses of Congress passed the bill by overwhelming margins, which Obama signed into law less than a month ago!

So please, get to Washington, D.C. next month for our Capitol Hill Fly-in. It will provide you the opportunity to engage with your elected representatives. If that is not possible, then please let us help you engage them at home. Your congressman *wants* to hear from you, and in some cases would jump at the opportunity to tour your facility. Because it helps them meet their constituents and understand the issues—your voice *DOES* make a difference! ●

GRAPH EXPO, continued from page 1

GRAPH EXPO 2011, the year's largest graphic communications exhibition and conference in the Americas, will take place September 11-14, 2011, in Chicago's McCormick Place South. Recognized as the commercial printing, publishing, mailing and transactional exposition for the Americas, GRAPH EXPO 2011 themed, "*Embrace Technology*," will offer a customized show-going experience for a diverse spectrum of attendees from 11 key market segments with the latest graphic communications technologies, live equipment demonstrations, plus education on the most in-demand products and profit-making opportunities.

GRAPH EXPO attendees will now find *nine* special interest sections on the show floor; these include: the 2011 debut of the Marketing Pavilion—with education, resources and networking opportunities for today's marketers; News Print—returning by attendee demand for a second year, and answering the call from newspaper printers and production executives for a dedicated show floor section; PackPrint—covering package printing; Future Print—featuring Printed Electronics and RFID; Mailing & Fulfillment Center—the industry's largest mailing event *anywhere* in the Americas; GREENspace—the third annual showcase dedicated to sustainability and eco-friendly products and services; Prepress/Software/Workflow section; Press/Finishing section, and; Education Main Street—for attendees seeking well-educated, talented industry newcomers to augment their company's workforce.

"Today it's important for marketers, just as for the graphic communications professionals who serve them, to stay ahead of the information and technology curve to make continued investments in their operations," said Ralph Nappi, President of the Graphic Arts Show Company (GASC). We're pleased to be able to work with the Chicago AMA to introduce their members to the wide variety of resources, information and networking opportunities available to them at the show."

Education sessions provided in the Marketing Pavilion are free to all registered attendees of GRAPH EXPO 2011. For more information and updates about the new Marketing Pavilion, and GRAPH EXPO 2011, visit: www.graphexpo.com. ●



Explore Exhibit
Opportunities
at GE2011

CO-LOCATED EVENTS ...AND COUNTING!

- | | |
|---|---|
| 1. AGFA
Apogee User Group
<i>Digital Printing</i> | 13. IPI
Independent Photo
Imaging Meeting
<i>Digital Photo Imagers</i> |
| 2. AIMED
AIMED Dealer Conference
<i>Post-Press & Mailing</i> | 14. IPMA
In-Plant Special Meeting
<i>In-Plant Printers</i> |
| 3. AMA Chicago
Marketing Meetings
<i>Marketing</i> | 15. KBAug
KBA Users Group
Conference
<i>Offset & Newspaper</i> |
| 4. American Dealer Group ADG
American Dealer Group
Member Meeting
<i>Commercial Print</i> | 16. manrug
manroland Users Group
Conference & BoD Meeting
<i>Offset & Newspaper</i> |
| 5. BindRite Dealers
Association
BindRite Member Meeting
<i>Post-Press & Finishing</i> | 17. Muller Martini
Muller Martini Conference
<i>Newspaper & Mailing</i> |
| 6. DSCOOP
DSCOOP - HP User
Group Events
<i>Digital Printing</i> | 18. NAPCO
Gold Ink Awards
<i>Commercial Print</i> |
| 7. EDSF
EDSF Gala
<i>Digital-Transactional</i> | 19. NAPL
National Assn. of Quick
Printers Owners Conference
<i>Quick & Commercial Print</i> |
| 8. EFI
EFI Fiery User Group
<i>Digital Printing</i> | 20. NAPL
Soderstrom Society GALA
<i>Commercial Print</i> |
| 9. FSEA
FSEA Board Meeting &
Member Networking Meeting
<i>Post-Press & Finishing</i> | 21. PBI
Print Buyers International
<i>Print-Media Buyers</i> |
| 10. Idealliance and IPA
G7 Summit
<i>Workflow</i> | 22. Printing Industries
of America
Premiere Print Awards
<i>Commercial Print</i> |
| 11. Imaging Networking Group
Imaging Network Group
Workshop 2011
<i>Digital-Transactional</i> | 23. Xerox
Xerox Premiere Partners
<i>Digital-Transactional</i> |
| 12. ING
International Newspaper
Group
<i>Offset & Newspaper</i> | 24. Xplor
Xplor International
Document University
<i>Digital-Transactional</i> |

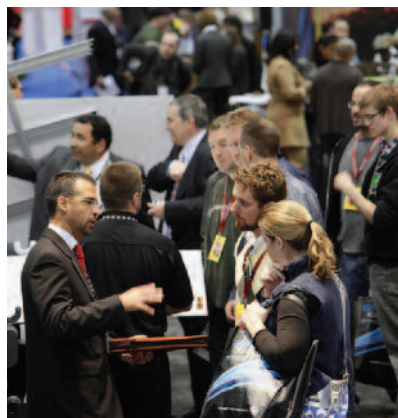
GRAPH EXPO 2011 MUST SEE 'EMS Program Welcomes Exhibitor Submissions

Which exhibits, technologies and products will be "musts" for visitors to see at this September's GRAPH EXPO 2011 in Chicago? And how can exhibitors make themselves stand out among the hundreds of company displays filling the expansive South Hall of Chicago's McCormick Place? The MUST SEE 'EMS program presented by the Graphic Arts Show Company (GASC) has provided the answer to these questions for more than a decade by identifying the products and exhibits that show goers simply "must see."

GRAPH EXPO, the premier commercial printing, publishing, mailing and transactional exposition for the Americas, will take place September 11-14, 2011 in the heart of the Western Hemisphere's printing industry—Chicago, IL.

The MUST SEE 'EMS program provides exhibitors with a means for highlighting their most important innovations, and submissions from GRAPH EXPO 2011 exhibitors are invited for consideration by this year's expert panel. Complete details about the MUST SEE 'EMS program are available online at: www.mustseeems.com.

"MUST SEE 'EMS offer exhibitors a highly effective tool for calling attention to their most exciting new products onsite at the show," says GASC President Ralph Nappi about the 2011 program.



"This show will have its share of new product introductions," Nappi adds, "and it will be difficult for the average visitor to see everything. The MUST SEE 'EMS program enables companies with really compelling offerings to position themselves more brightly on visitors' radars."

The MUST SEE 'EMS technology and product recognition program, conducted independently for the Graphic Arts Show Company, and administered by William C. Lamparter, President, PrintCom Consulting Group of Charlotte, NC, is a part of the EXECUTIVE OUTLOOK Conference to be held on Saturday, September 10, 2011, the day before GRAPH EXPO opens. MUST SEE 'EMS honorees will be announced at the conclusion of the EXECUTIVE OUTLOOK Conference, published in the *Show Daily* newspaper, posted online, and also distributed in a variety of other forms.

For show visitors, the selection of MUST SEE 'EMS products is a crucial aid in prioritizing booth visits and assuring that they will see everything making news at the show.

Complete information about GRAPH EXPO 2011 is available online at: www.graphexpo.com. ●



Ken Garner is CEO and President of the Mailing & Fulfillment Service Association (MFSA). Prior to November 2008, for 33 years Garner had been with United Litho, an operating division within The Sheridan Group. For the last 15 years, he served as president and COO, and was most recently vice president of business development for Sheridan Magazine Services.

MFSA is the national trade association for the mailing and fulfillment services industry. For more than 90 years MFSA has been working to improve the business environment for mailing and fulfillment companies and to provide opportunities for the learning and professional development of the managers of these companies. MFSA provides instant postal information, periodicals, business surveys, and manuals unique to the industry, networking opportunities, excellent low cost insurance, and management education and information. The association is comprised of more than 600 companies, most located in the USA and Canada.



Ken Garner

CEO and President of the Mailing & Fulfillment Service Association

With a changing economy, and new customer demands challenging every segment of the graphic communications industry, what key trends do you believe will impact the mailing and fulfillment industries over the next five years?

There are two primary realities that I believe will impact the futures of mail service providers and commercial printers. First, the consolidation that has characterized the mailing and printing industries over the past several years will continue as long as the relationship between supply and demand remains unbalanced. The overabundance of supply has led to an environment characterized by hyper-competition and commoditization. This dynamic is forcing many companies to reengineer their value propositions with many expanding their menu of products and services to become more of a “marketing services provider.”

A by-product of this dynamic is another trend that I have labeled “convergence;” that is, the ultimate elimination of the distinctive differences that formerly defined commercial printers and mail service providers. Much of this has already occurred as commercial printers developed in-house mailing capabilities and mail service providers moved into offering printing capabilities. And, some of both these market segments have added fulfillment capabilities to supplement their respective service offerings.

To me, the longer term implications of these trends is that, in an effort to escape from the trap of commoditization, a shorter list of suppliers may find themselves crowding a redefined market space. However, regardless of economic trends, some business management realities never change. Long-term business success depends on creating a sustainable competitive advantage by developing an intimate understanding of your customers’ wants, needs and expectations and satisfying those needs in a way

that positively differentiates you from your competition. While many of MFSA’s members who specialize in fulfillment enjoyed success during the recent recession, they are not immune from this business reality.

Responding to the increased interest in sustainability, does a uniform method exist for evaluating mailing and fulfillment services companies that claim an environmental commitment?

Businesses have finally recognized that a commitment to environmental sustainability must be an integral part of their operations and strategy, and MFSA members are no exceptions. As a result, members recently led the development of MFSA’s first Sustainability Accreditation program that audits and verifies compliance with accepted sustainability practices. In addition, articles dealing with “green issues” frequently populate the content of our member publications. Our conference programs often include presentations on sustainability by industry experts. And, we have established an affinity partnership with a consultant that specializes in environmental consulting.

As mailing and fulfillment pros continue to move through the economic recovery, how are their business models for success changing?

Again, many mail service providers are still trying to escape the trap of commoditization by reexamining the relevance of their value propositions and are considering multiple options to expand their menu of product and service offerings. Most of our fulfillment-focused members are in a better competitive position to consider only incremental changes and improvements to their value propositions.

We constantly emphasize the need for all members to continuously monitor customer

One on One

satisfaction and investigate how their customers' needs and expectations are changing. Any potential changes to a company's competitive position must be carefully considered, based on solid market research and hard data. Change simply for the sake of change is a recipe for failure.

We also emphasize the necessity of solid business management disciplines because, at the end of the day, it's all about cash flow. Making your business more complex by expanding your service offerings without the benefit of a solid foundation of disciplined business management practices including business planning, sales, marketing, and financial

“Change simply for the sake of change is a recipe for failure.”

management is another quick route to failure.

With commercial printers seeking to diversify their customer offerings by adding mailing and fulfillment services, in addition to investigating the Mailing & Fulfillment Center at GRAPH EXPO, what advice would you offer them?

I would advise them to invest

in a MFSA membership! But seriously, they need to do their homework. From my personal experience as a printer, I tell those who are considering adding mailing capabilities that they need to understand mailing is likely to represent the most complex part of their service offerings to manage. Mailing is highly dynamic and ever-changing with a continuous

stream of rule and regulation changes rolling out of Postal headquarters. The rules that govern mail entry are complex and require constant oversight.

Fulfillment operations are becoming more complex as well. The profitable expansion into product fulfillment has required consideration of multiple additional services. Technology continues to impact fulfillment operations as social and mobile media influence how data is collected and utilized.

Lastly, I would also advise them to take advantage of the outstanding consulting and educational content offered by their supplier partners as a value added feature. ●

Market Intelligence News: UCC Filing Update

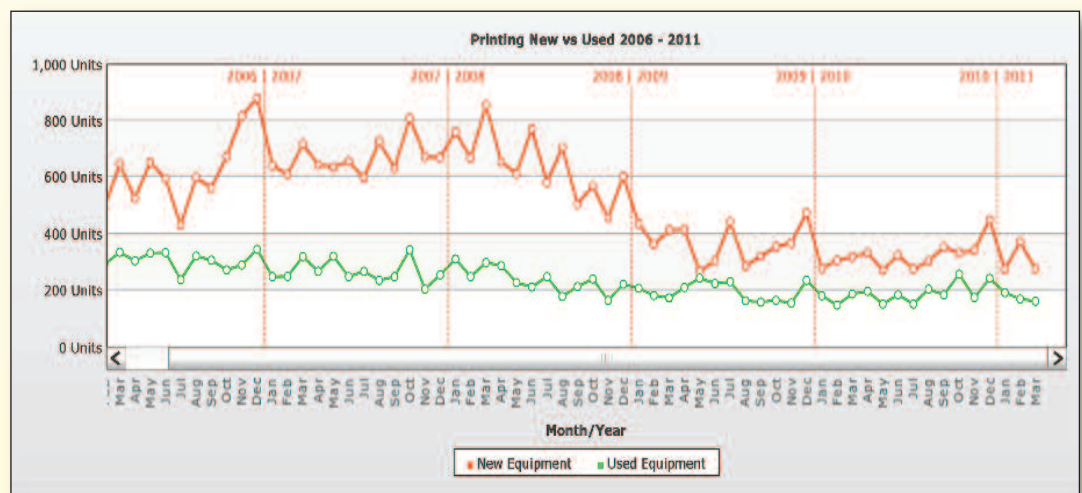
The chart compiled from UCC data provided herein by Equipment Data Associates (EDA), shows up-to-date UCC (see definition below chart) activity for all printing equipment. Although UCC filings are a combination of new equipment sales, used equipment sales and refinancings of existing placements, they are still a strong indicator of market activity. New equipment filings for the first quarter of 2011 totaled 922 units which was up 2.1% from the first quarter 2010. Used equipment filings also inched ahead of 2010 1st quarter levels, up 1.3% at 524 units for the quarter. This information is extracted directly from EDA's comprehensive database of nearly 30,000 records for purchasers of printing equipment.

For each of the data points in the table, subscribers to EDA's market intelligence services can see exactly who purchased the piece of equipment—and the manufacturer and model. NPES member companies that participate in the free NPES Market Data program are eligible for significant discounts on EDA's services. By combining the critical purchaser information from EDA with the comprehensive market statistics, analysis, and forecasts provided by NPES' free Market Data program,

participating NPES member companies can get a complete picture of the current and anticipated future activity in the marketplace.

For more information, or to join the free NPES Market Data program, contact NPES Assistant Director for Market Data, Rekha Ratnam at phone: 703/264-7200 or e-mail rratnam@npes.org. For specific information about the market intelligence services offered by EDA, contact Mauricio Jurin at phone: 704/845-1099 or e-mail: mjurin@edadata.com. ●

Printing Equipment UCC Filings: 2006–2011



A Uniform Commercial Code Form 1 (UCC-1) filing is a financing statement required by law to be filed with the state to show that one party (usually a lender) has a security interest in another party's (usually a borrower's) personal property, and most frequently relates to the commercial financing of capital equipment through a lending institution. UCC data is filed everyday throughout the U.S. Each UCC data filing statement has three components: the borrower, the lender, and what the borrower purchased, including make, model and serial number. Once the data is filed, EDA's more than 50 employees manually review each filing to identify and correctly classify the transactions of printing equipment. What results is a robust database that offers subscribers continually updated information on exactly who is buying or leasing what pieces of equipment.

NPES and Printing Industries of America Coordinate Capitol Hill Fly-ins

PRINTERS AND SUPPLIERS TO CO-HOST CONGRESSIONAL RECEPTION AND LUNCHEON

NPES and Printing Industries of America are coordinating Capitol Hill industry advocacy “Fly-ins” set for June 14-15, 2011, and have dovetailed them with a “Manufacturing Summit” sponsored by the National Association of Manufacturers (NAM), which is scheduled for June 15-16, 2011. The NPES/PIA Fly-in will include a Congressional reception focused on new members of the 112th Congress, and a Congressional luncheon featuring senior leaders of the U.S. House of Representatives. Both events will be co-hosted by the two associations.

NPES Government Affairs Committee Chairman Ulrik Nygaard, President, Baumfolder Corporation, will lead NPES public policy advocacy on Capitol Hill during the Fly-in, and welcomes and encourages any and all NPES members to participate. Nygaard, emphasizes that “the Fly-in will provide an excellent opportunity for industry executives to meet with members of congress and their staffs, as well as other government officials, and explain the industry’s views on a wide range of public policy issues that have a direct bearing on NPES members’ business interests.” And Nygaard believes that coordinating NPES’ Fly-in with that of Printing Industries of America will yield an especially effective synergy for the industry event.

In preparation for congressional office visits, NPES Government Affairs Director Mark Nuzzaco will lead issue briefings on government affairs priorities for NPES Fly-in par-

ticipants on the afternoon of June 14. These priorities include:

- A Vital and Sustainable U.S. Postal System
- Affordable and Equitable Health Care Reform
- Favorable Capital Investment Tax Policy
- Free, Fair International Trade

- Affordable American Energy Policy
- Responsible Environmental Policy
- Respect for the Value and Integrity of Intellectual Property, and
- Limited, Effective and Efficient Regulations.

Information about these priorities can be found on the NPES web

site at: www.npes.org/government/priorities.html.

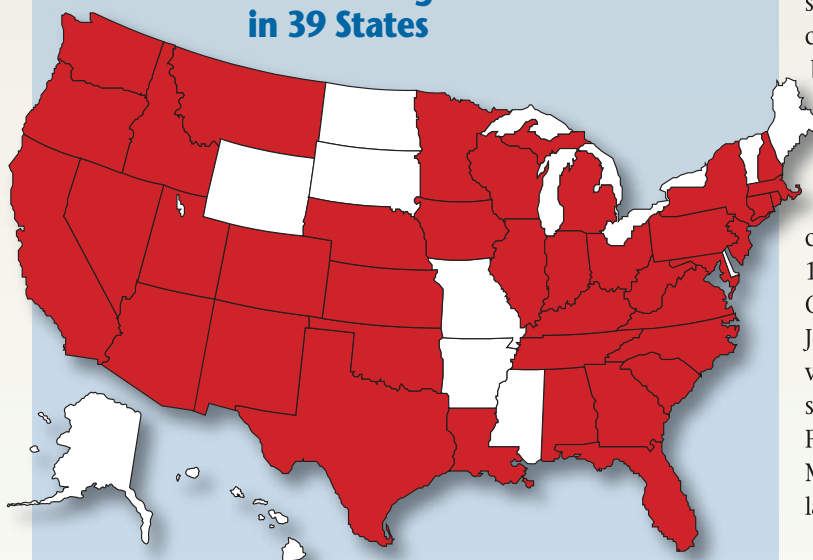
Nuzzaco stresses that “the Fly-in will be an especially good opportunity for NPES to educate the dozens of new senators and representatives of the 112th Congress on these issues of importance to NPES members and their customers in the graphic communications industry.”

Looking at NPES’ membership, Nuzzaco points out that currently NPES has 450 member companies that collectively have facilities located in 226 different congressional districts spread out over 39 states, with the very large majority concentrated in the following 17 states respectively: Illinois, California, New York, New Jersey, Ohio, Georgia, Pennsylvania, Connecticut, Massachusetts, Minnesota, Wisconsin, Florida, Texas, North Carolina, Michigan, Virginia and Maryland. (Figure 1).

Thirteen of the 16 new senators and 38 of the 93 new representatives in the 112th Congress come from these states and congressional districts where NPES member facilities are located. As freshmen members of Congress they would greatly benefit from hearing from their NPES member constituents, and typically are especially receptive to input.

To learn more about the June 14-15, 2011 NPES Capitol Hill Fly-in and to register to attend go to <http://www.npes.org/government/advocacyregistration.html> or contact NPES Government Affairs Director Mark J. Nuzzaco at phone: 703/264-7235 or e-mail: mnuzzaco@npes.org. ●

FIGURE 1: NPES Member Facilities located in 226 Congressional Districts in 39 States



- Senator Richard Blumenthal (D-CT)
- Senator Marco Rubio (R-FL)
- Senator Mark Kirk (R-IL)
- Senator Dan Coats (R-IN)
- Senator Jerry Moran (R-KS)
- Senator Rand Paul (R-KY)
- Senator Roy Blunt (R-MO)
- Senator Kelly Ayotte (R-NH)
- Senator Rob Portman (R-OH)
- Senator Patrick J. Toomey (R-PA)
- Senator Mike Lee (R-UT)
- Senator Joe Manchin (D-WV)
- Senator Ron Johnson (R-WI)
- Rep. Ben Quayle (R-3-AZ)
- Rep. David Schweikert (R-5-AZ)
- Rep. Cory Gardner (R-4-CO)
- Rep. Rob Woodall (R-7-GA)
- Rep. Raul Labrador (R-1-ID)
- Rep. Joe Walsh (R-8-IL)
- Rep. Robert Dold (R-10-IL)
- Rep. Adam Kinzinger (R-11-IL)
- Rep. Randy Hultgren (R-14-IL)
- Rep. Tim Huelskamp (R-1-KS)
- Rep. Kevin Yoder (R-3-KS)
- Rep. Cedric Richmond (D-2-LA)
- Rep. Andy Harris (R-1-MD)

- Rep. William Keating (D-10-MA)
- Rep. Bill Huizenga (R-2-MI)
- Rep. Justin Amash (R-3-MI)
- Rep. Tim Walberg (R-7-MI)
- Rep. Frank Guinta (R-1-NH)
- Rep. Jon Runyan (R-3-NJ)
- Rep. Chris Gibson (R-20-NY)
- Rep. Richard Hanna (R-24-NY)
- Rep. Ann Marie Buerkle (R-25-NY)
- Rep. Tom Reed (R-29-NY)
- Rep. Renee Ellmers (R-2-NC)
- Rep. Steve Chabot (R-1-OH)
- Rep. Bill Johnson (R-6-OH)
- Rep. Steve Stivers (R-15-OH)
- Rep. Pat Meehan (R-7-PA)
- Rep. Tom Marino (R-10-PA)
- Rep. Lou Barletta (R-11-PA)
- Rep. Tim Scott (R-1-SC)
- Rep. Jeff Duncan (R-3-SC)
- Rep. Trey Gowdy (R-4-SC)
- Rep. Mike Mulvaney (R-5-SC)
- Rep. Scott Rigell (R-2-VA)
- Rep. Jaime Herrera Beutler (R-3-WA)
- Rep. Sean P. Duffey (R-7-WI)
- Rep. Reid Ribble (R-8-WI)

PRIMIR Summary: Trends & Future of Direct Marketing (Part 3)



PRIMIR recently published a new 420-page study, **“Trends & Future of Direct Marketing.”** It examines direct marketing and particularly how printed direct marketing channels are faring in light of a host of new non-print direct marketing options. E-mail, web sites, social media, and mobile channels, among others, all pose threats to print.

Picking up where we left off in last month’s article, where we discussed the key print applications in direct marketing, this article will wrap-up the three-part series with discussions about non-print direct marketing and integrated and cross-media marketing.

Non-Print Direct Marketing

The timing of the economic downturn with the emergence of online direct marketing channels created a perfect storm to the detriment of print media. In many senses the recession marked the ‘coming out party’ for non-print direct marketing, as marketers not only kept spending but increased their budgets. Even though most marketers will increase their print direct marketing budgets, non-print channels will con-

tinue to grow faster as marketers continue to experiment and explore how to make effective use of these emerging channels.

Integrated and Cross Media Marketing

The research revealed that integrated and cross media marketing is growing. Agencies typically push for cross media cam-

paigns, which enables them to capture more business from their clients. An important finding—print is often a core component of an integrated direct marketing strategy, so the more that multiple channels are used, the better the outlook for print. Moreover, many cross media campaigns employing “QR” (Quick Response) codes and pURLs (personalized URLs) require a print component. Printers who have incorporated cross media capabilities into their business are finding huge successes. Despite the efforts of agencies, many marketing executives still find integrating all marketing channels difficult. Nevertheless, those marketers and service providers who succeed in doing so are reaping substantial rewards.

Conclusions

The PRIMIR research investigated numerous vertical sectors and their direct marketing activities—particularly their use of printed direct marketing and trends for the future through 2013. Finance, insurance, retail, non-profit, and telecommunications sectors are the heaviest users of direct marketing. In fact, the recent dramatic fall-off in the volume of direct mail sent

by firms in financial markets—particularly credit card issuers—led to the sharp downturn in overall direct mail volume.

One of the central questions of this study was the degree to which marketers will return to printed direct marketing when the economy recovers. Direct

The research concludes that online marketing and data analytics tools will continue to grow in sophistication. Marketers will work diligently to make online channels successful with demonstrable results, and print will continue to lose volume to alternative media since it is believed

“...the more that multiple channels are used, the better the outlook for print.”

mail volume picked up during 2010 which may be a partial answer. Most marketers continue to value printed direct marketing as an effective acquisition channel. According to the study, “Most marketers, service providers, and observers note that the jury is still out on online direct marketing since there is no reliable data on how well the channel is performing.” Indeed, the research team heard stories of some companies that had practically abandoned print altogether, to disastrous result.

to be more costly. There are, however, bright spots in various vertical markets and for several key print direct marketing applications.

Full research results were published exclusively to members of PRIMIR, the Print Industries Market Information and Research Organization. To learn more about the study or membership in PRIMIR, contact Jackie Bland, PRIMIR Managing Director at e-mail: jbland@primir.org or phone: 703/264-7200. ●

SAVE THE DATE!

rethink
print

NPES ANNUAL CONFERENCE
October 17-19, 2011
Palm Beach, Florida
www.npes.org

New 2011 NPES Tax Calculator

COMPARE POTENTIAL TAX SAVINGS UNDER DIFFERENT CAPITAL INVESTMENT OPTIONS: 100% EXPENSING EXPIRES DECEMBER 31, 2011

The new 2011 NPES Tax Calculator helps you compare potential tax savings under different capital investment options, and highlights the huge boost capital investment has been given in 2011

as a result of *The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010*, the most aggressive capital investment tax policy in recent memory.

The enhanced and extended investment incentives in the new law reflect tax policy long advocated by NPES that will be very helpful to printers who have a business need for capital purchases. Following are key provisions of the new tax law which:

- Extends current law **IRC Section 168(k) 50 percent bonus depreciation** (enacted in 2009 as part of the *American Recovery and Reinvestment Tax Act of 2009* and extended in *The Small Business Jobs and Credit Act of 2010*) for two more years for equipment placed-in-service before January 1, 2013.

- In addition to 50% bonus depreciation, the new law provides **100% expensing** for qualifying new plant and equipment acquired and placed-in-service after September 8, 2010 and before January 1, 2012.

- **Qualifying property** continues to include depreciable tangible personal property purchased for use in the active conduct of a trade or business including printing, publishing and converting equipment, as well as off-the-shelf computer software.

- Extends enhanced **IRC Section 179 expensing** (currently set at \$500,000/year with a phase-out starting at \$2 million/year for tax years beginning in 2010 and 2011) through tax years beginning in 2012, but at a somewhat lower level of \$125,000/year with a \$500,000 phase-out.

- Those amounts will revert to \$25,000 and \$200,000 respectively in 2013.

- Unlike bonus depreciation, expensing applies to both new and used qualifying property, and is subject to annual dollar, investment and taxable income limits.

- Provides once again a refundable corporate AMT (Alternative Minimum Tax) credit provision similar to but not quite as generous (does not apply to old R&E credits) as the one employed in 2008 and 2009, but omitted in the 2010 stimulus act.

- Specifically, corporations will be able to utilize their AMT credits in lieu of bonus depreciation on property placed-in-service in 2011 and 2012.

- This election will allow a taxpayer to “monetize” its AMT credits generated before 2006, and will equal the lesser of 20 % of the additional first-year bonus depreciation foregone, or 6 percent of the AMT credits generated before 2006 that were available for the first taxable year ending after March 31, 2008.

- However, in no event will the credits be allowed to exceed \$30 million, and straight-line depreciation must be used for such property. There are also special rules for corporations that are part of controlled groups or partnerships.

For NPES's new Tax Calculator visit: www.npes.org/tax_calculator.asp. It is important to note that the effect of federal tax law varies from state to state.

NPES cautions that its tax calculator and this article are solely informational and do not constitute legal, financial, investment or other advice from NPES. Readers are advised to seek professional counsel from their own financial, accounting and legal advisors to apply these new incentives and other tax laws to their particular circumstances.

For more information contact NPES Government Affairs Director Mark J. Nuzzaco at phone: 703/264-7235 or e-mail: mnuzzaco@npes.org. ●

NPES CALENDAR

June 2011

ICC Meeting

June 14-17 • Barcelona, Spain

August 2011

CGATS/USTAG

August 4-5 • Kansas City, Missouri

September 2011

EXECUTIVE OUTLOOK Conference

September 10 • Chicago, Illinois

GRAPH EXPO

September 11-14 • Chicago, Illinois

TC130 Working Groups and Plenary

September 16-22 • Berlin, Germany

International Graphic Arts Show

NPES Member Booth and Trade Mission

September 21-27 • Tokyo, Japan

October 2011

CGATS/USTAG

October 6-7 • Long Beach, California

NPES 2011 Annual Conference

October 17-19 • Palm Beach, Florida

November 2011

ICC Meeting

November 13-15 • San Jose, California

February 2012

Vision 3 Summit

February 19-22 • Marco Island, Florida

October 2012

GRAPH EXPO

October 7-10 • Chicago, Illinois

September 2013

PRINT

September 6-11 • Chicago, Illinois

September 2014

GRAPH EXPO

September 28 - October 1 • Chicago, Illinois

NPES News is published monthly by NPES.

Publisher:

Ralph J. Nappi

Managing Editor:

Deborah Vieder 703/264-7222

Correspondents:

Jackie Bland Kip Smythe
Mark Nuzzaco

Circulation:

Margie Garr 703/264-7200



The Association for Suppliers of Printing,
Publishing and Converting Technologies

1899 Preston White Drive
Reston, VA 20191 USA
703/264-7200
e-mail: npes@npes.org
www.npes.org