The Worldwide Market for Print

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The context for print

- Economic forecasts
- Break of GDP and print demand in developed regions
- Demographic aging populations and fragmentation of societies
- Time poor consumers
- Increasing globalization
- First real competitor to printing – the Internet
- Printers developing strategies

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The context for print in India

- 1991 economic reforms
- G-8 / international influence
- Special Economic Zone
  - Private companies setting up
  - Support goods and services exports
- Print media has better reach than satellite or TV

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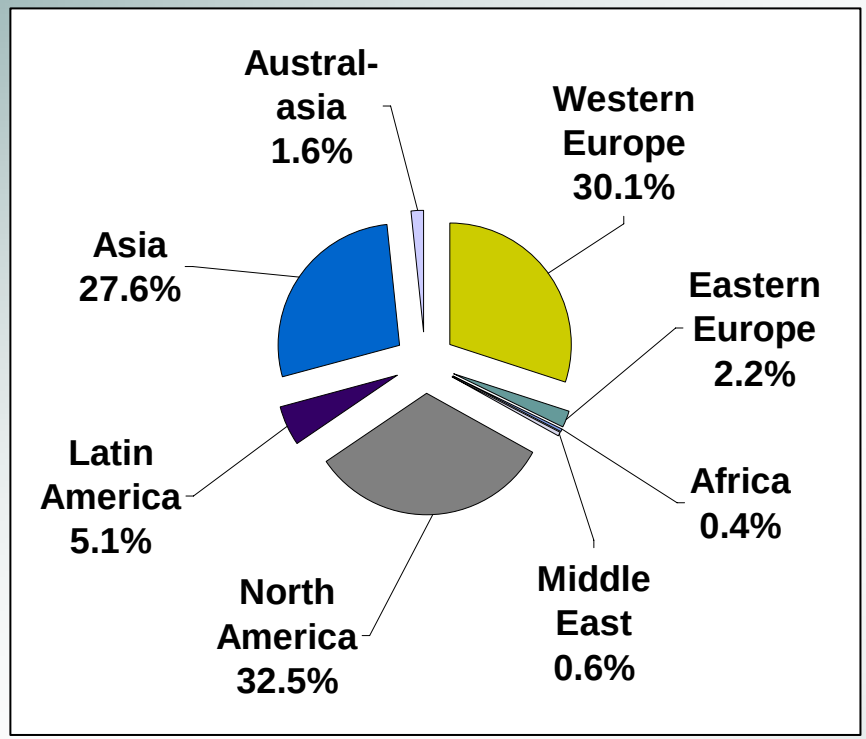
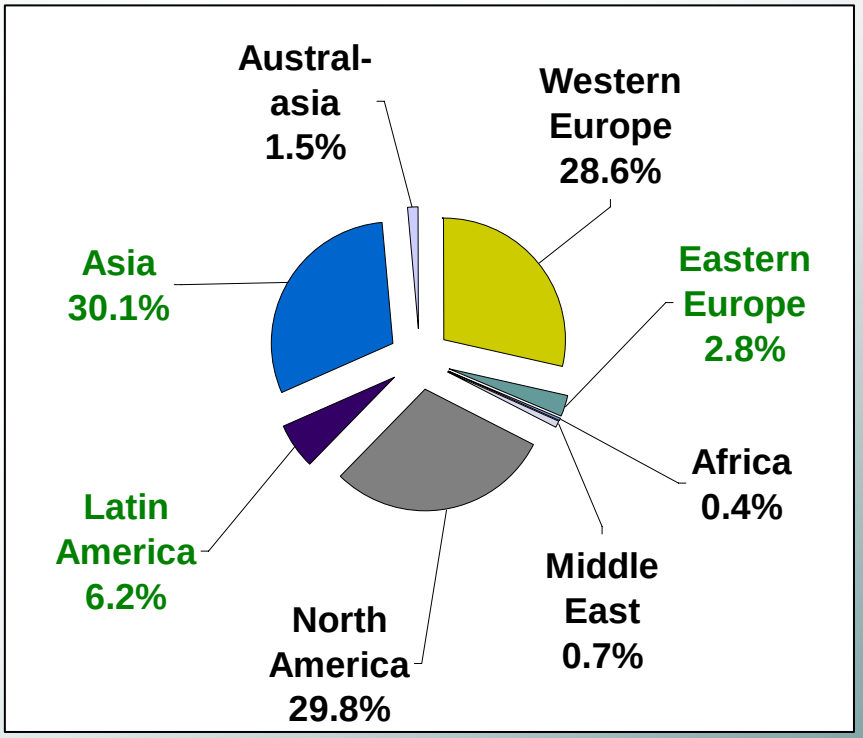
World print market by region, 2006-2011

2006, US$610 billion



2011, US$721 billion



Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Key growth markets

- Nine key markets with significant potential identified: China, Brazil, India, Mexico, Indonesia, Russia, Poland, Turkey and the Ukraine
- Combined population of 3.27 billion in 2006, rising to 3.42 billion by 2011
- Combined print market value rising by US$54 billion to US$148 billion over the same period

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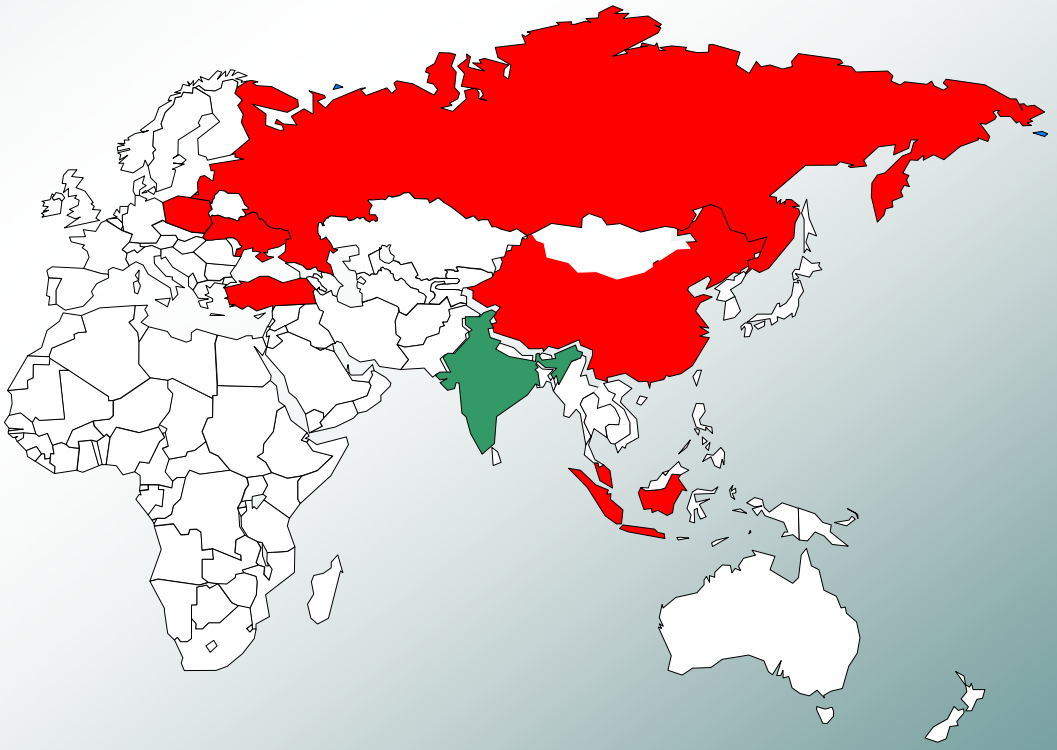

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India

- Second most populous nation world-wide, set to become the most populous by 2050
- Fast-growing economy with GDP rising by around 6-7% per annum in recent years
- Emergence of a new middle class with significant purchasing power, although the broader population remains very poor
- Rising literacy levels, up from below 50% in 1990 to over 60% by 2003. Upward trend set to continue and help drive demand for print
- Major center for outsourced business in financial services and other fields

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India – key statistics, 2006-11

Literacy rate: 49.3% (1990); 61.0% (2003)

Year	2006	2011	% change 2006-11
Population (mn)	1,119	1,200	7.2
GDP (US$bn)	$850	$1,422	67.3
Print mkt (US$mn)	12,131	20,991	73.0
- Print mkt per capita (US$)	10.84	17.49	61.3
Print machinery (US$mn)	521	628	20.4
Inks (US$mn)	356	631	77.1
Substrates (US$mn)	4,069	6,967	71.2
Consumables (US$mn)	154	262	69.9
Total (US$mn)	$17,231	$29,479	71.1

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Top Level Global Print Market 2000-2011 (US$ million, current prices)

Region	2000	2006	Growth 2000-06	2011	Growth 2006-11
Global	$477,765	$609,809	27.6%	$720,690	18.2%
Western Europe	125,539	183,379	46.1%	205,903	12.3%
Eastern Europe	5,387	13,227	145.5%	20,022	51.4%
Africa	1,860	2,206	18.6%	2,954	33.9%
Middle East	2,225	3,406	53.0%	5,165	51.7%
North America	**173,705**	**198,137**	14.1%	214,515	8.3%
Latin America	22,840	31,198	36.6%	44,448	42.5%
Asia	138,642	168,309	21.4%	**217,004**	28.9%
Australasia	7,566	9,947	31.5%	10,678	7.4%

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Leading print markets, 2006-2011 (US$ million, current prices)

Rank	Country	2006	Growth 2005-06	2011	Growth 2006-11
1	United States	$182,000.7	2.8%	$196,722.7	8.1%
2	Japan	84,976.0	-3.3%	88,363.7	4.0%
3	China	41,200.0	17.0%	65,934.1	60.0%
4	Germany	38,794.2	1.5%	43,329.9	11.7%
5	UK	34,937.0	4.0%	39,030.6	11.7%
6	France	23,251.5	2.9%	26,731.4	15.0%
7	Italy	23,096.3	2.6%	26,000.4	12.6%
8	Canada	16,136.4	11.6%	17,792.2	10.3%
9	Spain	13,856.0	4.1%	16,074.4	16.0%
10	Brazil	12,552.2	18.5%	19,192.2	52.9%
11	Mexico	12,277.5	7.1%	16,550.4	34.8%
12	India	12,131.0	7.8%	20,990.7	73.0%

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Note: appreciation of Canadian Dollar, Brazilian Real in 2006

Print market rankings, 2000-11

- US ranks one, ahead of Japan
- China has moved up from 5th to 3rd, overtaking the UK and Germany
- India (population: 1.2bn) and Indonesia (pop: 225mn) emerging as significant print markets with great long term potential
- Other fast movers include Russia, moving up from 37th in 2000 to 22nd into 2006

Country	2000	2005	2006	2011	Country	2000	2005	2006	2011
United States	1	1	1	1	**India**	**11**	**11**	**12**	**8**
Japan	2	2	2	2	**Australia**	13	13	13	14
China	5	4	3	3	**Netherlands**	14	14	14	15
Germany	3	3	4	4	**South Korea**	18	15	15	16
UK	4	5	5	5	**Sweden**	17	16	16	18
France	6	6	6	6	**Indonesia**	21	20	17	13
Italy	7	7	7	7	**Belgium**	19	17	18	19
Canada	8	8	8	10	**Austria**	20	19	19	21
Spain	10	9	9	12	**Hong Kong**	15	18	20	20
Brazil	9	12	10	9	**Norway**	22	21	21	24
Mexico	12	10	11	11	**Russia**	37	24	22	17

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Global print market by company type, 2006-2011 (US$ billion, current prices)

Sector	2006	2011	% change 2006-11
Package printers	$153.5	$184.9	20.4
Newspaper publishers	45.1	54.0	19.7
In-plant reproduction	42.4	49.5	16.7
Commercial printers	314.3	369.5	17.6
Business support services (BSS)*	20.3	23.1	13.6
Quick printers	8.2	8.5	3.7
Prepress	12.9	14.5	12.7
Postpress	13.2	16.7	26.9
Total above	$609.8	$720.7	18.2
Copy shops	11.3	11.7	4.1
Photocopying by BSS	8.6	9.7	12.4
Mailing services by BSS	11.9	16.6	39.7
Grand total	$641.5	$758.7	18.3

Note: Business Support Services include data service bureaus and similar outfits, also including direct mail service providers; *refers to print work only, excluding photocopying & mailing work, shown separately
Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Global machinery market, 2006-11 (US$ million, current prices)

Sector	2006	2011	Growth 2006-11
Sheetfed	$4,892.2	$4,575.9	-6.5%
Coldset	1,765.0	1,677.9	-4.9%
Heatset	2,126.6	1,972.4	-7.3%
Gravure	1,315.6	1,161.3	-11.7%
Flexo	2,783.9	2,510.3	-9.8%
Screen	811.7	689.7	-15.0%
Letterpress	403.9	291.7	-27.8%
Electrophotography	1,431.0	2,055.6	43.7%
Inkjet	1,310.8	1,989.9	51.8%
Spares	2,966.0	2,684.8	-9.5%
Prepress	1,598.4	1,584.5	-0.9%
- Film imagesetters	192.7	162.0	-15.9%
- Platesetters	1,405.7	1,412.2	0.5%
Postpress	1,520.2	1,384.4	-8.9%
Total	$22,925.3	$22,839.7	-0.4%

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Indian machinery market, 2006-11 (US$ million, current prices)

Sector	2006	2011	Growth 2006-11
Sheetfed	$3,891.90	$5,946.80	52.8%
Coldset	2263.5	3446.1	52.2%
Heatset	636.1	997.1	56.7%
Gravure	931.4	1,903.00	104.3%
Flexo	1468.6	2273.5	54.8%
Screen	852.7	1306.3	53.2%
Letterpress	1002.1	1064.6	6.2%
Electrophotography	460.8	2,647.80	474.6%
Inkjet	359.1	992.4	176.4%

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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Summary

- Print will thrive globally
- India will be in top 10 markets by 2011
- Growth opportunity will shift from the developed world to the emerging world
- Print products that decline in the developed world will thrive in the emerging world
- Manufacturers need to seek markets with big populations and fast growth rates