NPES members attending the 75th Annual Conference, November 15-17 in St. Pete Beach, Florida were treated to a high energy, high octane business agenda. Topics ranging from how to achieve stellar customer service, to case studies in sustainability and Lean successes, to a compelling peek into our industry’s next 75 years—and the timely industry economic update—reconfirmed for participants that education was the primary draw for attending the Conference.

Guided by the Association's Programs and Meetings Committee, Hank Brandtjen, Gary Dolgins, Steve Fullerton, Bruce Goodwin, Pat Janssen, Jochen Meissner and Barbara Reggio, the Conference program was designed to engage members in lively dialogue with an array of business and industry leaders who were specifically selected to help attendees position themselves for success based on the changing models of the print industry today—and tomorrow.

On Saturday, November 15, to officially welcome the 14 first timers who participated in their very first annual meeting, NPES Board members and staff gathered together to personally welcome them to the Conference and escort them to the opening Welcome Reception and Dinner.

Throughout the ‘Margaritaville’ inspired evening, set to music with the relaxing rhythms of a steel drum band, was the affable buzz of networking among old friends and new.

Kicking off the proceedings on Sunday, Scott McKain, Vice Chairman of Obsidian Enterprises and Co-Founder and Principal of the Value Added Institute, shared with attendees the ‘disconnects’ between what customers crave vs. what most organizations offer. The lessons learned during his informative and entertaining presentation, and the ensuing interaction, were rated by many attendees to be among the highlights of the conference.

Next up was Robert Tapella, Public Printer of the United States, Government Printing Office (GPO), who shared an overview of the great strides the GPO has made in the area of sustainability, moving the GPO in a direction that has made the printing and printing equipment industry a model within many government organizations.

Following one of the timely networking breaks interspersed throughout the program, internationally known speaker, futurist and technological historian, Dr. Jack Bacon, Systems...
Making the Leap: From Core Competency to Creative Change

Tomorrow’s success stories were everywhere at GRAPH EXPO 2008. It is hard to point them out individually, since picking winning businesses is a lot like picking winning stocks. It’s always easier to do in hindsight!

As many attempt to navigate the tumultuous global marketplace these past months, and into 2009, there is little doubt that the winners of tomorrow are relishing the opportunities that this turmoil brings. In fact, today’s Valpak’s and Vista Prints were germinated in past times of challenge. When most were scared, concerned and cutting capital expenditures these current day winners were doing exactly the opposite.

While walking the GRAPH EXPO show floor, I had a chance to learn about a number of interesting new applications. For example, Goss, one of the longtime and heavy iron players, has developed a new tool called “GossRSVP,” a program designed for companies to link print with mobile technology. Essentially, customers interact with printed material called “GossRSVP,” a program designed for companies to link print with a phone or other mobile device. The benefits about a number of interesting new applications. For example, Goss, one of the longtime and heavy iron players, has developed a new tool called “GossRSVP,” a program designed for companies to link print with mobile technology. Essentially, customers interact with printed material by scanning a code or text messaging to a number that provides discounts or other types of interaction. GossRSVP effectively links customers to print by utilizing a phone or other mobile device. The benefits are pretty clear as it enables a personal, tangible and action-oriented reaction to the print ad or message.

Another example was the October issue of Esquire magazine—its 75th Anniversary edition. It caught my eye for two reasons: NPES shares this 75th founding year and it was the first ever E-Ink magazine cover. In addition to having the distinction of producing the first E-Ink cover, it was also Esquire’s most profitable edition in its 75-year history! Not bad for an issue that cost substantially more to produce than any other. And not bad for a print sector that is not known for growth or profitability! So it seems that Esquire magazine has something in common with Goss, a newspaper equipment manufacturer that, likewise, has made a substantial effort to develop a novel way to market their products and services by adapting rather than abandoning a challenged market.

On October 10th, there was a very interesting Associated Press story entitled “Plastic Film Could Make House Lights Obsolete”. The beginning of the story goes like this: “On a bank of the Mohawk River, a windowless industrial building of corrugated steel hides something that could make your lamps, bedside lamps, wall sconces and nearly every other household lamp obsolete. It is a machine that prints lights. The size of the semi-trailer, it coats an eight inch wide plastic film with chemicals, then seals them with a layer of metal foil. Apply electric current to the resulted sheet and it lights up with a blue white glow. It is a machine that prints lights.”

The same month as GRAPH EXPO, in an Advertising Age article, entitled “Soon, Your Mayonnaise Label May Have Sight, Sound, Video; electric ink could be low-cost, energy efficient option for advertising,” readers learned about the benefits of flashier in-store displays and product packaging, and the strides being made to implement once only “dreamed-of” applications. Today, organizations like Proctor & Gamble, Coca Cola and General Mills are committing big dollars to the development and execution of such media.

So what do all these examples that are near, and not so near, to our industry mean to NPES members in our 75th year? Simply, that there are substantial opportunities that exist in “printing” if we recognize our future business opportunities as more than just ink or toner on paper, and today’s customer as more than just a commercial printer. Where Goss, Structural Graphics, E-Ink Company, GE and others see opportunities is in an area that allows core competencies to be leveraged for much more—and greater impact—than they used to be. Our future lies in new opportunities, beyond the limits of what we currently see through traditional “printing spectrum” goggles—the convergence of message and media; of marketing and print; of manufacturing and innovation—yet they are there, just over the horizon.

In the next 75 years, for NPES to continue to be a benefit to you, we must provide the resources for today’s challenges and, more importantly, new ideas and strategies for tomorrow’s opportunities; our industry’s long term future depends on it.

Ralph Nappi
NPES President

NPES 2009 Industry Summit

March 23-25, 2009

ACCOMMODATIONS
Washington Marriott Hotel
1221 22nd Street, NW
Washington, DC

Reservations Phone:
800/228-9290 or
202/972-1500
Refer to Group ID:
“NPES Industry Summit”

Reservation Deadline:
February 27, 2009

REGISTER NOW!

PRINT OUTLOOK 09, March 23-24, themed “Adapting to the Realities of the 21st Century,” will feature keynote speaker, Alan Beaulieu, senior analyst, economist and a principal from the Institute for Trend Research who will present:

Economic Reality: The Recession... How Deep? How Long?

PRIMIR Spring Meeting, March 24-25, immediately following PRINT OUTLOOK. Every year, PRIMIR conducts several of the industry’s most comprehensive research studies on topics of critical strategic concern to manufacturers, suppliers and printers. This year, join us for an insider’s preview of PRIMIR’s two newest studies:

• Media Mix and the Impact on Print
• Sourcing Behavior of North American Print Originators

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SAVE THE DATES!

WATCH YOUR MAIL FOR COMPLETE DETAILS!
Integration of Lean and Safety to their best advantage.

Transporting attendees back from the future with timely tactical strategies for the present, industry expert in Safety, Lean and Standards, Michael Taubitz, Principal of Lean Journey, LLC, revealed how print industry manufacturers can utilize and maximize the benefits of Lean and Safety to their best advantage.

Rounding out the full morning of education, with a nod to NPES’ 75-year history, Hank Brandtjen delivered his Chairman’s report. As he weaved his way from our Association’s inception in 1933 to the present day, attendees were expertly guided through time, briefly stopping to recognize significant milestones along the way. From downturns to upswings and back, he aptly illustrated just how far NPES and its members have come armed at times with only results-oriented tenacity and a positive outlook on the future.

As the busy morning of education and business networking drew to a close, attendees and guests eagerly anticipated the Great Gatsby Night, an elegant and enjoyable evening featuring presentations of the Harold W. Gegenheimer Awards, a time-honored tradition at NPES annual conferences.

Great Gatsby Night offered yet another opportunity for networking, which attendees stated throughout the program was a key reason for attending the Conference.

preceding the evening’s formal program, attendees took full advantage of yet another networking opportunity to meet and greet old friends and new, exchange perspectives on the morning’s education program, and discuss their organization’s plans for the upcoming year.

Great Gatsby Night, designed to celebrate NPES’ diamond jubilee, officially began as Chairman Brandtjen welcomed those in attendance recognizing that, “Just like our 26 founding members back in 1933 who gathered together to form our Association, we are all here this evening because we share a passion for our industry and a vision for its future.”

Featuring presentations of the association’s Harold W. Gegenheimer Awards for Industry Service, the program included special recognition for the dedicated involvement of outgoing NPES Board members: Dr. Juergen J. Stolt, former Executive Vice-President at Pantone, Inc., now part of X-Rite, and Don Ohlig, Managing Director for the OLEC Corporation. This year’s Gegenheimer Corporate Service Award winner, Burgess Industries, Inc., was recognized for the many contributions the company and its leaders have made to NPES and to the industry. Accepting the award for the company was President/CEO D. J. Burgess, who pledged to continue his support of the industry via the company’s continued involvement in NPES. Next, Dr. Juergen J. Stolt was again called to the podium, this time to receive the Gegenheimer Individual Service Award for his longstanding and passionate support of and numerous contributions to the industry and NPES.

Following a festive evening of friendly camaraderie, bright and early on Monday morning it was down to business as the NPES Business Session convened to provide members with an executive summary of current activities and to elect the association’s leadership for the coming year. Re-elected as NPES Chairman was Hank Brandtjen, President, Brandtjen & Kluge, Inc. Four new directors were also elected: Michael Aumann, President and CEO of Buhrs America Inc.; John Copeland, President and COO of Toyo Ink America, LLC; Kathleen McHugh, Vice President and Chief Marketing Officer of Presstek, Inc.; and, Kazuyoshi “Kosh” Miyao, President and COO of Komori America Corporation. Re-elected as well were: Gary Dolgins, Director of Sales and Marketing for Blanchard Systems, Inc.; Patricia Janssen, Senior Vice President, MacDermid, Inc.; and, James Martin, Senior Vice President Marketing, Heidelberg USA.

In addition to key staff reports on NPES government relations efforts, updates on current market data, news about current and future PRIMIR studies, a Graphic Arts Show

Don Ohlig, (c) of OLEC Corp. was honored for his service on the NPES Board; flanked by NPES Chairman Hank Brandtjen (l) and NPES President Ralph Nappi (r).
R&D Tax Credit Extended through 2009 as part of Emergency Economic Stabilization Act

Following a typical pattern, Congress has once again retroactively extended the R&D Tax Credit, continuing it for tax years 2008 and 2009, as a part of the Emergency Economic Stabilization Act of 2008. But for that urgent legislation that addressed the recent financial sector meltdown, the Credit might not have been extended before the end of the 110th Congress.

In addition to extending the regular Credit, the Alternative Simplified Credit (ASC), available since January 2007, has been increased from 12% to 14% for tax year 2008. The ASC is calculated without reference to a company’s gross receipts; instead, it looks to a firm’s historical R&D spending and can assist a company that may not qualify for the regular credit.

The R&D Tax Credit spurred billions of dollars in economic activity and helps to keep thousands of high-paying skilled jobs in the United States. Unfortunately, the full value of the Credit is discounted by the United States’ halting, short-term and sometimes uncertain extensions of the Credit.

Global competition for R&D investment dollars has never been more heated. According to the R&D Credit Coalition—a group of more than 100 trade associations and corporations of which NPES is a member—research and development is the lifeblood of the U.S. economy, and the tax credit that helps facilitate it should be made permanent. A strong commitment to R&D is also a strong commitment to U.S. international competitiveness; job creation and economic growth that sparks a chain of investment leading to capital equipment purchases.

An April 2008 Ernst & Young study documents that although the R&D Credit is used by both large and small companies, over 50 percent of the firms claiming the credit in 2005 were relatively small businesses with assets of $5 million or less. The same study shows that manufacturing accounts for far the largest share of total R&D Tax Credits at 71 percent. Both metrics describe many NPES member companies.

For more information contact NPES Government Affairs Director Mark J. Nuzzaco at phone: 703/264-7235, fax: 703/620-0994, or e-mail: mnuzzaco@npes.org.

D.J. Burgess, President/CEO (l), accepts Harold W. Gegenheimer Corporate Service Award on behalf of Burgess Industries, Inc., and receives congratulations from NPES President Ralph Nappi.

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In a post-tour Q & A session, Valpak Vice President of Manufacturing David Fox advised that while equipment on the floor has elements of a press common in the marketplace, it’s been configured and integrated in unique ways, which holds true for most areas of the plant.
GRAPH EXPO Honored Among “Fastest 50” Trade Shows

On November 8 in Baltimore, Maryland GRAPH EXPO was honored at Tradeshow Week’s annual awards gala, winning a spot among the 50 fastest growing trade shows within North America.

Taking into account that there are approximately 7,000 trade shows in this region, after a record-breaking number of nominations were submitted and the dust settled, the top 50 remained—the fastest-growing shows in the United States and Canada.

Among the winners were shows that focus on everything from online retailing and advertising to high-tech science, wind power and livestock. Each was recognized for accomplishing unique initiatives to deliver growing value and ROI to attendees and exhibitors alike.

Beyond this annual event, from its signature editorial coverage to world-renowned directories, Tradeshow Week is the recognized voice of the exhibition industry.
Go East Young Man
Poland... an “Emerged” Market

When PRIMIR commissioned the World Wide Market for Print study, we knew that the developed markets were slowing and the BRIC markets (Brazil, Russia, India and China) were growing extremely fast. What we didn’t know was how big and how fast other emerging or developing markets were growing. When we received the study and the major findings, nine countries were identified that had the most promise for NPES members. Besides the BRIC countries, Mexico, Indonesia, Turkey, Ukraine and Poland were identified as having great potential. In fact, those nine countries account for 3.27 billion people and a print market of $54 billion in 2006. By 2011, the print market in those nine countries will almost triple to $148 billion.

At drupa 2008, during the North American press conference, I ran into my old friend Artur Dziedzic who is the publisher of the two premier trade magazines for the graphic communications industry in Poland, Vidart and Print Partner. When I told Artur that our study identified his country as one of the fastest growing print markets in the world, he told me I’d be amazed at the progress of the industry and invited me to come visit and see first hand for myself. So, when I saw that my travel schedule included a meeting in Amsterdam in late September, I seized the opportunity to visit to Poland to see first hand what is going on in the print market there.

Working for NPES for many years and managing our international standards programs and the International Color Consortium, I’ve been to many foreign countries developed and developing. However, the closest I’d ever been to the former “communist block” was in 1989 at an ISO meeting in Berlin before the wall came tumbling down. Our hosts took us for a boat ride on the Havel River towards the Wannsee Lake and I can remember that the river separated East from West. In the distance on the East side you could see the Berlin wall with the observation towers complete with guards with shotguns. The river had three sets of markers and I’d ever been to the former “communist block” was in 1989 at an ISO meeting in Berlin before the wall came tumbling down. Our hosts took us for a boat ride on the Havel River towards the Wannsee Lake and I can remember that the river separated East from West. In the distance on the East side you could see the Berlin wall with the observation towers complete with guards with shotguns. The river had three sets of markers and if anyone went from the west markers to the east, the guards would shoot you! I felt a bit like I was in an episode of Mission Impossible. So, when I arrived at the airport in Amsterdam to fly to Warsaw... the theme song from Mission Impossible was playing in my head. (Mr. Smythe, your mission...should you accept it...is to find out how big and how fast the Polish print market is growing...)

I boarded my flight on LOT, the official Polish airline, and off I went. The pilot came over the PA system and said our flight time to Frederic Chopin Airport would be about one hour. Having played piano as a youth I knew that Chopin was a great composer, but I didn’t have a clue that he was Polish! So, obviously Poland has some culture... that was good to know.

My other concern was money... I’ve learned over the years not to take dollars and exchange them for local currency. It’s far easier in my opinion to just find an ATM in the airport and get cash just like anywhere else... would this work in Poland? After all, this place was in the “Eastern block” only 19 years ago. So, I was a bit concerned that I would arrive with no PLNs (the local currency) and not be able to get enough to get a cab to the hotel. I thought... what the heck is a PLN anyhow? When I got to baggage claim, right around the corner was an ATM... just like anywhere else... in went my card and out came 160 Polish Zloties. So, why are they called PLNs if the currency is a Zloty? Well, it turns out they revalued their currency and the old currency PLZ needed a new acronym so the N is for “new”... another mystery solved!

As soon as I exited the terminal up walked a cabbie who in perfect English asked if I needed a cab... wow! This is going way too smooth, I thought. As we approached the central business district where my hotel was located, I was impressed with the number of skyscrapers... many of 40 or 50 stories. However, there was one very ornate building that was brightly lit and much higher than any other. When I asked the cabbie about it he responded... “Oh, we don’t like that building... it was a gift to the Polish people from Stalin.” Evidently, it was a constant reminder of the occupation of Poland by the Russians after the war. During the occupation “The Joseph Stalin Palace of Culture and Science” was the headquarters of the communist party. It stands 778 feet tall and is the 7th tallest building in the European Union; I could only imagine this incredible monument hulking over Warsaw which otherwise was flattened during the war. No wonder the Polish people to this day hate

Go Global: NPES 2009 Trade Missions

Has the time come for your company to ‘go global’? Explore the opportunities! Four new NPES trade missions are now scheduled in conjunction with these upcoming shows:

■除 Expográﬁca, March 31-April 4, Mexico
■除 Gulf Print, April 6-9, United Arab Emirates
■除 Polígrafia Expo, April 21-24, Poland
■除 China Print, May 12-16, China

For complete information, contact Pernilla Jonsson at phone: 703/264-7200, ext. 353 or e-mail: pjonsson@npes.org.
this building.

The next morning, my “mission” began in earnest with a visit to the US Commercial Service. My friend, Artur, met me at the hotel and off we went to meet with Maria Kowalska. Maria informed me that “In general, the Polish printing sector is modernized and the companies are well equipped”. I thought... OK... everything is relative but we’ll see later today. She also told me that there had been an incredible amount of investment by the Polish industry starting about 1998... Artur agreed with her. In fact, imports of printing machinery totaled $1.156 billion in 2007. I thought... that’s impressive for a country with about 3,500 printing companies. The US with 30,000 printers only purchased $1.6 billion of machinery in 2007.

After the usual photo op with the Commercial Counselor, John McCaslin, Artur and I were off to see some printers. Our first visit was to SOWA, a digital book printer specializing in short run books from 1 to 1,000 copies. They produced full color covers and black and white pages with a fully digital front end driving any one of three digital presses, a Delphax continuous high speed press or two DocuTechs. They ran a minimum of two shifts per day, six days per week and they were bursting at the seams... it was clear they needed to expand and as I was leaving, our host showed us the artist’s drawing of their new facility. Clearly, they were doing quite well.

Our next visit was to a wide format digital design and print center, G & G Studio. This was an 100 employee shop that ran 24/7 producing banners, signs, building wraps, vehicle wraps on the newest fastest high speed wide format UV printing devices. The owner, Pawel Grot, called his company a “visual merchandising” business rather than a “printer”. Hmm, we’ve been telling printers to redefine themselves as marketing services providers for years and it seems that message has made it all the way to Warsaw!

Our next stop was at Drukpol which was a sheetfed shop doing 70% commercial work and 30% packaging. As we pulled into their parking lot, I saw this huge pile covered with tarps. When I met with the owner, Krzysztof Kwiatkowski, he said “We’re so busy here that we have no room to store our paper supply, so we have to keep the paper outside in the parking lot.” His daughter, Eliza Gifford, took me on a tour of their plant which was state-of-the-art in every way. Eliza was educated in the US and married an American. Again, they had a complete design and prepress department feeding their platesetters. They operated two new Heidelberg Speedmasters (10 color perfector and 6 color with coater) and had a full bindery with cutting, folding and perfect binding. In addition, since they did folding carton work, they had a new high-speed diecutter and folder/gluer. This was a first class shop and you could eat off the floors it was so clean!

Our last visit was to Tauras and Stanislaw Roszkowski, a short-run magazine printer. We sat in his conference room which appeared to have custom made furniture and even the stair railings appeared custom designed. He told me that he has been successful because he stays ahead of the curve and he said, “I never keep any piece of equipment longer than 3 or 4 years... my shop is state-of-the-art so I can deliver the best possible product to my customer.” He had a six color Komori alongside a 10 color Speedmaster. Like Drukpol, he had a complete design and prepress operation and full bindery, the only difference being no diecutting since he did not do any package printing.

As we left his operation and headed back for downtown Warsaw, it was clear to me that this was not a developing market in the true sense. In the last 10 years there has been a tremendous level of investment by the Polish printing industry. They are current with all of the trends that we discuss here in the States. They are fully digital, they use the latest printing and binding technology, they recognize the importance of package printing to future growth and they get the concept of being more than just a printer... being a marketing services provider.

Clearly there is a great opportunity for NPES members to get established in this market. Of the $1.156 billion that was imported to Poland in 2007, only $50 million was from the US. With their understanding and comfort with digital, US manufacturers should be able to mine this market with ease. To assist in that process, NPES will be organizing a trade mission to Poland around their large trade show Poligrafia in April 2009... details to be forthcoming from the NPES International Trade department. Poland has emerged, but it’s not too late to be part of their further development.
**NPES CALENDAR**

**January 2009**
- NPES Member Booth and Pavilion
  PRINT PACK INDIA 2009
  January 18-23 • New Delhi, India

**March 2009**
- ICC Meetings
  March 3-6 • Paris, France
- NPES 2009 Industry Summit
  March 22-25 • Washington, DC
- Market Data Committee Meeting
  March 22
- PRINT OUTLOOK
  March 22-24
- PRIMIR Spring Meeting
  March 24-25
- NPES Member Booth and Pavilion
  Expografica 2009
  March 31-April 4 • Guadalajara, Jalisco, Mexico

**April 2009**
- NPES Member Booth and Pavilion
  GULF PRINT 09
  April 6-9 • Dubai, United Arab Emirates
- GASC Board of Directors Meeting
  April 14-15 • Las Vegas, Nevada
- GAERF Board of Directors Meeting
  April 14-15 • Las Vegas, Nevada
- NPES Member Booth and Pavilion
  Poligrafia Expo 2009
  April 21-24 • Poznan, Poland

**May 2009**
- NPES Member Booth and Pavilion
  CHINA PRINT 09
  May 12-16 • Beijing, China
- TC130 Working Groups 1-4
  May 18-23 • Dallas/Ft. Worth, Texas

**June 2009**
- TC130 Working Group 5
  June 2-4 • Portland, Oregon
- ICC Meetings
  June 15-18 • Tokyo, Japan

**September 2009**
- PRINT
  September 11-16 • Chicago, Illinois
- TC130 Working Groups & Plenary
  September 21-26 • Beijing, China

**NPES News**

**HURLEY’S TRADE-WISE DO TELL INTEL**

**In Hard Times, is Export Trade Still the Answer?**

Economically speaking, few would doubt that the multilateral trading system has been a resounding success. Global trade has grown 30 fold in real terms since 1948. **For the United States, merchandise exports have risen from $13 billion in 1948 to $1.16 trillion in 2007.** The growth in services exports has been equally impressive, expanding from $38 billion in 1980 to $456 billion last year. Today, as the United States faces a deepening recession, export growth has assumed even greater importance. Ironically, this challenge comes at a time when thriving exports and investment are responsible for virtually all of the good news in America’s economy today. Even as we dipped into negative economic growth in the third quarter of this year, **continued strong exports contributed a positive 1.1% to economic growth,** though this was overtaken by slumping consumer spending and investment.

The World Bank’s recent global economic outlook report predicts that global GDP growth will slip from 2.5 percent in 2008 to 0.9 percent in 2009. **Developing country growth is expected to decline from a resilient 7.9 percent in 2007 to 4.5 percent in 2009. Growth in rich countries next year will likely be negative.**

The report projects that world trade will contract by 2.1 percent in 2009. This is the first time since 1982 that world trade will shrink. All countries will be affected by this drop in exports, which reflects not only the sharp slowdown in global demand, but also the reduced availability of export credits.

As U.S. manufacturers seek to sustain their business through export trade and make their strategic global marketing plans for 2009, what is the outlook for growth in the world’s regional developing markets? In East Asia and the Pacific, GDP growth slowed to an estimated 8.5 percent in 2008 and is expected to drop to 6.7 percent in 2009. The region has been hit by a heavy sell-off of equities and sharp downturns in export volumes.

**China’s growth is projected to slow from 9.4 percent in 2008 to 7.5 percent in 2009,** but the government’s recently announced $586 billion stimulus program may edge China’s growth back to 8.5 percent in 2010. GDP growth in Europe and Central Asia is expected to slow to 5.3 percent in 2008, falling to 2.7 percent in 2009. The downturn is being driven by lower investment tied to difficult financing conditions and weaker export market demand. Russia’s growth will likely be 6 percent in 2008, down from 8.1 percent in 2007, as the banking crisis and low oil prices remain in play.

In Latin America and the Caribbean, GDP growth—expected to be 4.4 percent in 2008—is at risk, pressuring private sector investment. As commodity prices weaken, major exporters like Argentina may record current account deficits. Others like Brazil and Mexico will see a drop in exports to the recession-hit United States and Europe. The regional outlook is expected to worsen in 2009, with GDP dropping to 2.1 percent, driven by a decline in capital spending.

“The Middle East and North Africa region appears to have held up well in 2008, growing at an unchanged 5.8 percent in 2008, but the aggregate number hides substantial swings in trade, current account positions and external financing requirements. With oil exporters facing diminished revenues in 2009, regional growth is expected to be just 3.9 percent in 2009.**

**Growth in South Asia eased to 6.3 percent in 2008 from 8.4 percent in 2007 and is expected to slip to 5.4 percent in 2009.** High food and fuel prices, tighter credit conditions, and weaker foreign demand have led to worsening external accounts and slower investment growth. The downturn is most apparent in India and Pakistan, where industrial production fell sharply.

To help its members sustain their businesses, NPES has scheduled business development trips to India, China, the Middle East, Central Europe and Mexico from January through May, and to Russia later in the year. Members can obtain further information on these business development trips by contacting Mike Hurley, Director International Trade, at phone: 703/264-7212 or e-mail: mhurley@npes.org.

**Sources:** WTO, World Bank, U.S. Department of Commerce, NPES International Trade Conference

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