



Quarterly U.S. Commercial Printing Profits 1995 to 2010

Issued April 4, 2011

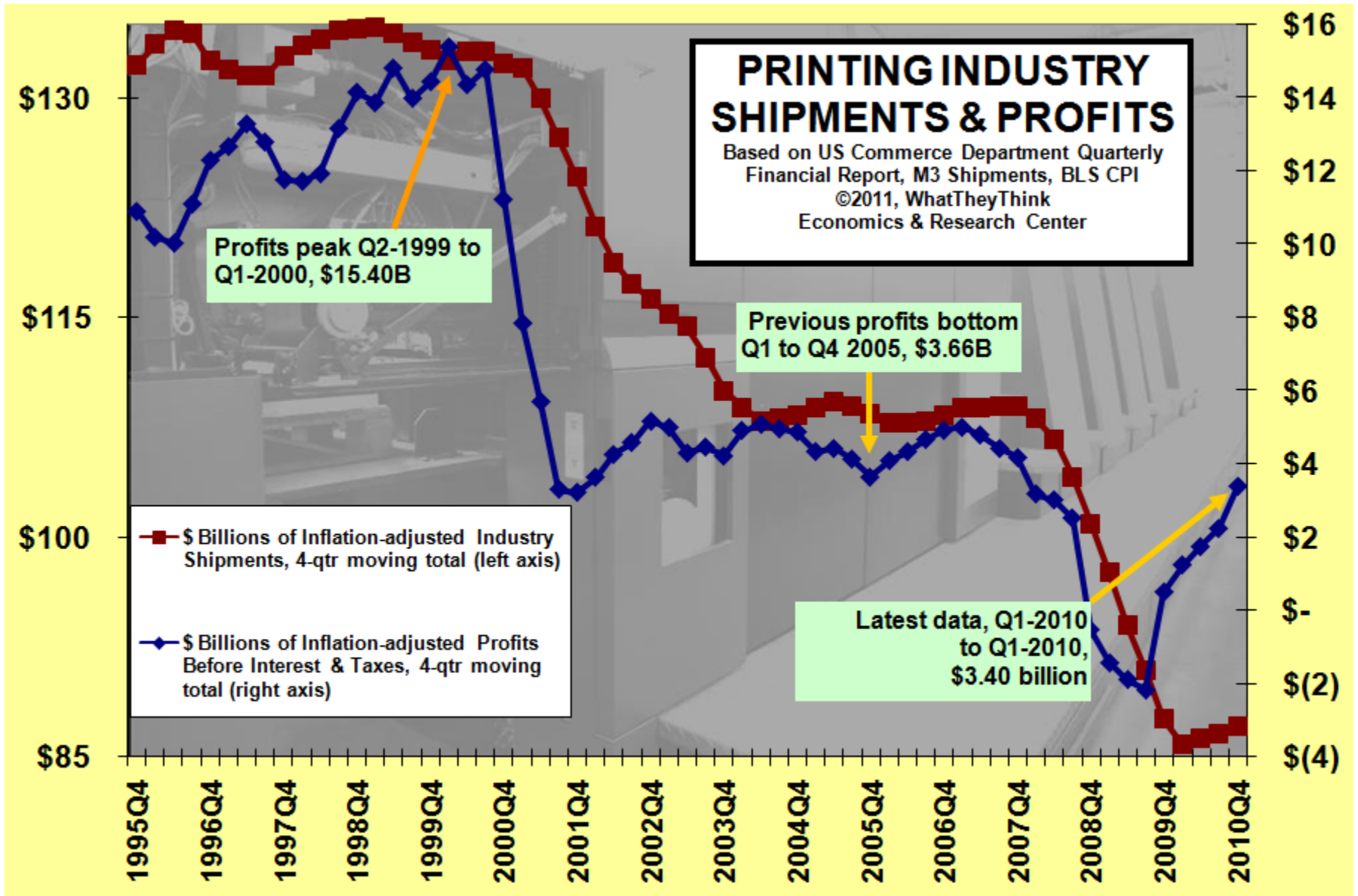
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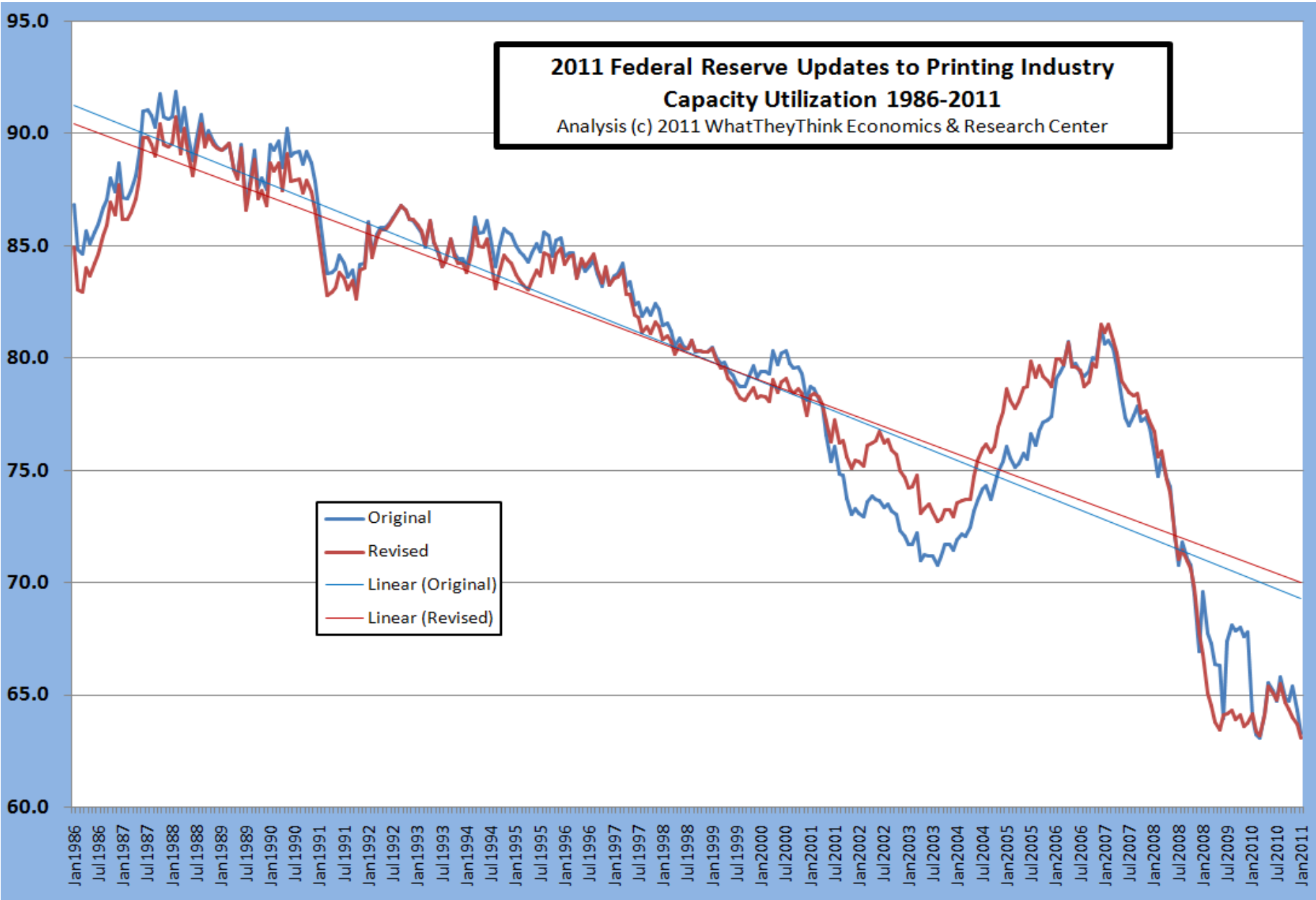
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Executive Summary

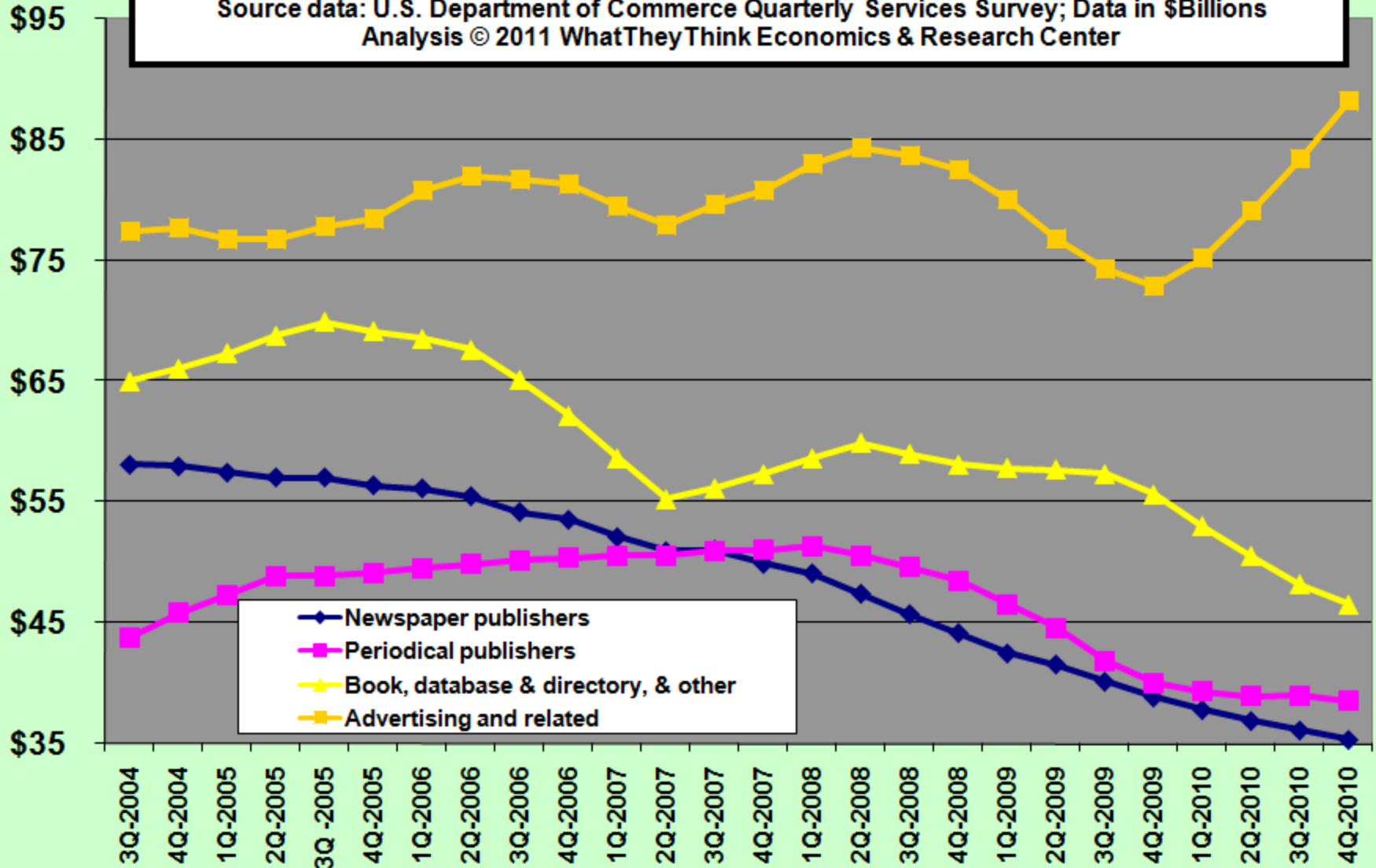
- Q4-2010 profits before interest and taxes reported as \$1.11B
- Q3-2010 PBIT revised down from \$1.1B to \$960MM
- 2010 inflation-adjusted PBIT were \$3.4B
- Even 2009 profits continue to be revised, and have ranged from a first report of \$700MM to \$520MM to \$390MM to \$130MM, to the latest \$500MM
- Profit levels continue to rise, not because of higher market prices or better capacity utilization, but because of continuing downsizing, and the departure of weakest printers
- Our WTT Economics and Research Center forecasting models continue to indicate profit levels will remain under serious pressure and will be relieved only by the continuing and aggressive restructuring of the industry
 - Total profits need to increase 50% to reach highest levels of 10 years ago, and rise more than 4x to reach levels seen in late 1990s.
 - Forces that encourage consolidation still very strong
 - Shipment levels are likely to be even with 2010 levels starting in March
 - Postal trends are still negative, may get worse in 2011
 - Download the monthly shipments report for February (issued April 2011) for more details about forecasts and GDP correlation

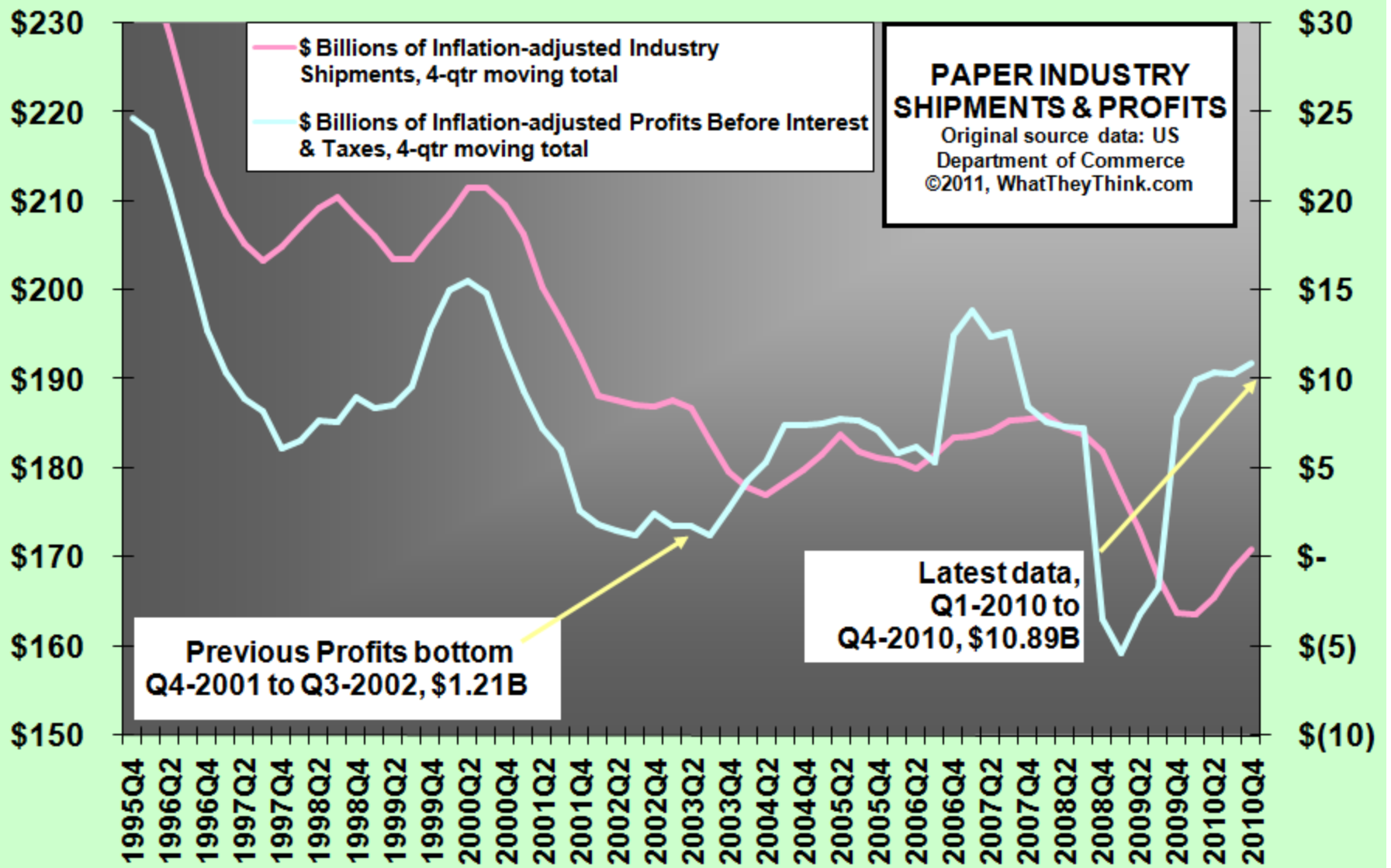




Inflation-adjusted and Annualized Publishing and Advertising Revenues

Source data: U.S. Department of Commerce Quarterly Services Survey; Data in \$Billions
 Analysis © 2011 WhatTheyThink Economics & Research Center





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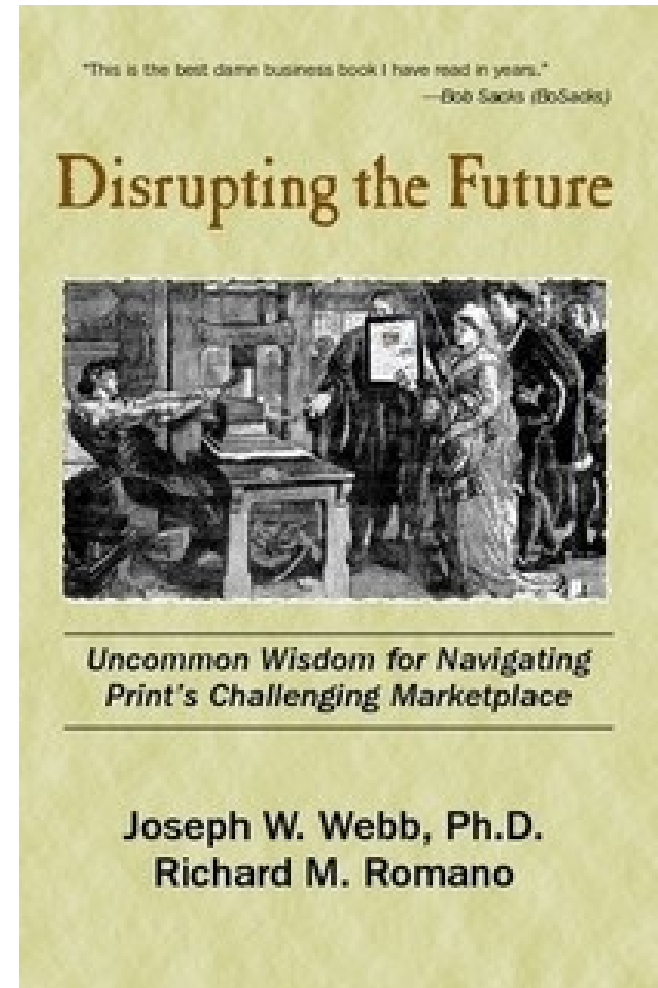
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- Download the PDF with live hyperlinks
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Notes about this data series

- Original data series is published by the U.S. Commerce Department and can be found at <http://www.census.gov/indicator/www/m3/>
- Profits data are adapted from the Quarterly Financial Report of the Commerce Department <http://www.census.gov/csd/qfr/>
- CPI adjustment is based on data supplied by the U.S. Bureau of Labor Statistics www.bls.gov .
- Data series are for “Printing” and include all segments in NAICS 323; the data series includes commercial printing and trade services such as prepress and postpress.
- The data series does not include inplant printing, printing of newspapers in captive plants owned by newspapers, or packaging.
- This report is updated quarterly; subscriptions are available.

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- The Economics & Research Center (ERC) is an expanded service of WhatTheyThink and features access to a wide range of industry data through text, audio, and video.
- The Center also produces a quarterly economic webinar where we review general economic, industry trends, and key issues that affect the demand for print and printing technologies
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