

# Quarterly U.S. Commercial Printing Profits 1995 to Q1-2010

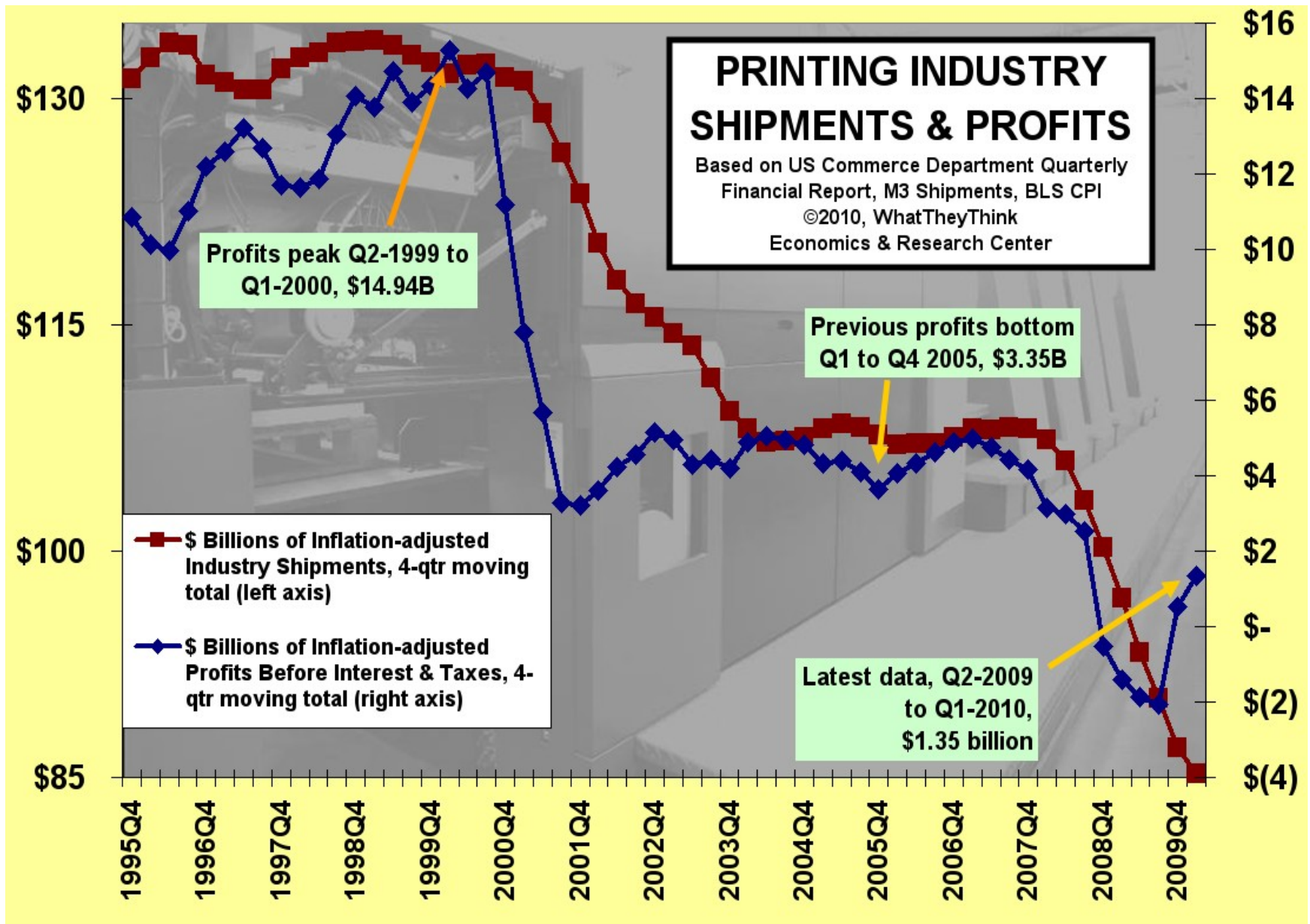
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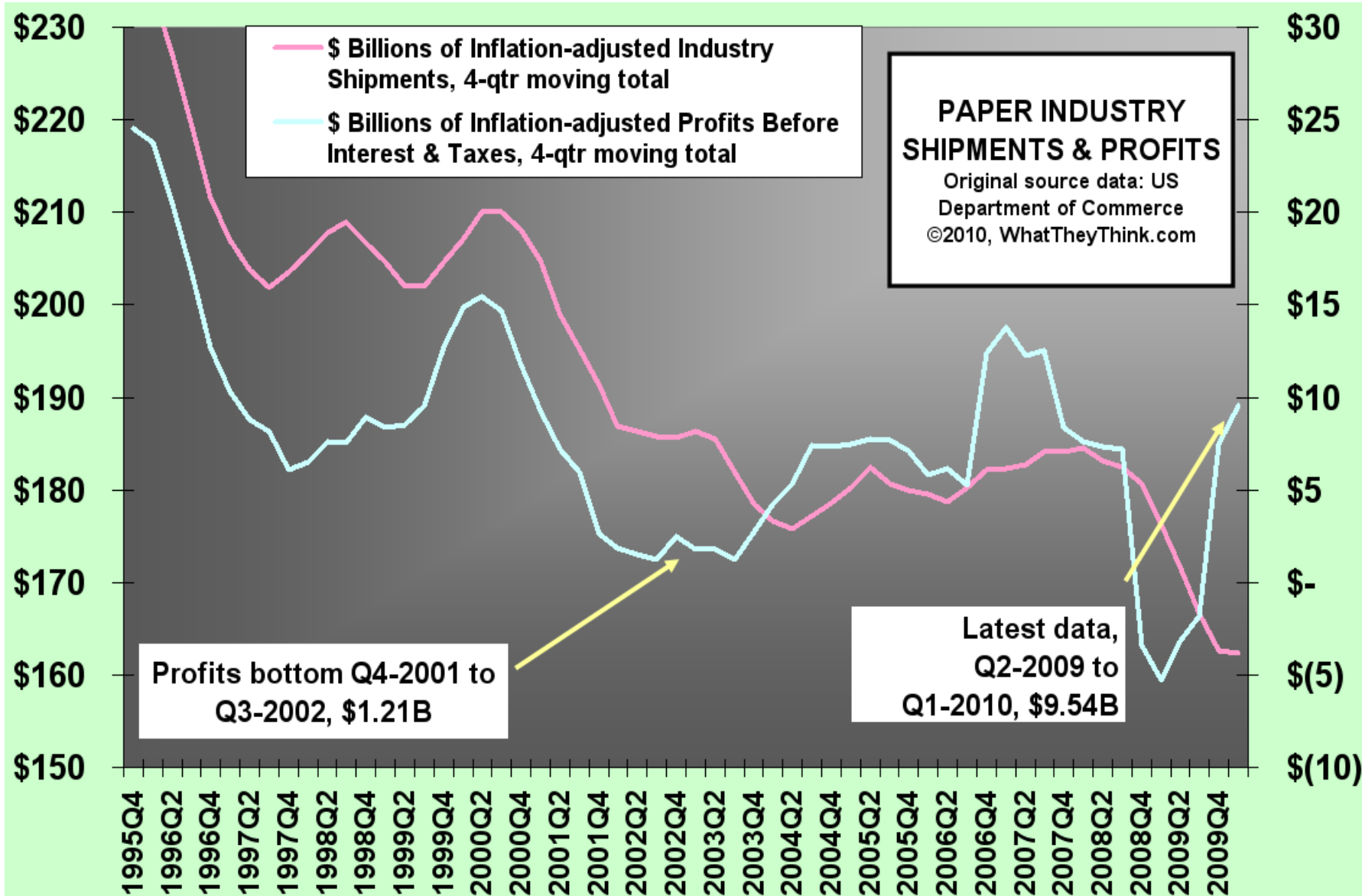
# Executive Summary

- Q4-2009 profits revised away by Commerce Department - OOPS!
- Total 2009 profits revised from \$700MM to \$520MM, 0.6% of revenues
- Q1-2010 inflation-adjusted profits were \$370MM, +\$830MM vs. Q1-09
- Profit levels are increasing, not because of higher market prices, but because of employee 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
  - Shipments are still declining, especially when adjusted for inflation
  - The media shift is still in favor of the Internet and social media; More than 2 million iPads sold in less than 2 months
  - Postal trends are still negative, despite assurance of no price increases in 2010
  - Recession is over, but print is negatively correlated with economy
- Economic and market forces for consolidation and downsizing are still strong
  - “Tuck-ins” making the most sense: obsolete assets disappear, downside protection against book of business that is at risk for media reallocation
  - Money spent on M&A diverts money that is better spent on new capital equipment, upgrade of operations, and refocusing of marketing



NAICS 323 Printing and related support activities, all employees, 000s	Total April Employment				Share of US		
	2005	2010	Change		2005	2010	Change
California	60.1	45.9	-14.2	-23.6%	9.2%	9.2%	0.0%
Illinois	42.9	31.9	-11.0	-25.6%	6.6%	6.4%	-0.2%
Pennsylvania	37.0	28.7	-8.3	-22.4%	5.7%	5.8%	0.1%
Wisconsin	32.9	27.7	-5.2	-15.8%	5.1%	5.6%	0.5%
Texas	36.2	26.7	-9.5	-26.2%	5.6%	5.4%	-0.2%
New York	36.5	24.4	-12.1	-33.2%	5.6%	4.9%	-0.7%
Ohio	32.8	23.3	-9.5	-29.0%	5.0%	4.7%	-0.4%
New Jersey	23.4	17.0	-6.4	-27.4%	3.6%	3.4%	-0.2%
Florida	25.1	16.6	-8.5	-33.9%	3.9%	3.3%	-0.5%
Michigan	17.9	13.9	-4.0	-22.3%	2.7%	2.8%	0.0%
North Carolina	15.1	12.0	-3.1	-20.5%	2.3%	2.4%	0.1%
Tennessee	18.8	12.0	-6.8	-36.2%	2.9%	2.4%	-0.5%
Massachusetts	15.7	11.6	-4.1	-26.1%	2.4%	2.3%	-0.1%
Washington	8.5	6.0	-2.5	-29.4%	1.3%	1.2%	-0.1%
Nebraska	5.4	4.0	-1.4	-25.9%	0.8%	0.8%	0.0%
<b>Total Selected States</b>	<b>408.3</b>	<b>301.7</b>	<b>-106.6</b>	<b>-26.1%</b>	<b>62.7%</b>	<b>60.6%</b>	<b>-2.1%</b>
<b>Total Other States</b>	<b>242.9</b>	<b>196.0</b>	<b>-46.9</b>	<b>-19.3%</b>	<b>37.3%</b>	<b>39.4%</b>	<b>2.1%</b>
<b>TOTAL (in thousands of workers)</b>	<b>651.2</b>	<b>497.7</b>	<b>-153.5</b>	<b>-23.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

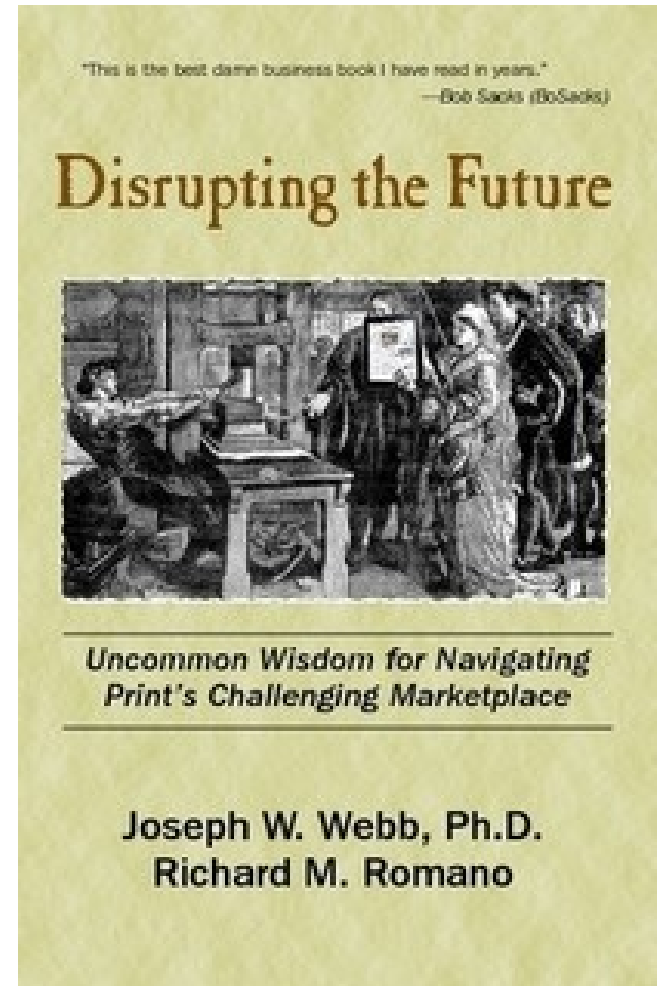




<http://tinyurl.com/disruptingresources>

- Download the PDF with live hyperlinks
- Download “Renewing the Printing Industry”
- Download PDFs and Powerpoint files used in “Disrupting”

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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](http://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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