

State of the Package and Label Printing Industry Fall 2025

EXECUTIVE SUMMARY

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FALL 2025

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WHO WE ARE

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Introduction

This report presents the findings of the fall 2025 State of the Package and Label Printing Industry Survey (PLS), conducted by PRINTING United Alliance in collaboration with *Packaging Impressions*. The survey provides a timely assessment of current market conditions and the key trends influencing the package and label printing sector.

The report examines business conditions through the first three quarters of 2025, including the effects of tariffs on operating conditions. It also highlights companies' priorities for 2026, particularly the technologies they intend to adopt or expand, and identifies the developments industry leaders expect to serve as the next major disruptors. These anticipated disruptors—which include expanded use of customized, short-run digital printing, environmental and sustainability pressures, advancements in smart label technologies, and growing applications of artificial intelligence—are increasingly seen not as threats but as strategic opportunities for innovation and competitive advantage.

We extend our sincere appreciation to the 77 companies that participated in the survey and generously shared their experiences and perspectives. We also gratefully acknowledge Canon U.S.A., Inc. for its continued sponsorship of this report and all publications in the PRINTING United Alliance State of the Industry Series and Print Business Outlook Series.

PRINTING United Alliance members can download the *State of the Package and Label Printing Industry Report, Fall 2025* here.

Key findings:

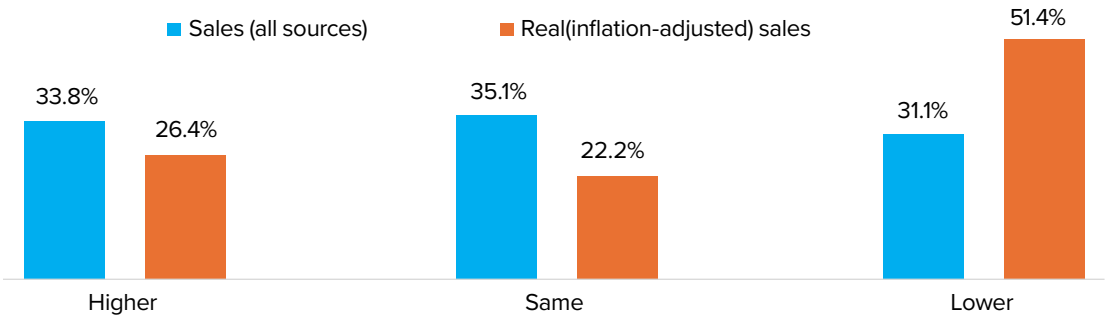
Throughout the first three quarters of 2025 and for all companies surveyed:

- Sales (all sources) decreased on average 0.6% and real (inflation-adjusted) sales, a measure of production, decreased 3.7%. For both KPIs reports of no gain or decline far exceeded reports of growth (Figure 1).
- Operating cost inflation, elevated by tariffs, averaged 3.0%, not historically high but enough to be a problem in shaky markets. Prices increased 3.1%, on average. Despite rising costs, nearly half (49.4%) of package and label printers surveyed held prices steady (Figure 1).
- Pre-tax profitability, pressured by declining real sales and rising costs, was flat at best for 68.9% (Figure 1).

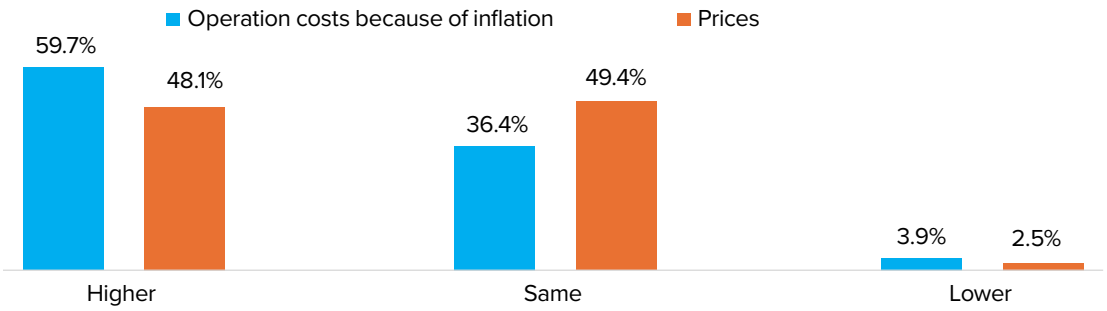
Figure 1: Key Performance Metrics, First Three Quarters 2025

How the indicators below compared to year-earlier levels for PLS participants.

Sales and real sales (inflation-adjusted) sales



Operating costs because of inflation and prices



How did your pre-tax profitability (pre-tax profits as a percentage of sales) for the first three quarters of 2025 compare with year-earlier profitability?'



Respondents identified several developments expected to significantly shape the package and label printing industry's future. Nearly three-quarters of participants named multiple disruptors, demonstrating the broad scope of anticipated change.

- **Customized, short-run digital printing** and **environmental regulations/sustainability** were each cited by 45.5% of respondents, making them the most frequently mentioned.
- **Advancements in smart labels**—including RFID, NFC, QR codes, and related technologies—followed closely at 40.9%, reflecting growing emphasis on traceability, automation, and regulatory compliance.
- **Increased automation** ranked next, cited by 37.9%, highlighting ongoing efforts to enhance productivity, reduce manual touches, and accelerate time-to-market (Figure 2).

Figure 2: The Next Big Disruptor

Q: What will be the next big disruptor in the package and label printing industry?
(Four most frequent responses)

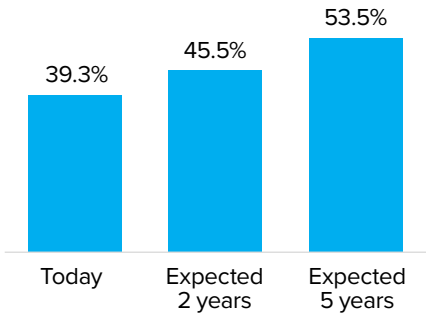
Disruptor	Citing
Increased use of customized, short-run digital printing	45.5%
Environmental regulations/sustainability	45.5%
Advances in smart labels (RFID tags, NFC technology, QR codes, etc.) to support product information, product tracking, inventory management, anti-counterfeiting, regulatory compliance, self-checkout, etc.	40.9%
Automation to increase productivity, reduce touches, and increase speed to market	37.9%

Survey participants anticipate a substantial increase in the use of digital and digital-hybrid printing technologies. On average, they expect digital's share of total package and label output to rise from 39.3% at present to 45.5% within two years and 53.5% within five years (Figure 3):

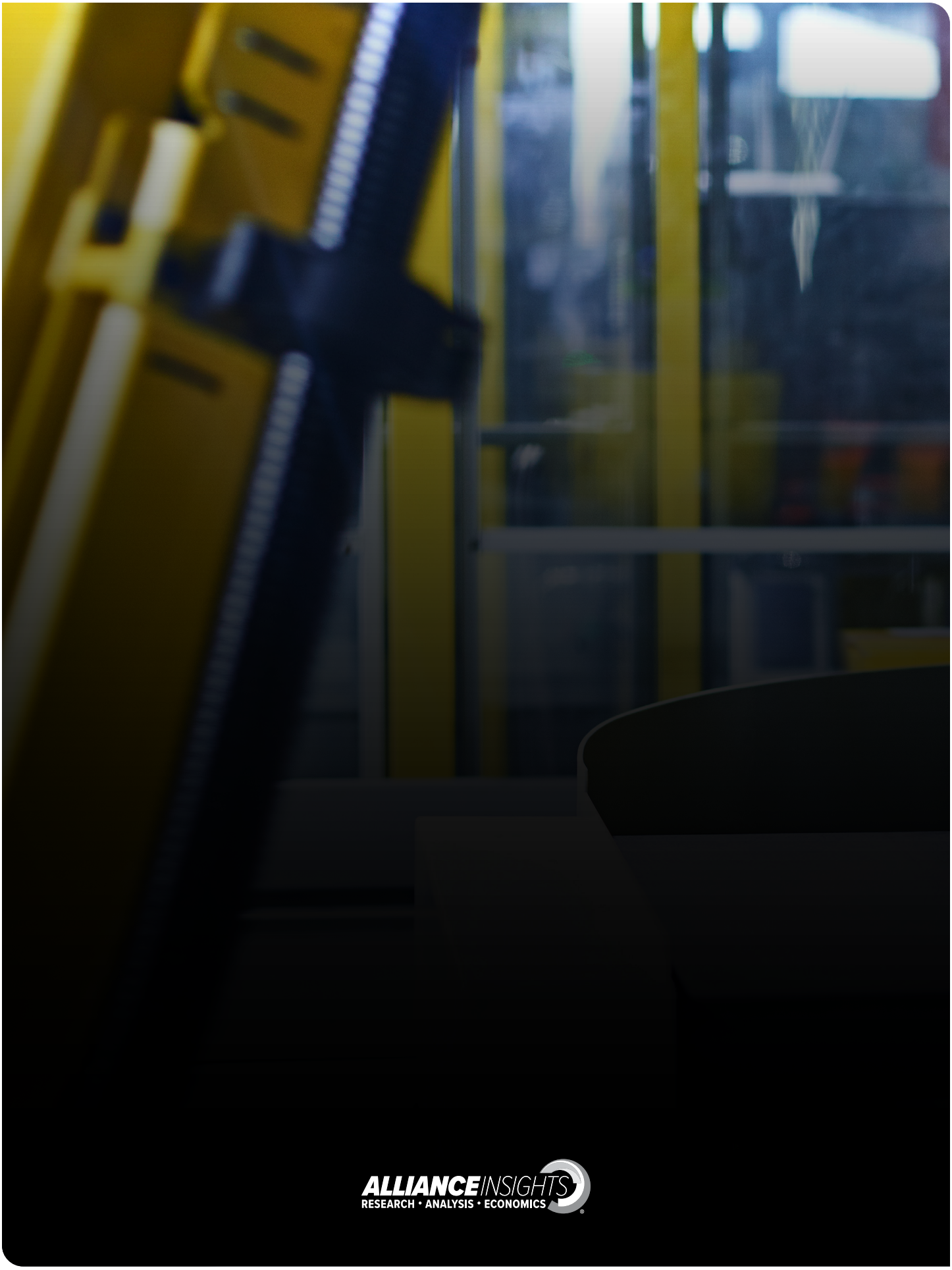
Figure 3: Share of Package and Label Printing Produced Digitally, Current and Projected

Q: Approximately what percentage of your packaging and label printing is currently printed digitally or with digital hybrid technology? What do you expect the percentage to be in two years? What do you expect the percentage to be in five years?

Average Percentage produced digitally



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