



State of the Industry Update, First Quarter 2025

EXECUTIVE SUMMARY



Sponsored by Canon U.S.A., Inc. **Canon**

Produced by the PRINTING United Alliance and NAPCO Research for its members.

MAY 2025

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If you have any questions, please contact researchteam@printing.org.

Executive Summary

The PRINTING United Alliance *State of the Industry Update, First Quarter 2025* explores the effects of tariffs on the printing industry. The *Update* is based on a survey of 292 companies, a majority of which are commercial printers, graphic and sign (wide-format) producers, or apparel decorators. Annual sales range from less than \$500,000 to more than \$500 million. Geographically, 93.4% are located in the United States and 6.6% are located in Canada.

PRINTING United Alliance members can download the *State of the Industry Update, First Quarter 2025* [here](#).



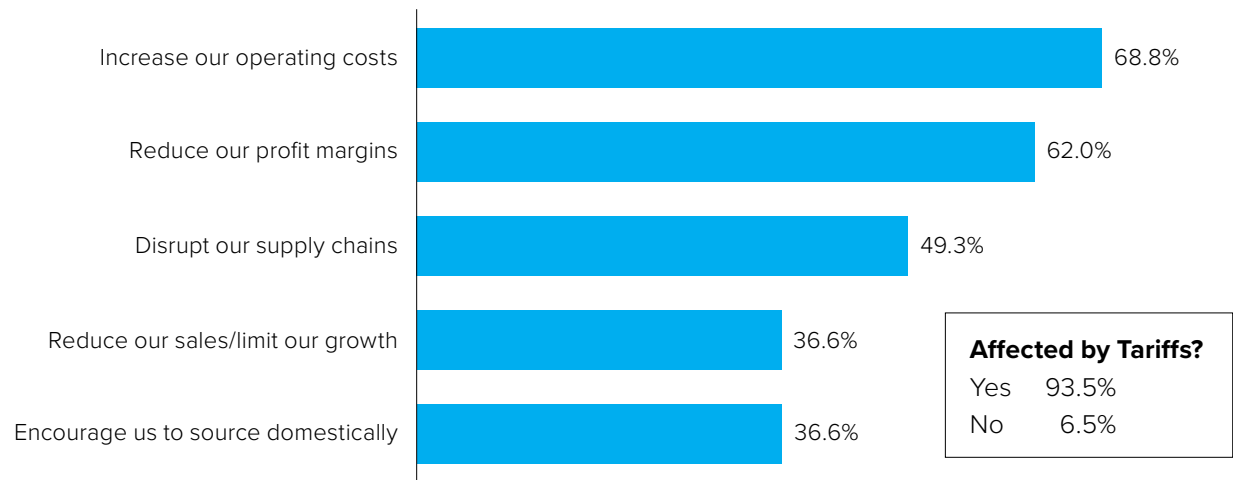
Canon U.S.A., Inc. is a leader in digital imaging and printing solutions with one of the broadest portfolios in the industry, offering solutions such as digital presses, production ink-jet presses, wide-format printers, workflow solutions and professional services. With approximately \$28.5 billion in global revenue, its parent company, Canon Inc., as of 2024 has ranked in the top-10 for U.S. patents granted for 41 consecutive years. Canon U.S.A. is dedicated to its Kyosei philosophy of social and environmental responsibility.

Sample Results

Deep, broad-based disruption. Among all companies surveyed, 93.5% have been affected by or expect to be affected by the increases in tariffs. Nearly 70.0% expect higher tariffs to raise their operating costs – by 10.8% on average over the next six months – 62.0% expect a reduction in profit margins, and 36.6% expect a reduction in sales growth. Nearly half expect supply chain disruptions, and more than one-third plan to expand domestic sourcing (Figure 1).

Figure 1: The Effects of Tariffs

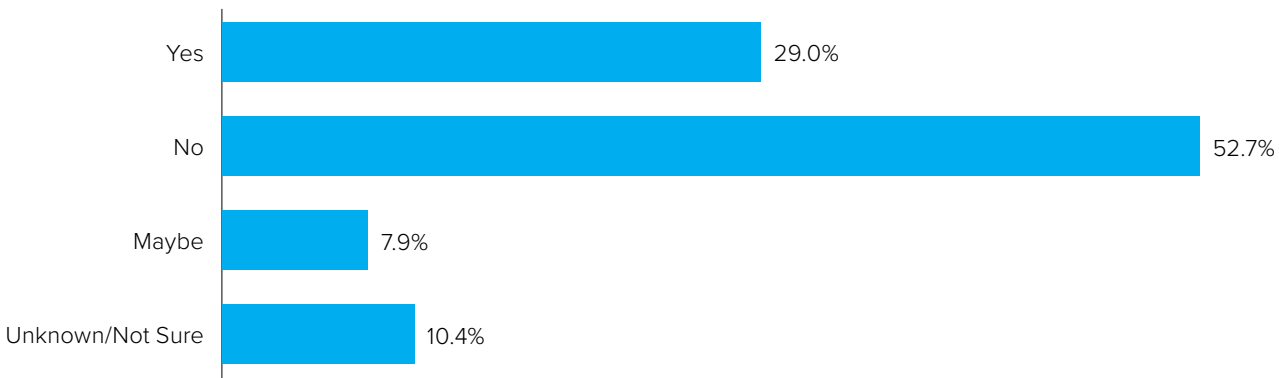
Q: How are (or do you expect) higher tariffs to affect your business? Five most frequent responses



It's not all negative. As Figure 2 shows, 29.0% of companies surveyed expect the increase in tariffs to have positive effects. These include “incentivizing U.S. manufacturing – it must be done,” “levelling the playing field with our allies as well as with China,” countering dumping, reducing “competition based solely on price” by “weeding out some weaker competitors,” and being the right thing to do: “It’s about time that we care about our country and our people.”

Figure 2: Positive Effects of Tariffs

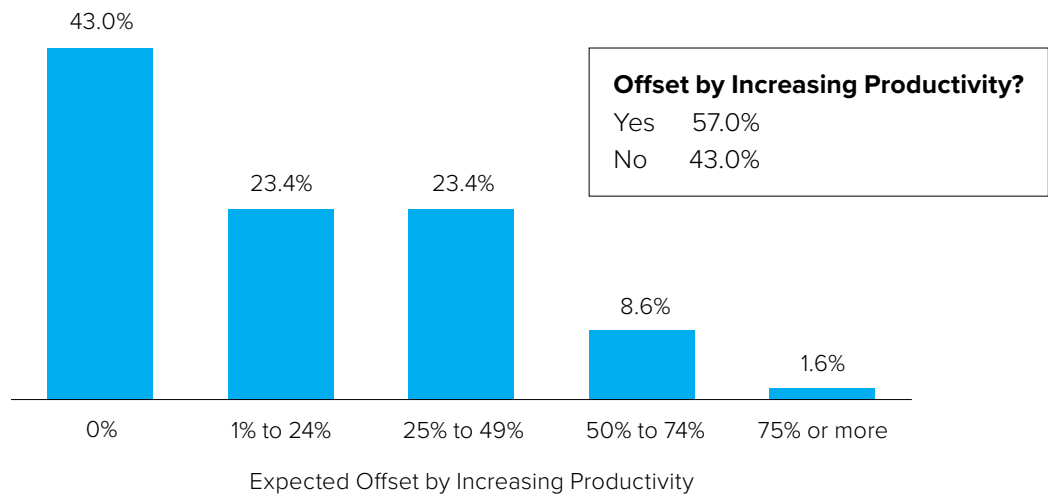
Q: Will the tariffs have any positive effects on your company or industry?



Boost productivity companywide. Increasing productivity in our super-competitive, thin-margin industry is always important, but during periods of rising costs and heightened uncertainty it is essential. Automate, streamline, and make every process from estimating to invoicing even a little more efficient. A number of participants in our survey shared how rising tariffs are encouraging them to “get sharper, leaner operations” and “more efficient, tech-driven workflows.” On average, our survey group plans to offset 16.8% of the increase in tariffs through productivity gains, with 33.6% planning to offset at least 25% of the increase and 10.2% expecting to offset at least half (Figure 3).

Figure 3: Productivity Offsets

Q: Do you expect to offset any of the increase in tariffs by boosting productivity?



Create clarity. During times of extreme uncertainty, the tendency is to wait for clarity. The opportunity, however, is to create clarity by stepping up communication with clients, alerting them early about price increases and production delays, with employees about how tariffs are affecting the company and how management is responding, and with suppliers about current and expected supply chain conditions. The question every management team in our industry should ask: What are we doing to create clarity?

State of the Industry Update, First Quarter 2025 also covers the materials expected to be affected most by tariffs, how companies surveyed are adjusting to the increases, the outlook for the American economy, and three steps for making the disruption and uncertainty created by the tariffs an opportunity rather than a threat. Key results are broken out by commercial printing, graphic and sign (wide-format) printing, and apparel decoration.

PRINTING United Alliance members can download the *State of the Industry Update, First Quarter 2025* [here](#).



Key Financial Ratios Program

The PRINTING United Alliance Key Financial Ratios Program (KFR) tracks 10 vital financial metrics, including gross profit, payroll, selling expenses, and EBITDA, each expressed as a percentage of sales. Data are collected through a secure online survey.

Program participants receive an interactive Excel spreadsheet that calculates the metrics by company size, primary printing segment, and revenue composition. The spreadsheet and program results are only available to participants.

To view a sample Key Financial Ratios Survey [click here](#).

Participation begins by completing the [Key Financial Ratios Candidate Profile](#). After completing the profile, an eligible candidate receives a four-digit participant code. For added security, only that code, never the candidate's name, company name, email, or other personal information appears on a KFR survey.

Participation in KFR is open to PRINTING United Alliance members and nonmembers. There is no charge to participate.

For more information on the program please contact Andy Paparozzi, Chief Economist, apaparozzi@printing.org, or Onamica Dhar, Economist, odhar@printing.org.

WHO WE ARE



PRINTING United Alliance is North America's most comprehensive member-based printing and graphic arts association, comprised of the industry's vast communities. The Alliance serves industry professionals and its members with preeminent education and training via iLEARNING+, workshops, events, research, government and legislative representation, safety, and environmental sustainability guidance, as well as resources from our leading media brands – *Printing Impressions*, *Packaging Impressions*, *Wide-format Impressions*, *In-plant Impressions*, and *Apparelist*. A division of PRINTING United Alliance, Idealliance is a global leader in standards training and certification for printing and graphic arts operations across the entire industry supply chain.

PRINTING United Alliance also produces the PRINTING United Expo, the most influential days in printing. The expansive display of technology and supplies, education, programming, and services are showcased to the industry at large and represents all market segments in one easily accessed place.

Learn more at printing.org.

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