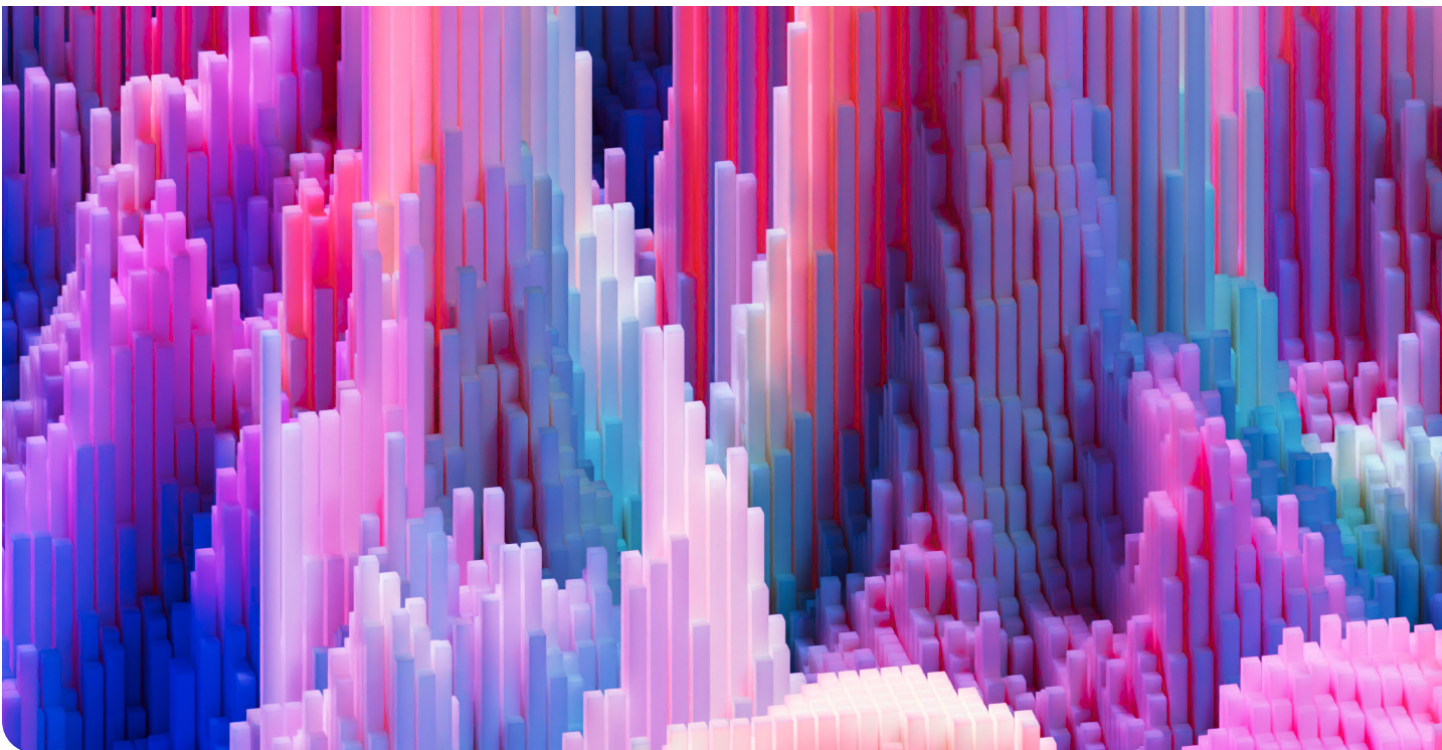


State of the Industry Report 2024
EXECUTIVE SUMMARY



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

APRIL 2024

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

Executive Summary

The PRINTING United Alliance *State of the Industry Report 2024* is based on a survey of 191 companies from across the printing industry. Participants include commercial printers, graphic and sign (wide-format) producers, and apparel decorators, are located across the United States and Canada, and have annual sales ranging from less than \$500,000 to more than \$200 million.

Topics include how sales, cost inflation, and pre-tax profitability are trending, the printing industry's next disruptor, preparing for the AI/big data revolution, the analog-digital transition, and the benefits of sustainability plans with well-defined metrics. Guidance on building competitive advantage by overcoming resistance to change, encouraging employees to think like owners, strengthening risk management, and embracing getting-things-done methods is also included.

PRINTING United Alliance members can download the *State of the Industry Report 2024* [here](#).

The Canon logo is displayed in a bold, red, sans-serif font. The letter 'o' in 'Canon' is stylized with a white vertical bar through its center.

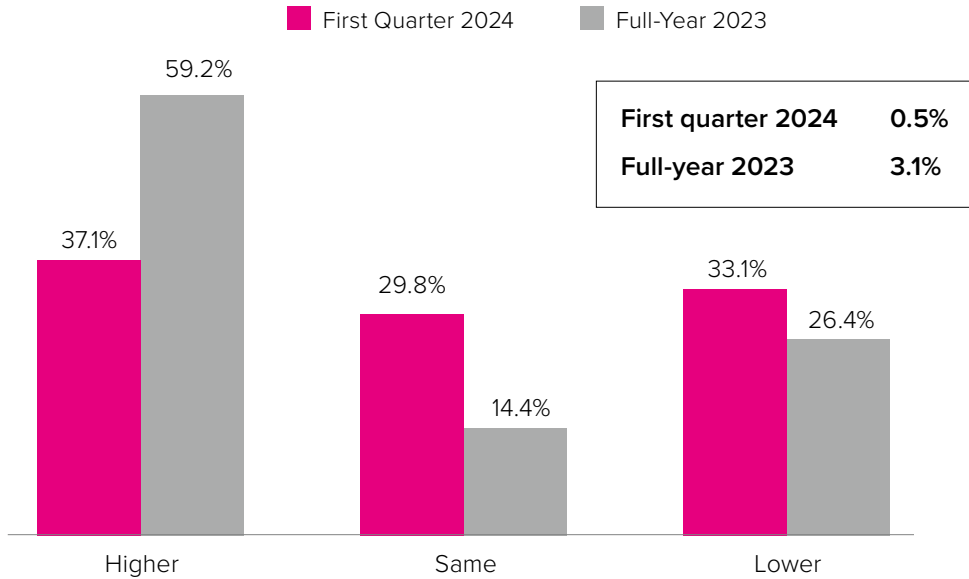
Canon U.S.A., Inc. is a leader in digital imaging and printing solutions with one of the broadest portfolios in the industry, offering solutions such as digital presses, production ink-jet presses, wide-format printers, workflow solutions and professional services. With approximately \$30.6 billion in global revenue, its parent company, Canon Inc. (NYSE:CAJ), as of 2021 has ranked in the top-five overall in U.S. patents granted for 36 consecutive years and was one of Fortune Magazine's World's Most Admired Companies in 2022. Canon U.S.A. is dedicated to its Kyosei philosophy of social and environmental responsibility.

SAMPLE FINDINGS

Sales growth has slowed and breadth has narrowed. Sales grew 0.5% on average during the first quarter of 2024 for State of the Industry (SOI) participants, down from 3.1% during full year 2023, with companies reporting growth falling to 37.1% from 59.2% of our research panel (Figure 1).

Figure 1: Sales, First Quarter 2024 and Full-Year 2023

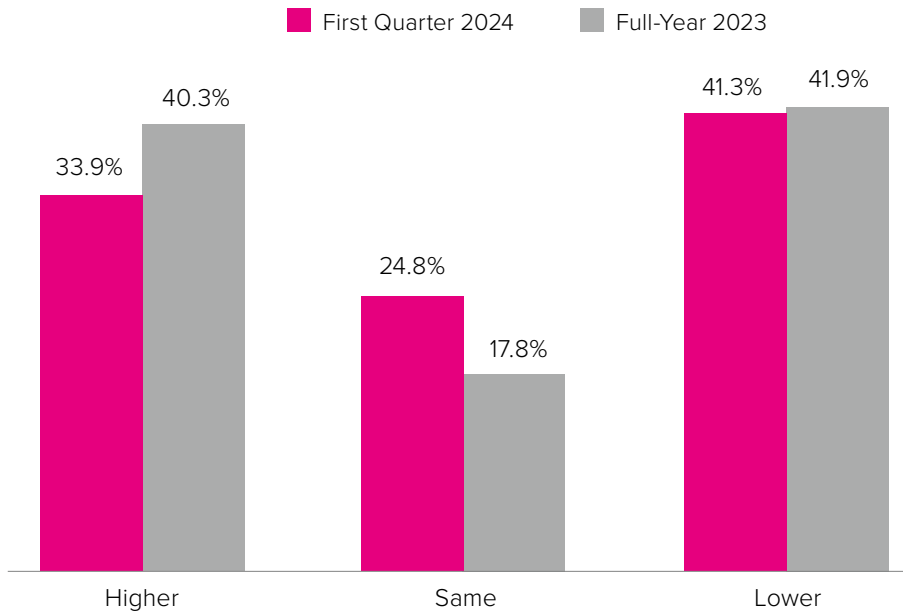
Q: How do your sales (all sources) compare with year-earlier levels?



Operating cost inflation is still a problem. Operating cost inflation continues to moderate, averaging 1.8% so far this year for companies surveyed, down from 5.4% last year and 11.1% at the height of the supply chain crisis. But with markets soft, even moderate cost inflation is enough to pressure margins. Among the evidence from our survey: Reports of declining pre-tax profitability continue to exceed reports of increasing pre-tax profitability (Figure 2).

Figure 2: Pre-Tax Profitability

Q: How does your pre-tax profitability (pre-tax profits as a percent of sales) compare with year-earlier levels?



Business conditions are not expected to change much through yearend. Increasing sales and maintaining profitability top our research panel’s list of biggest concerns for all of 2024. Their plans for strengthening both include zeroing in on cost control, quality control, productivity, and automation; more effective use of business intelligence systems; investing in e-commerce, including “adding as many web portals as possible to help clients manage marketing assets and us to automate as much as possible in production,” and “getting back to basics from start to finish of production.” Few expect help from the economy (Figure 3).

Figure 3: Biggest Concerns

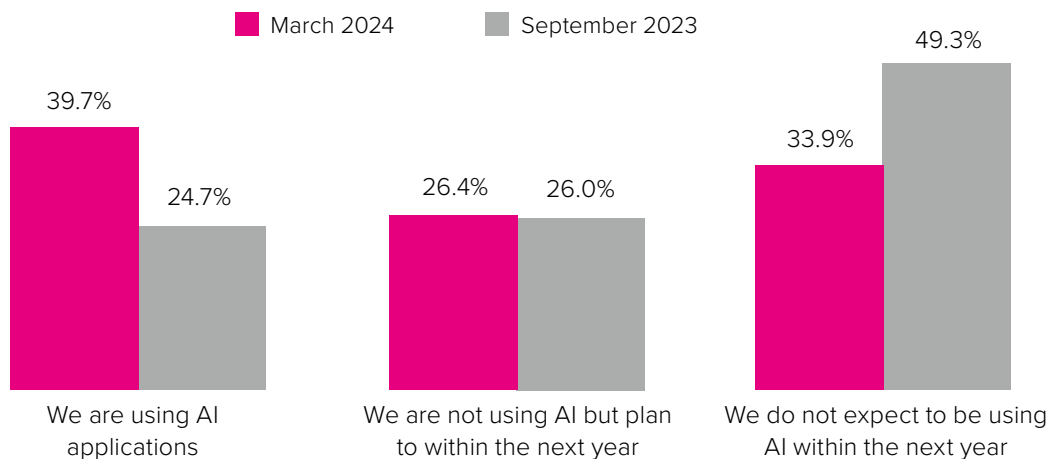
Q: What are your biggest concerns for calendar 2024? Five most frequent responses.



Interest in and expected uses of artificial intelligence are growing. Nearly 40.0% of our research panel, up from 24.7% last September, are now using AI applications, whether embedded in an OEM’s equipment and software or purchased independently for a specific business purpose. Currently the focus is on content creation. But if SOI participants do as they plan, usage will increase significantly in a range of mission-critical functions, including operations, customer analytics, sales, customer service, and risk management.

Figure 4: AI Status

Q: Which response below is true of your company?



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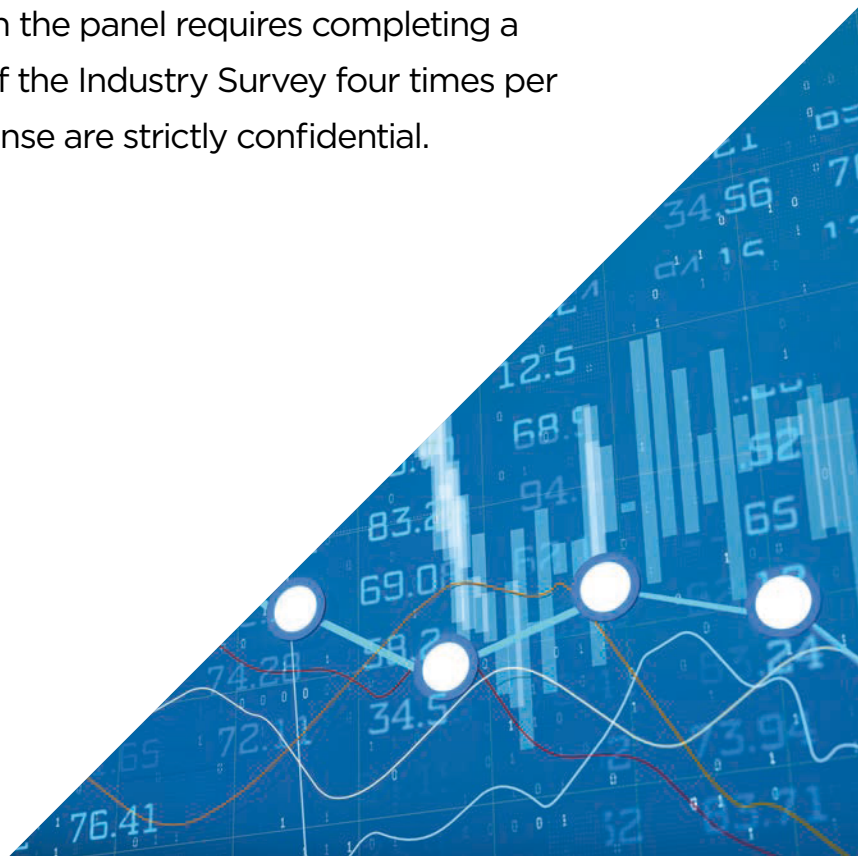
Members of the State of the Industry Panel have access to proprietary reports on the printing industry's performance, prospects, critical issues and defining trends and on how to make those issues and trends an opportunity rather than a threat.

Participation in the panel requires completing a 10-minute State of the Industry Survey four times per year. All survey response are strictly confidential.

Follow the link below to join our business panel:

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research.net/r/CV19PREX1





WHO WE ARE

PRINTING United Alliance is the most comprehensive member-based printing and graphic arts association in the United States, comprised of the vast communities which it represents. The Alliance serves industry professionals across market segments with preeminent education, training, workshops, events, research, government and legislative representation, safety, and environmental sustainability guidance, as well as resources from the leading media company in the industry – NAPCO Media. Now a division of PRINTING United Alliance, Idealliance is the 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 (Sept. 10-12, 2024, Las Vegas, 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.

NAPCO RESEARCH

NAPCO Research crafts custom data-centric solutions that leverage our highly engaged audiences across the markets in which we operate, our industry subject matter experts and in-house research expertise. We partner with our clients to identify their unique business problem and create solutions that enable deeply informed decision-making.

Contact research@napco.com to talk with our analysts to find out how we can help you with your research needs.

WHAT CAN PRINTING UNITED ALLIANCE RESEARCH DO FOR YOU?

PRINTING United Alliance research provides first-hand accounts, analysis, and ongoing monitoring of critical industry trends influencing the printing industry, future trends, and the underlying factors influencing change. PRINTING United Alliance Research is now part of an expanded research team that includes NAPCO Research experts, survey and analysis capabilities, and additional audience reach.

■ **PRINTING United Alliance Research LEVERAGES** its extensive member community and staff of industry economic, legislative, marketing, and technical experts to support customers in identifying market opportunities and improving business profitability and operations.

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■ Gain access to PRINTING United Alliance's & NAPCO Media's engaged audiences of industry executives across key industries.

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PRINTING UNITED ALLIANCE/NAPCO RESEARCH CLIENTS



MEET THE RESEARCH TEAM



Nathan Safran
Vice President, Research
NAPCO Research
nsafran@napco.com



Lisa Cross
Principal Analyst
NAPCO Research
lcross@napco.com



Andy Paparozzi
Chief Economist
PRINTING United Alliance
apaparozzi@printing.org



Onamica Dhar
Economist
PRINTING United Alliance
odhar@printing.org



Cory Francer
Analyst
NAPCO Research
cfrancer@napco.com



Evan West
Data Analyst
NAPCO Research
ewest@napco.com

Get in touch with our research team to arrange your free research consultation. [Contact nsafran@napco.com](mailto:nsafran@napco.com)