

Industry Insight Survey 1st Q 2010



The Best People - Fast!

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Industry Insight Survey 1st Q 2010

Happy New Year !

First, I wanted to thank you for your amazing response. We have been running this survey for many years now and the participation level from this survey was outstanding. We decided to professionalize the process by using the Cvent Survey Technology, which from your participation level, you approve of. We hope the new format and results will really add value for your time. Over the next several quarters we will be able to provide some rather amazing new ways of looking at the data. As we introduce the new perspectives on the data, we will give a brief contextual description of the view.

For now, lets get right to the results!

The last quarter of 2009 was a bit better then the three previous quarters in a number of ways. However, the number of companies that have closed or merged has become alarming. Clearly, even some of the strongest names are being impacted depending on the level of debt and the strength of their balance sheets going into this downturn. Hopefully the last quarter's GDP "gain" holds and builds into the first half of this New Year.

For profitability, the results indicate 47.53% had profit slightly better then the previous survey. We would hope with all the stimulus this number would have improved.

The question that deals with finding employees, understandably the need for finding workers has been reduced, but can still be a concern. This question was revamped adding in Social Media as a category. It is interesting to point out the difference in response from this survey to last. Clearly, the use of online methods to finding workers is increasing in importance.

How has business been over the last few weeks? This question may help shed some light on this coming quarter's profitability. Looking at the results: 23.89 % had an increase 39.82% stayed the same with 36.28% showing a decrease in sales. Comparing the previous survey, the percent of companies with sales decreases stayed roughly the same. Improvement came from those that had indicated they had stayed the same the previous quarter. The next question having a bit longer view into the quarter, looking at the future orders book. Your feeling about overall sales in the first quarter as a whole reflects a strong positive outlook with 81% indicating either staying the same or improving sales to be expected! We certainly hope this optimism holds true.

A new question added this survey asks you to identify your firm by revenue on a yearly basis. This question will be able to help us illustrate segments of each question. For example, are large companies hiring vs. smaller firms?

With the continued debates on healthcare nationally and locally coupled with the election to the Senate of Scott Brown, the question addressing highest labor costs focuses again on healthcare concerns. A full 60% indicate being concerned. When we asked what area of revenue was under the most pressure Offset is still high but increases from 46% to 55% of the total. Seems that for the last six quarters this area has been under significant duress pricing wise. Indicating the over capacity in relationship to demand, thus reflected in the profitability question.

The last area I would bring up from the questionnaire regards the "are you hiring?" question. Clearly, the pressure is still on in our industry and if you drive through the towns or walk through the malls of America most other industries are as well. The responding firms all indicate a willingness to try and hold on to their current labor force and ride out this downturn with 63% staying the same and the remainder spilt between laying off and hiring. A company is it's people and trying to protect them clearly is important. It is also important to make sure that the strategic goals of a company lead it to place that as quickly as possible allow it to strengthen it's balance sheet and survive. The need for the DEMAND to change is clearly being made. The smart will listen

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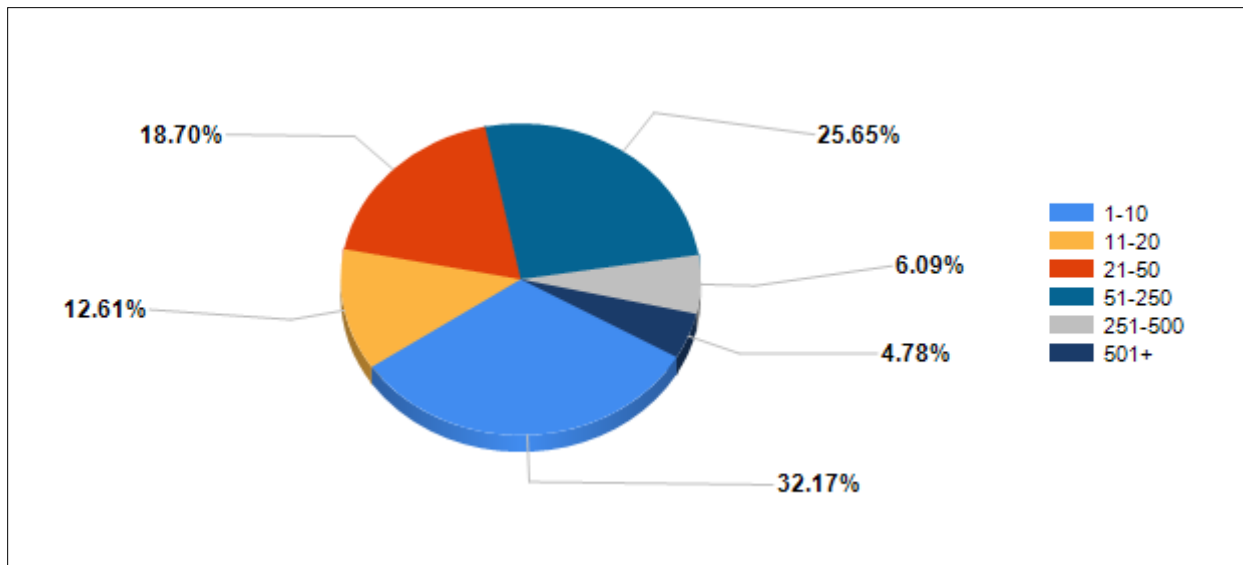
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and experiment with adapting and finding the right model. If ever there was a time to start experimenting now is it.

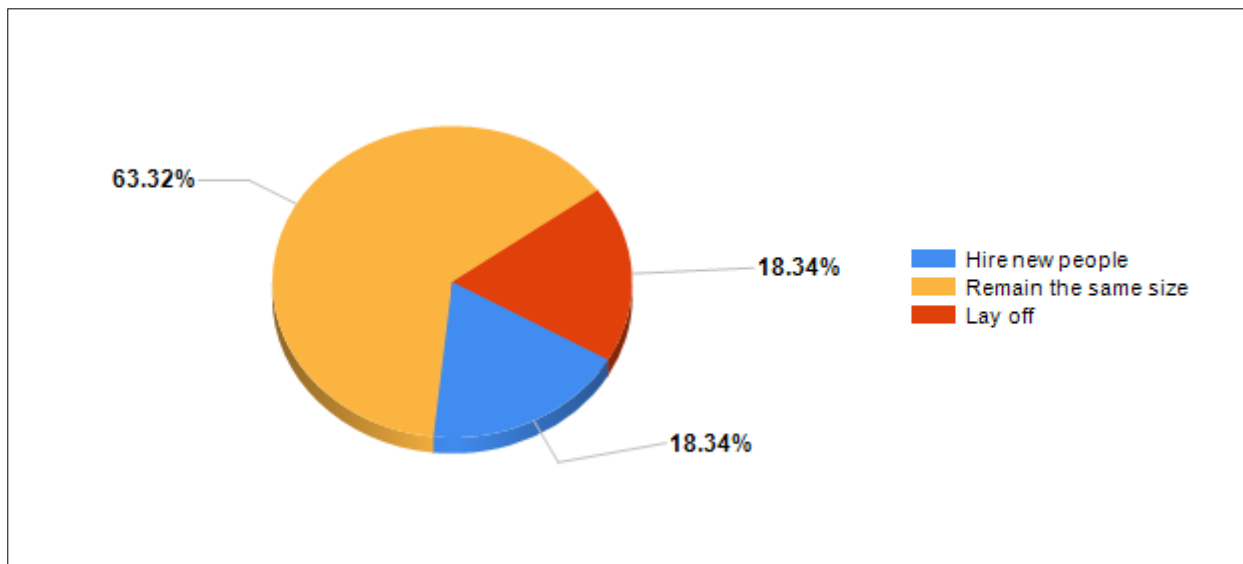
We have enclosed the entire Questionnaire results below; if you have questions or would like to see additional areas explored please let me know. If you wish to be added to the survey, please email us daver@semperllc.com Semper.

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How many employees do you have within your organization?

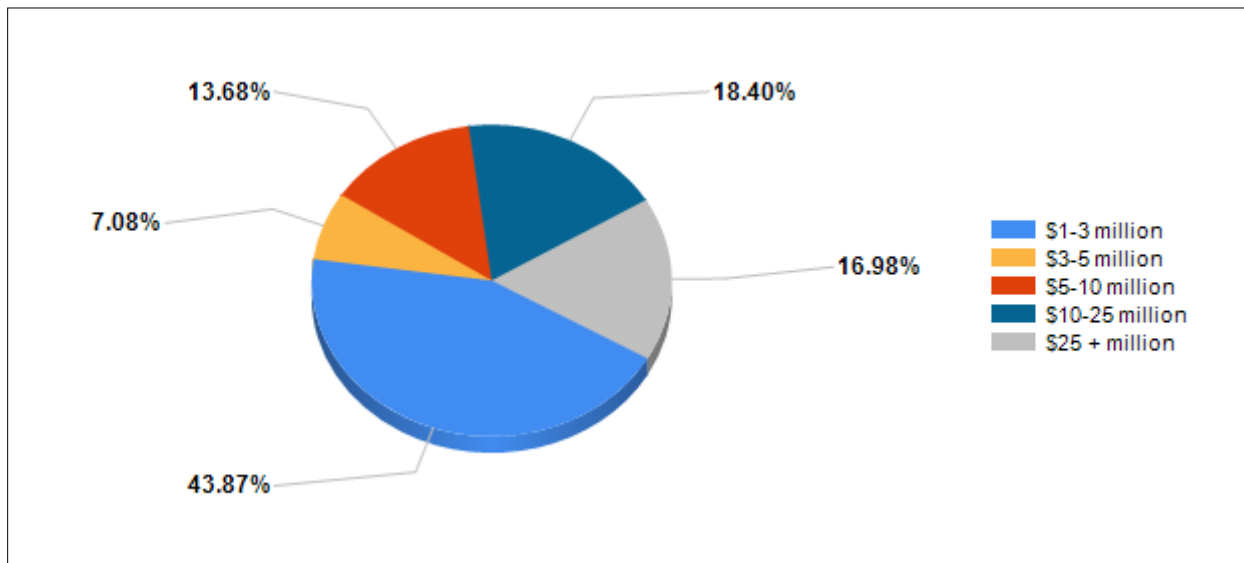


Is your company planning to:



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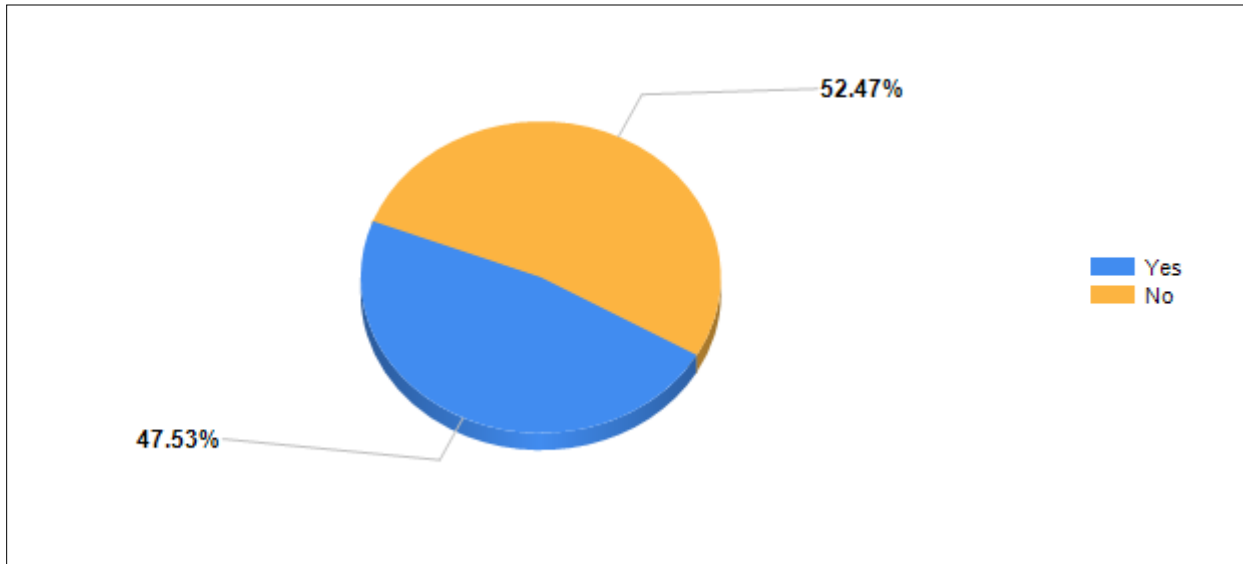
What was your company's estimated revenue in 2009?



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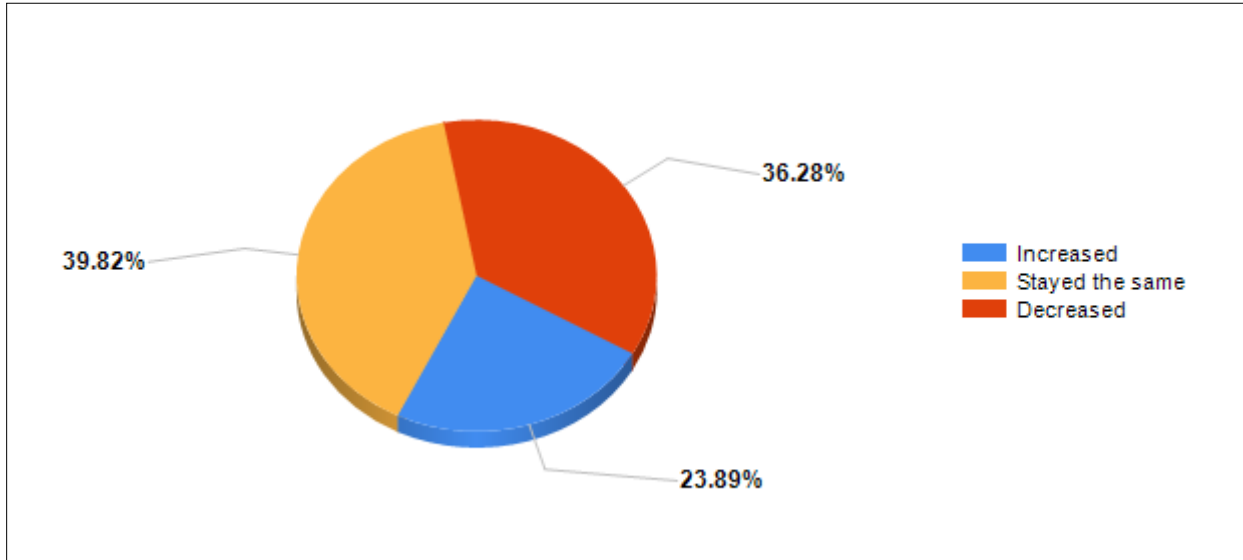
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Did your company have a profitable 4th quarter 2009?

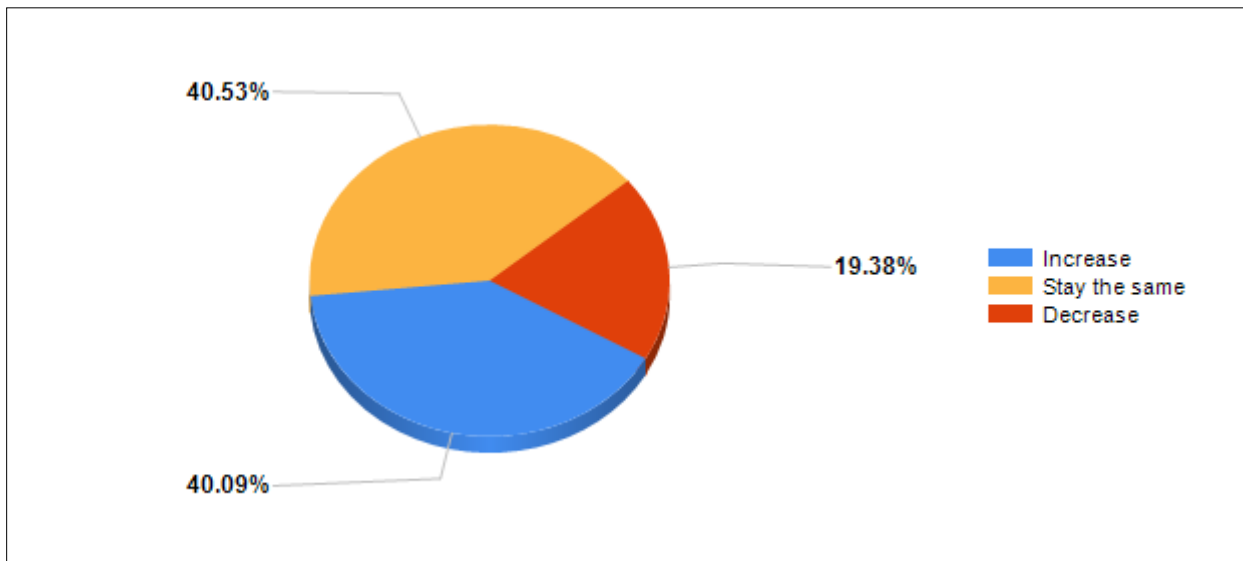


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How have sales changed in the last 2 weeks?

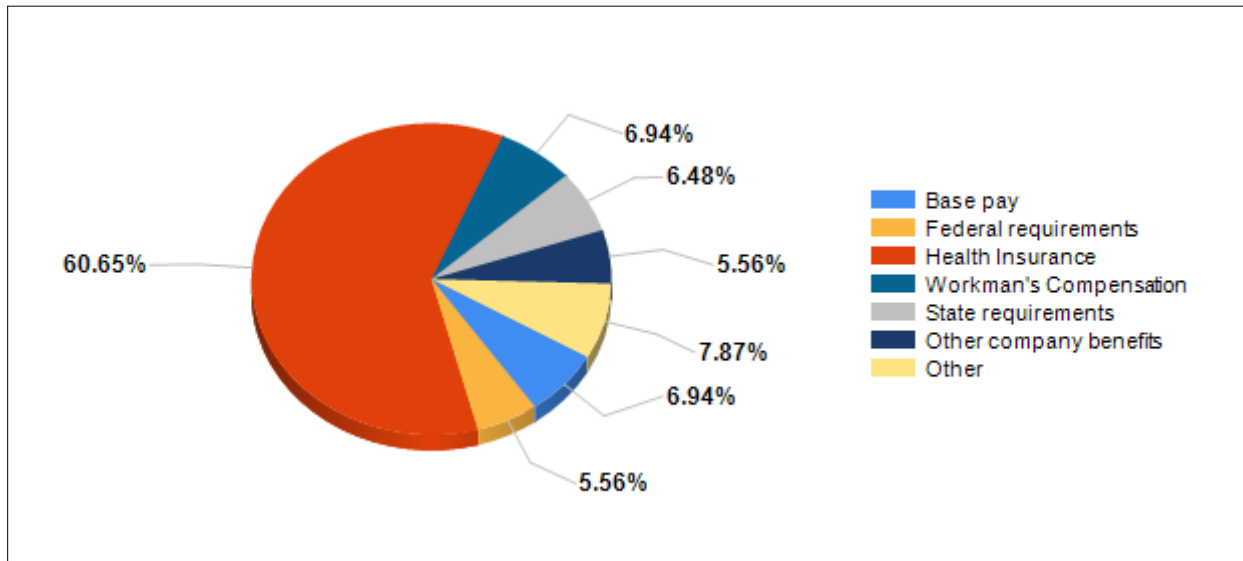


How do you expect sales to change during the 1st quarter of 2010?

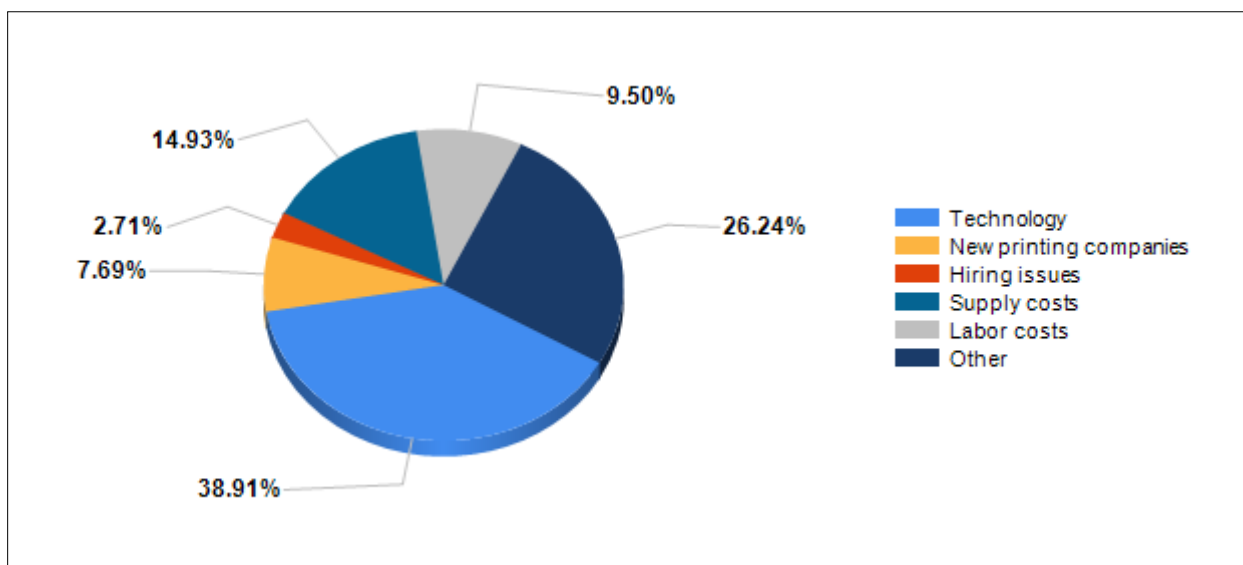


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Regarding labor costs, what component of the costs has been increasing the fastest last quarter?

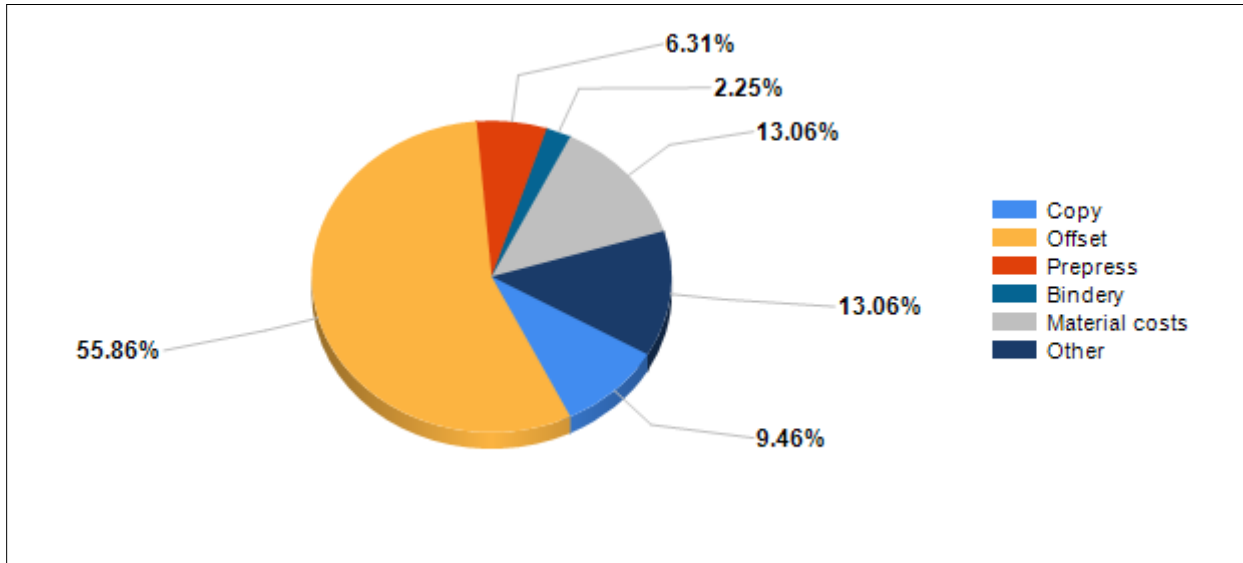


What do you consider to be your greatest competitive threat?

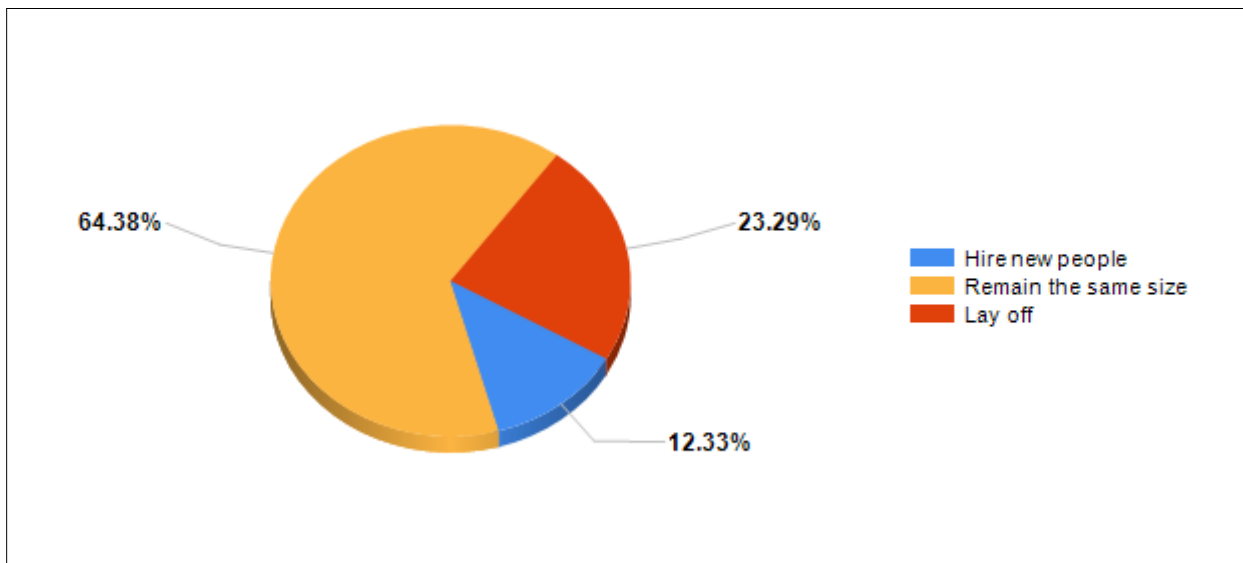


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In what business segment do you find the most pricing pressure from your clients?

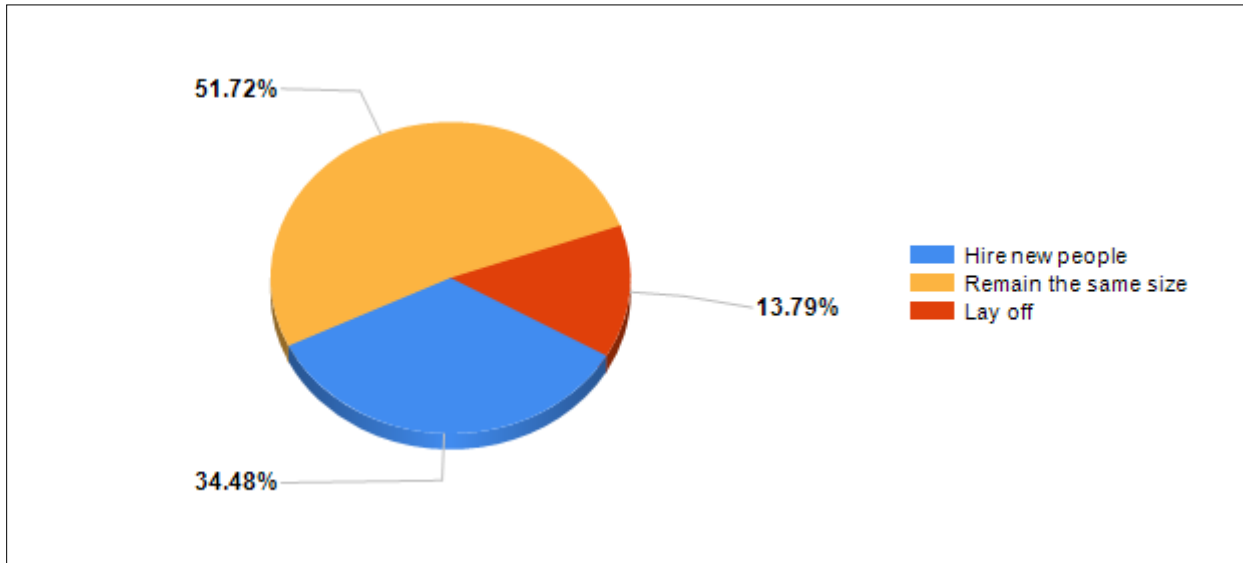


Are companies with 1-10 employees planning to:

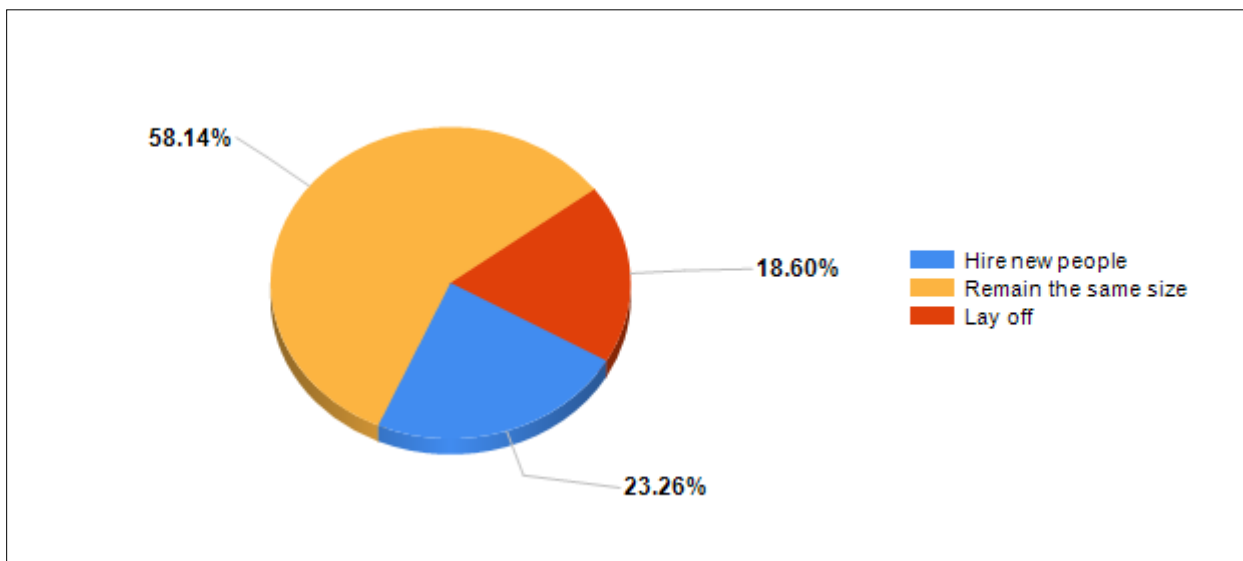


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Are companies with 11-20 employees planning to:



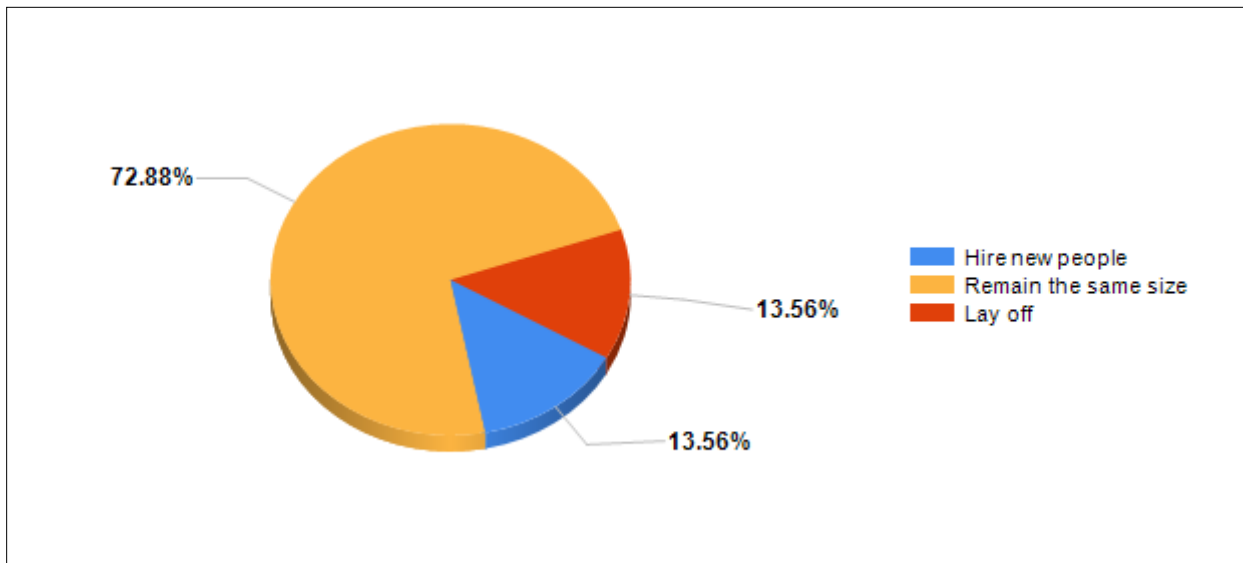
Are companies with 21-50 employees planning to:



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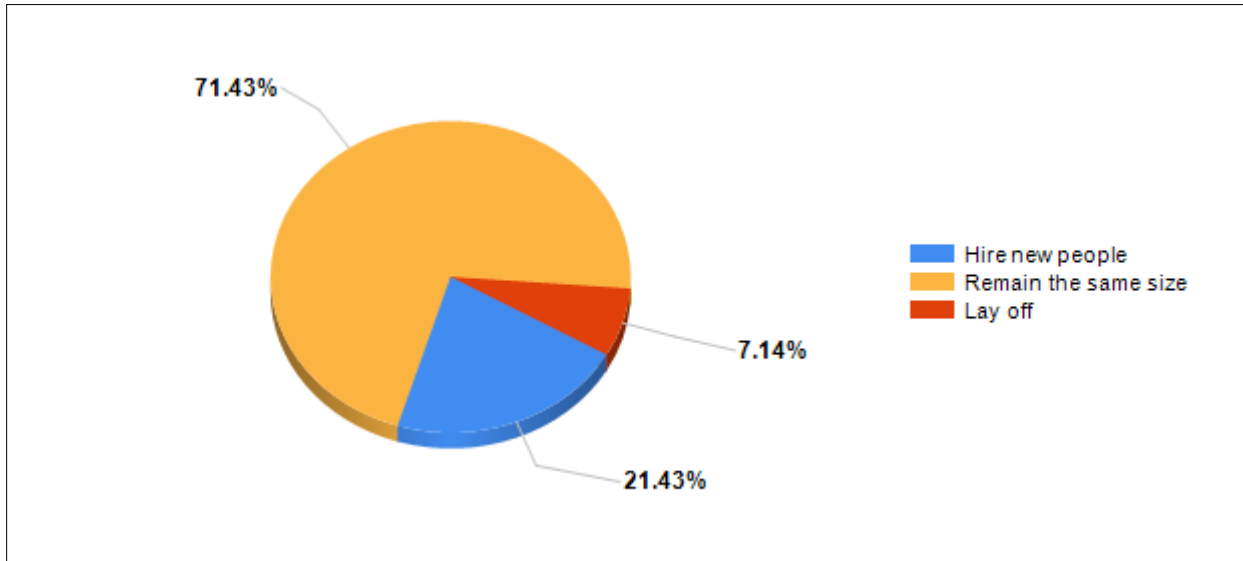
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Are companies with 51-250 employees planning to:

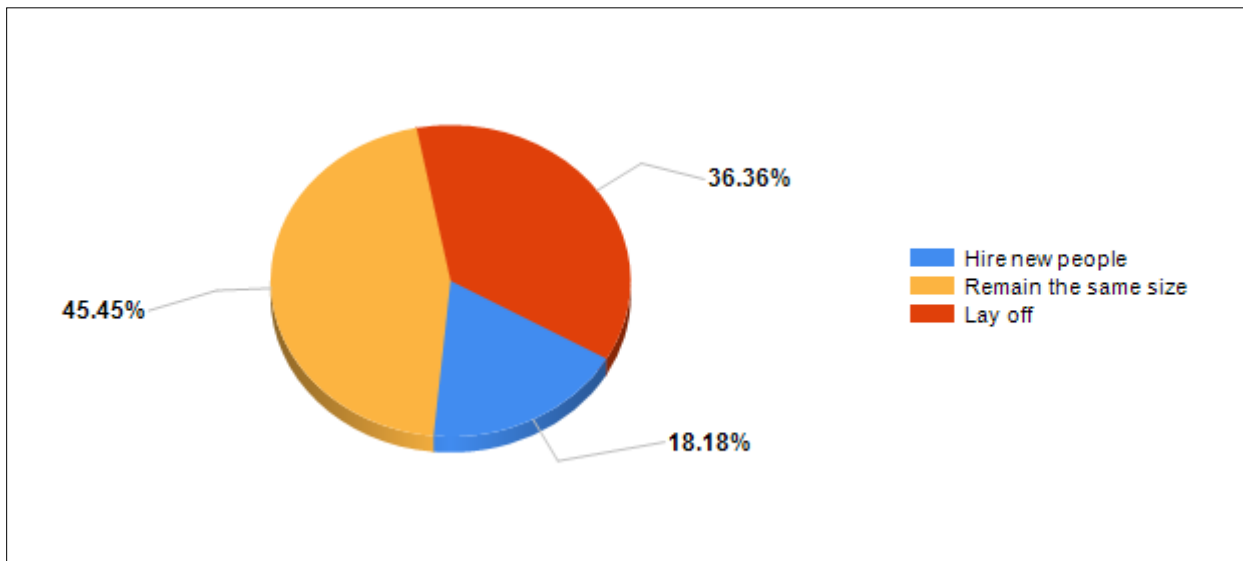


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Are companies with 251-500 employees planning to:



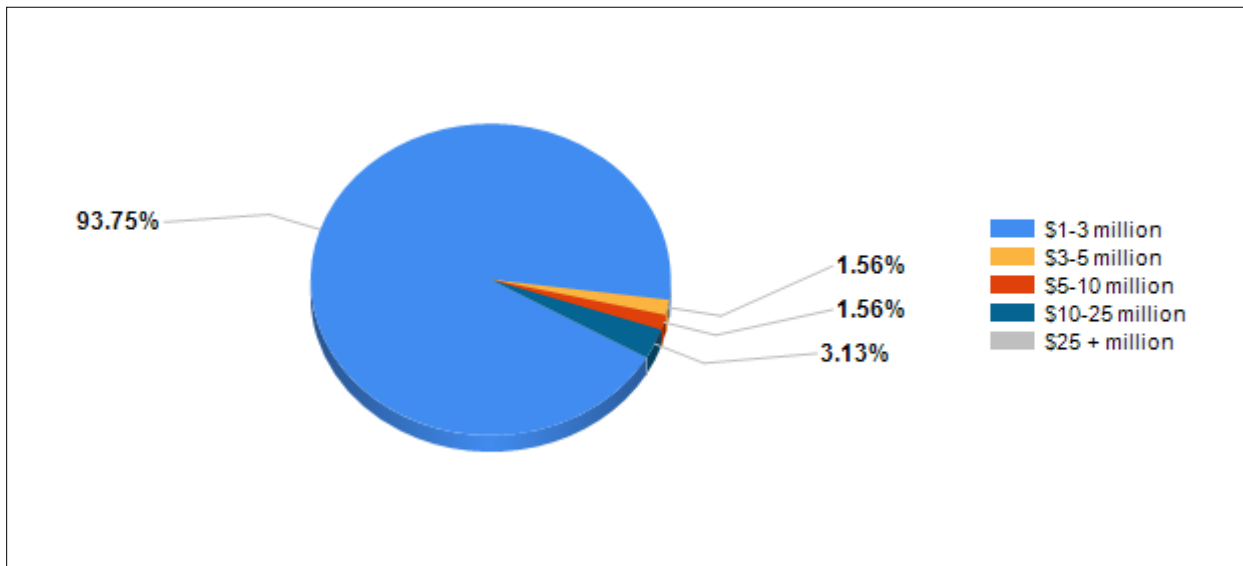
Are companies with 501 or more employees planning to:



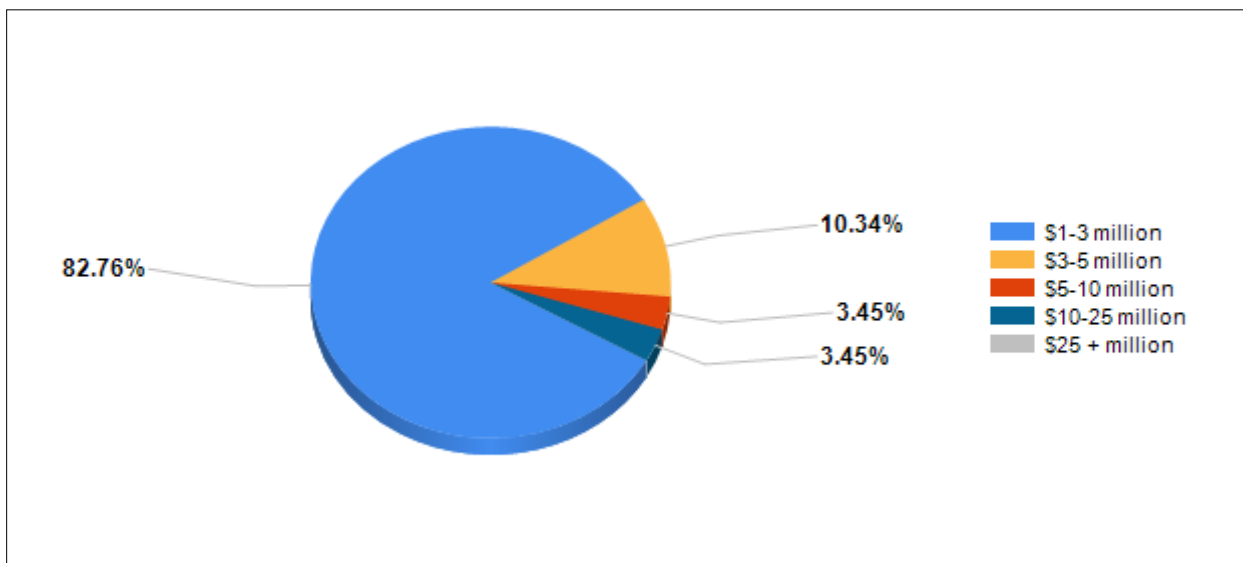
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What was the estimated revenue in 2009 of companies with 1-10 employees?



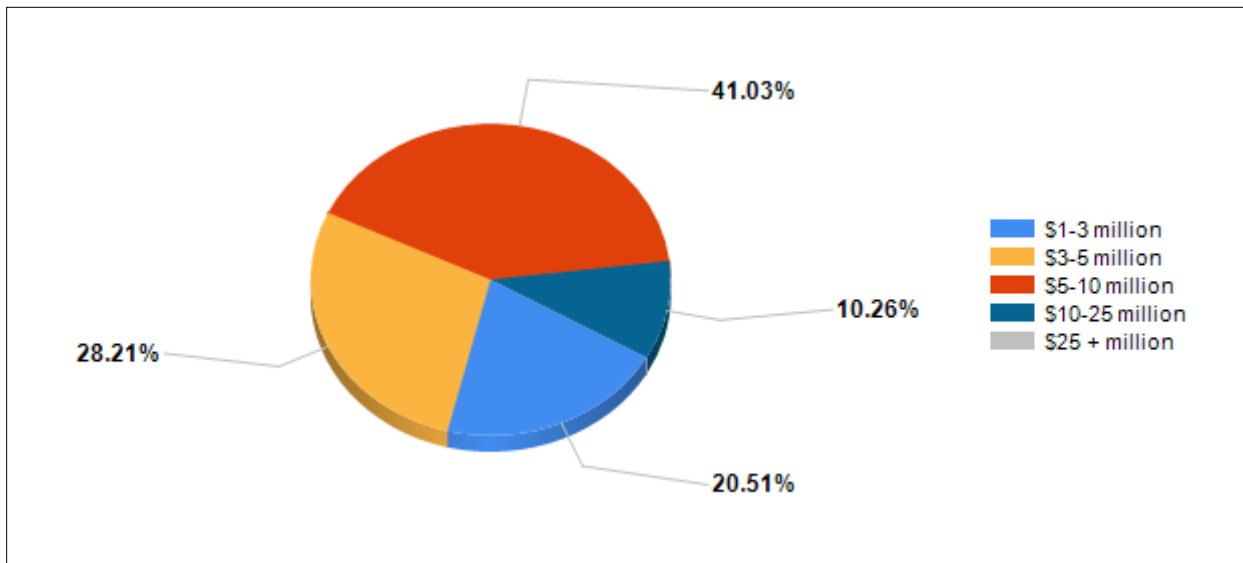
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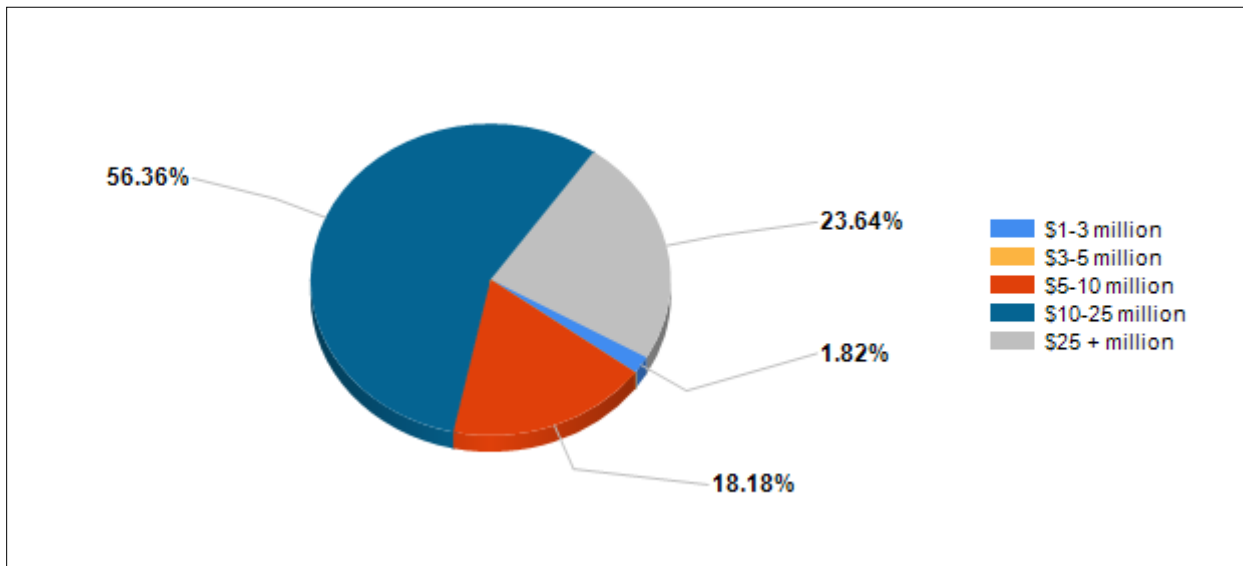
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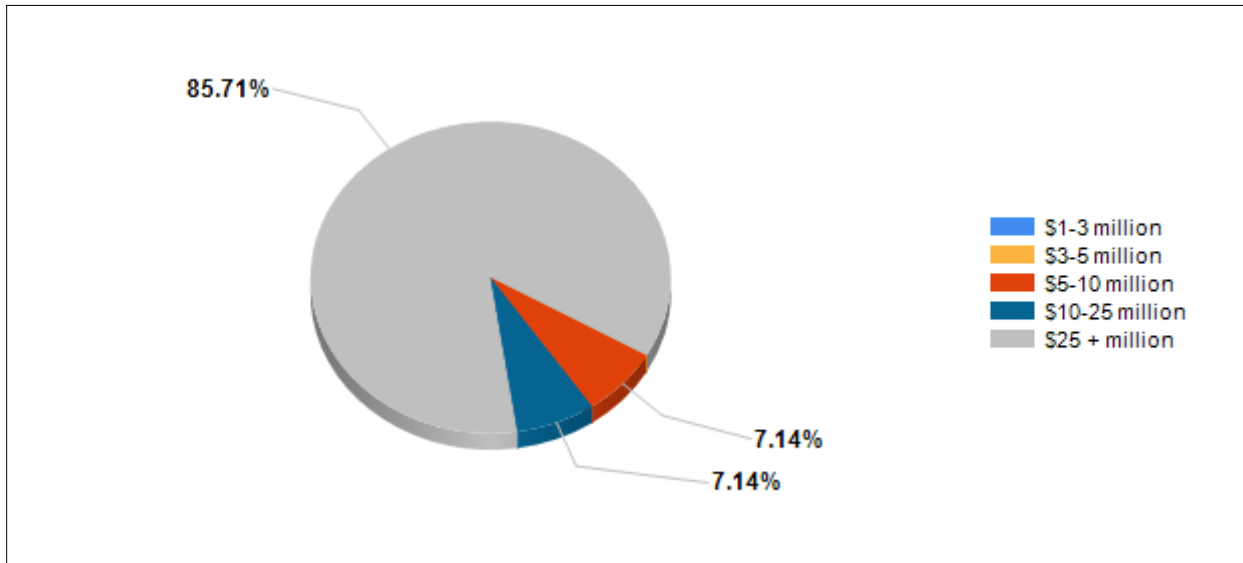
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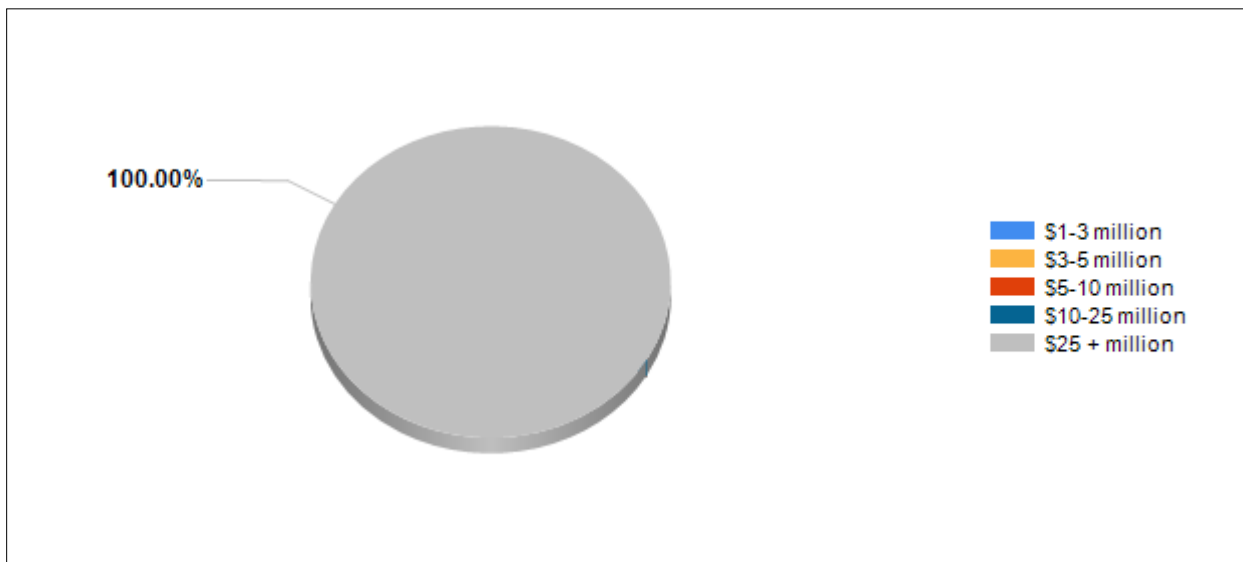


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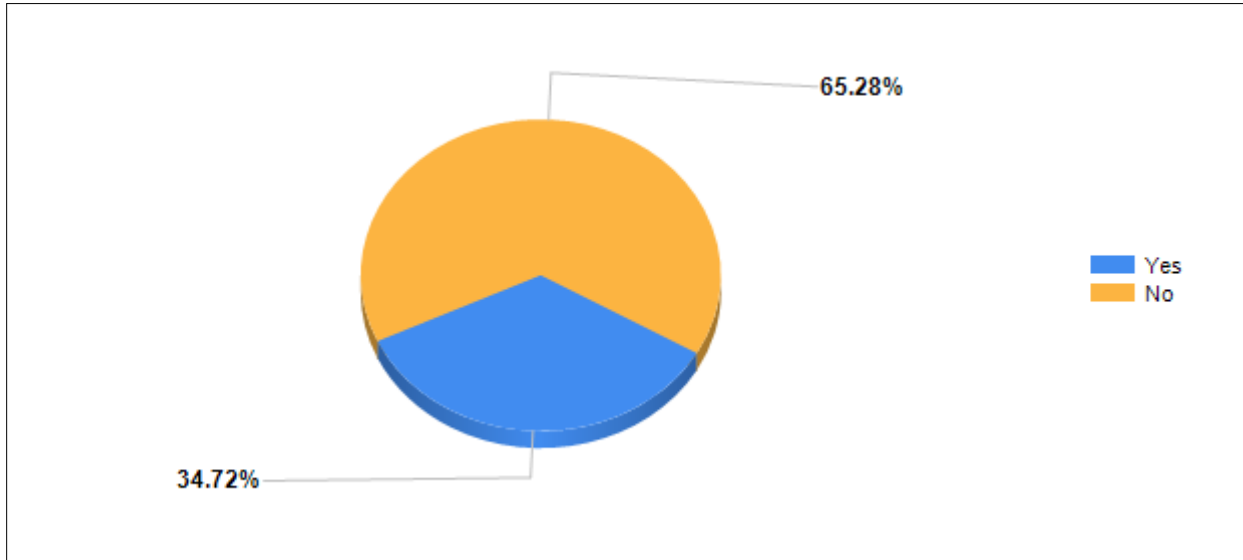


What was the estimated revenue in 2009 of companies with 501 or more employees?

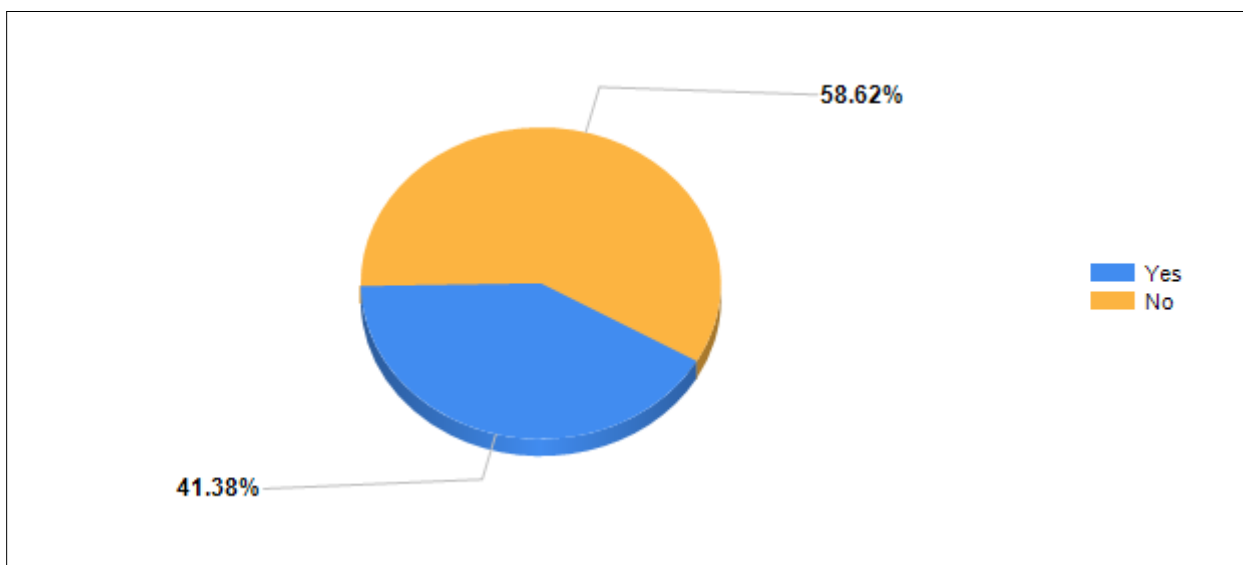


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Did companies with 1-10 employees have a profitable 4th quarter 2009?



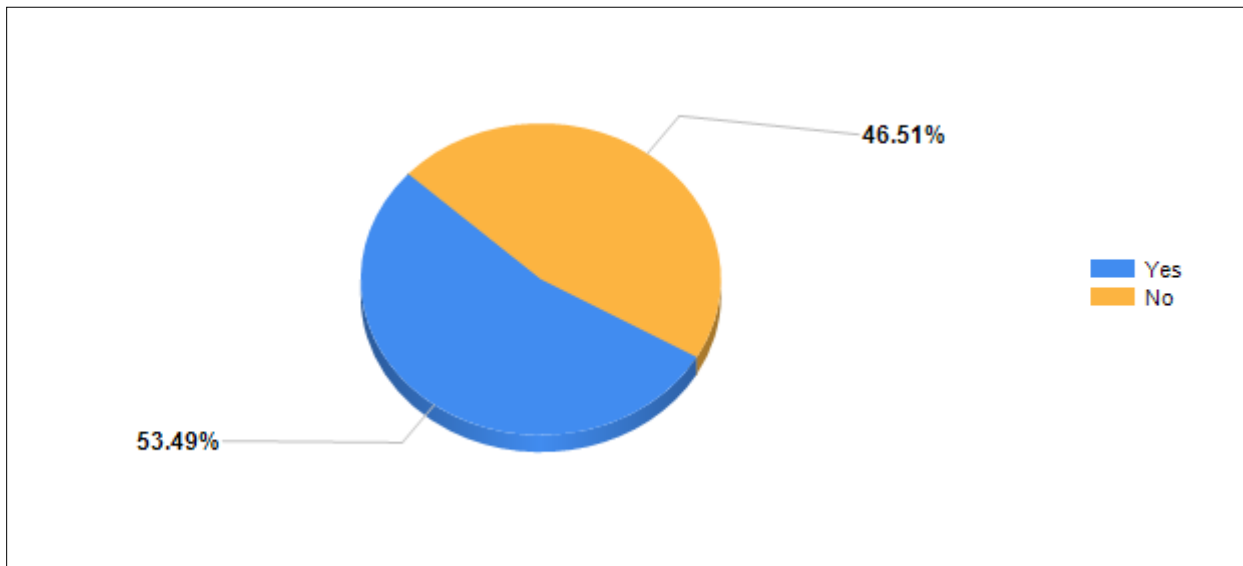
Did companies with 11-20 employees have a profitable 4th quarter 2009?



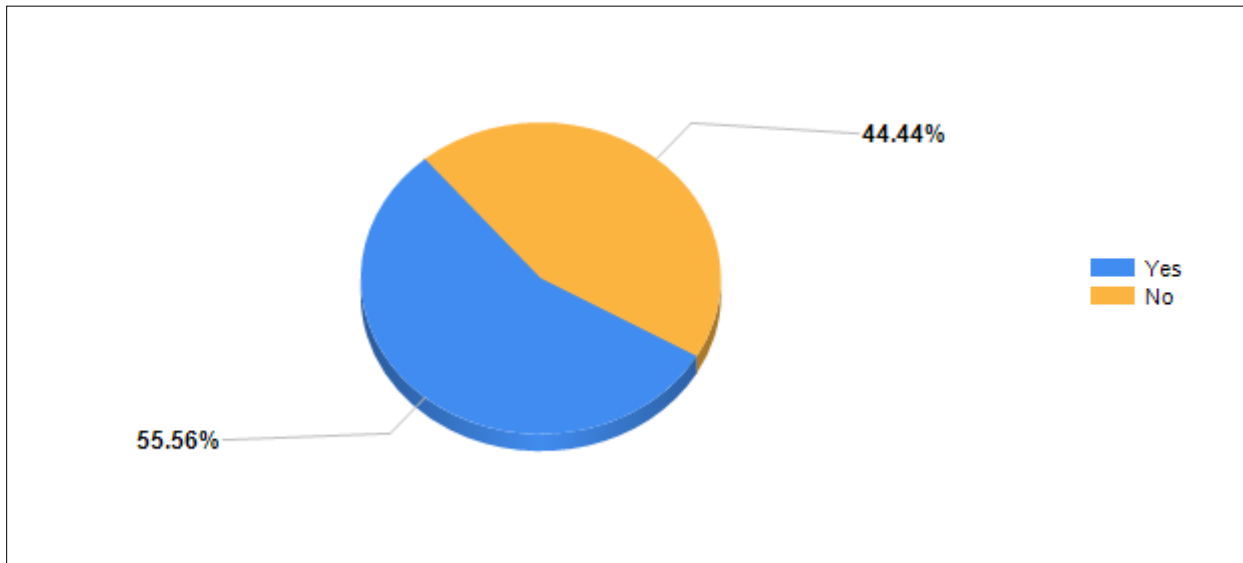
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Did companies with 21-50 employees have a profitable 4th quarter 2009?



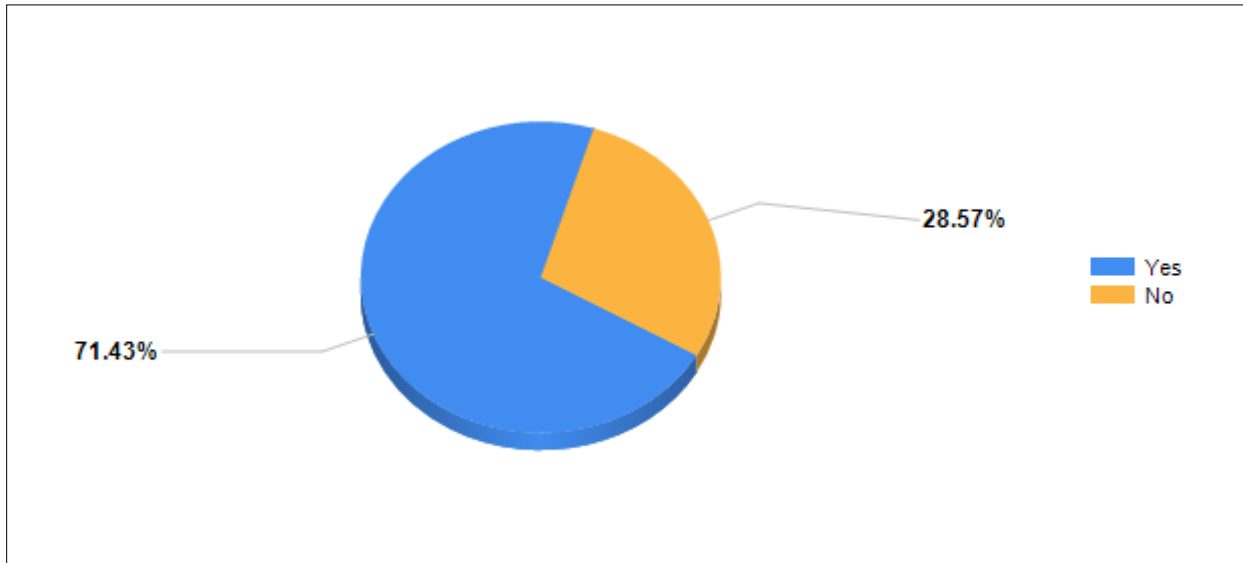
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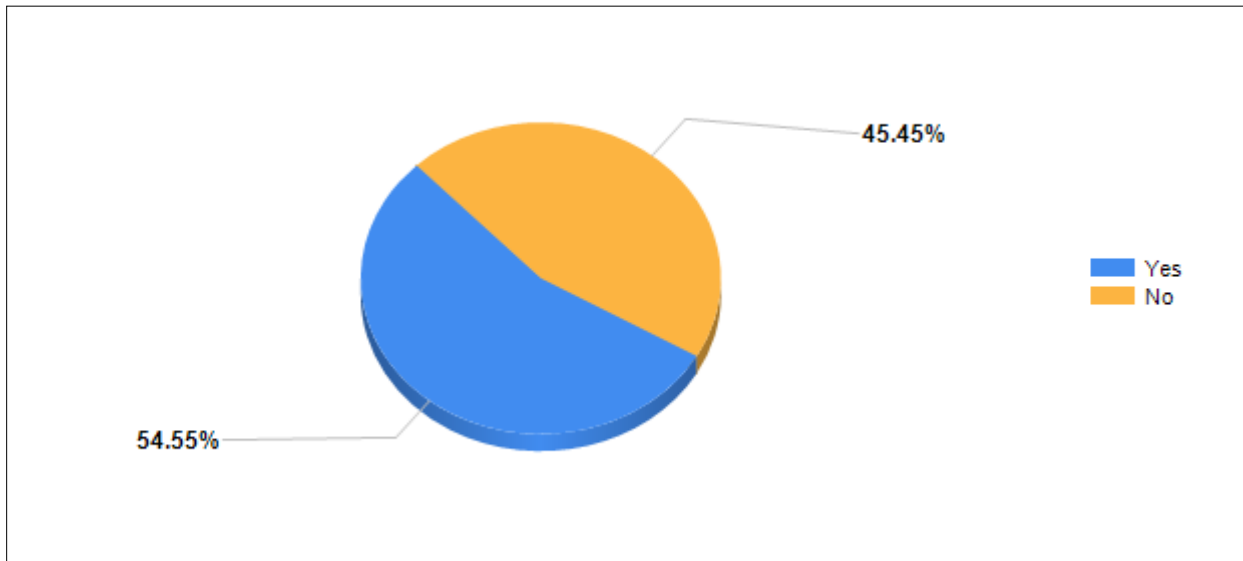
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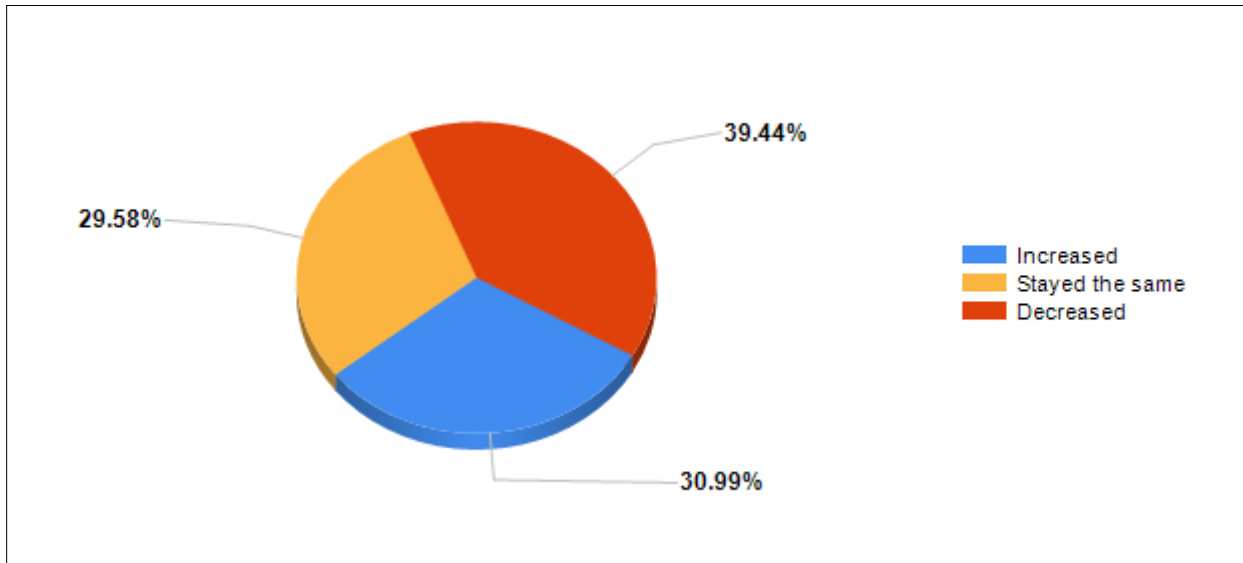
Did companies with 501+ employees have a profitable 4th quarter 2009?



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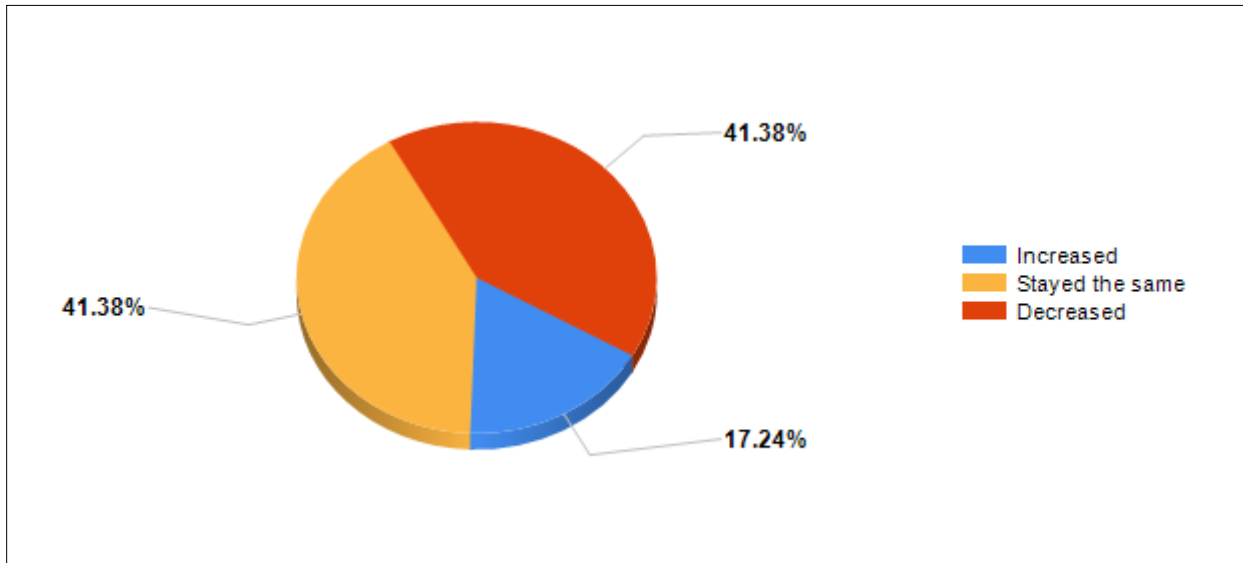
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How have sales in companies with 1-10 employees changed in the last 2 weeks?

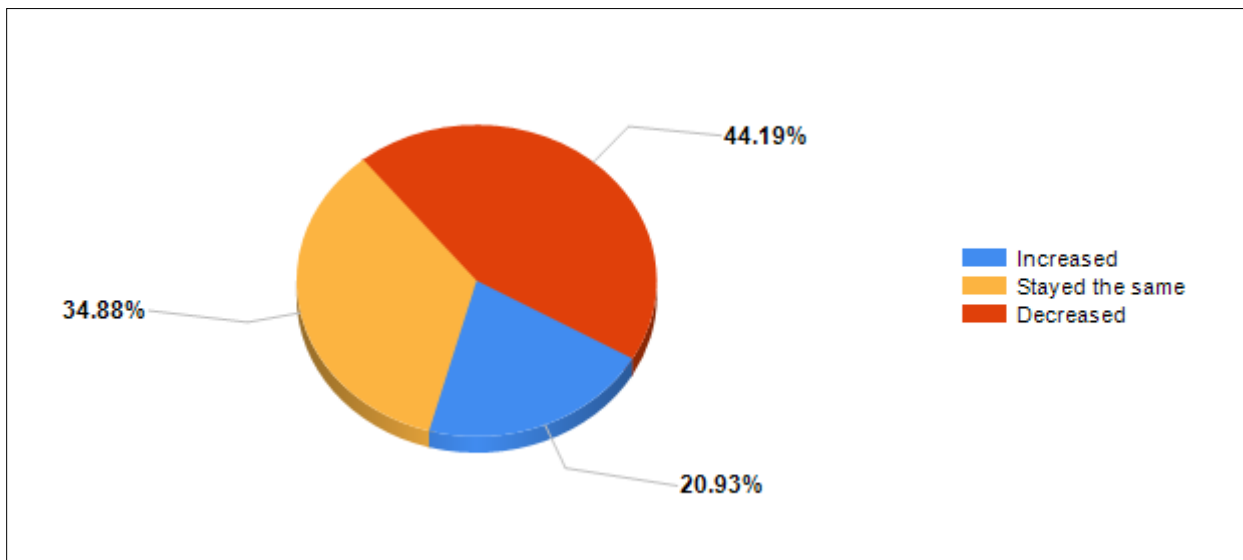


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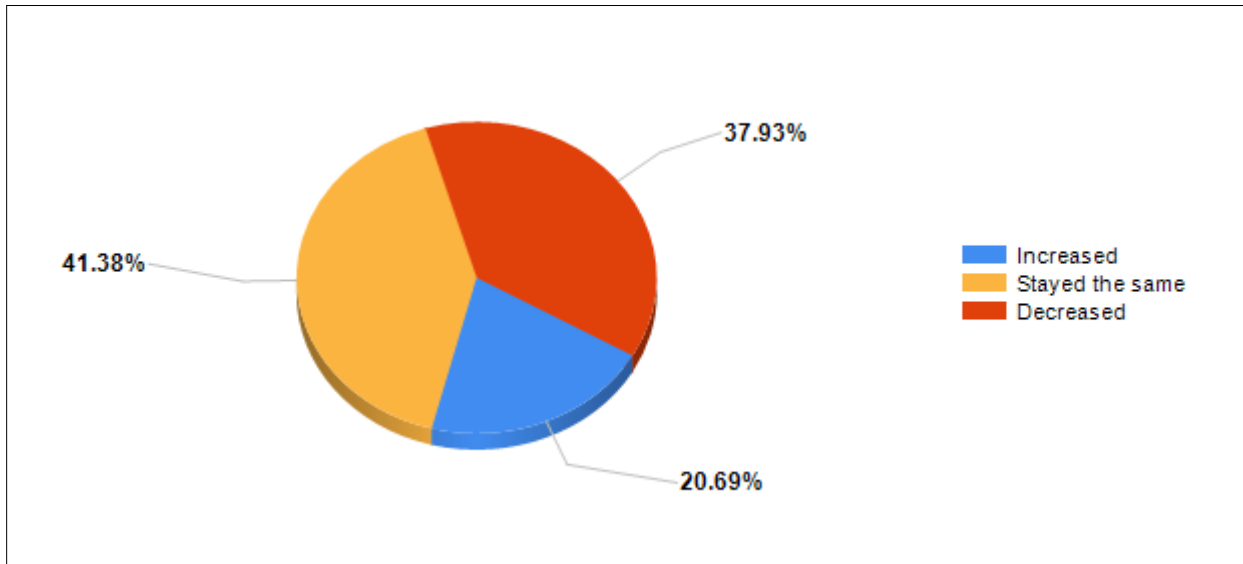


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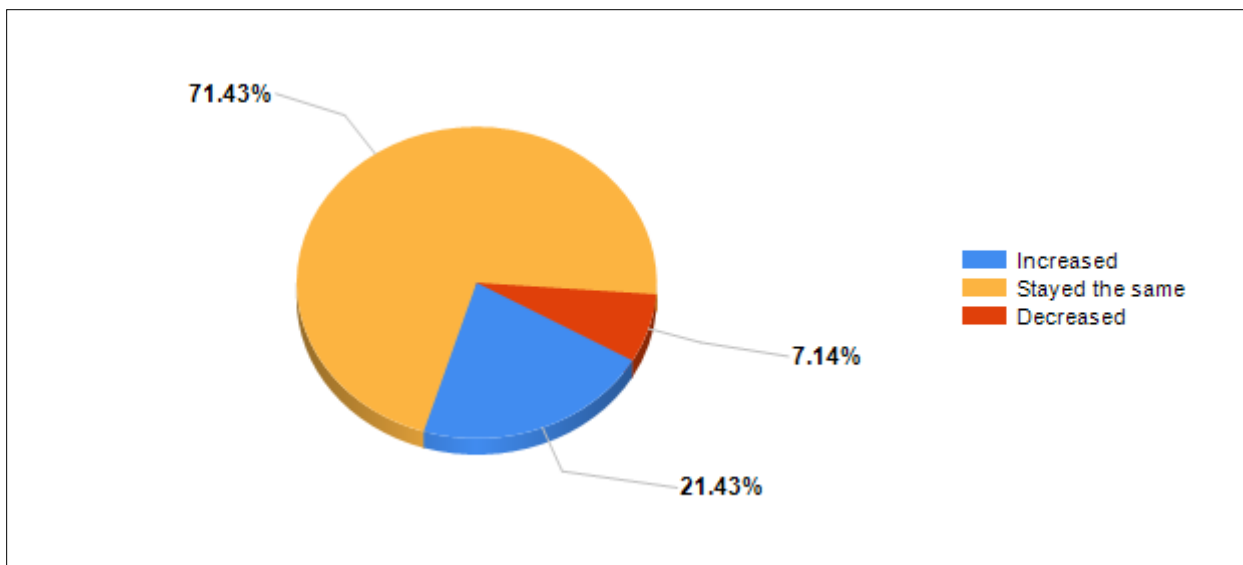


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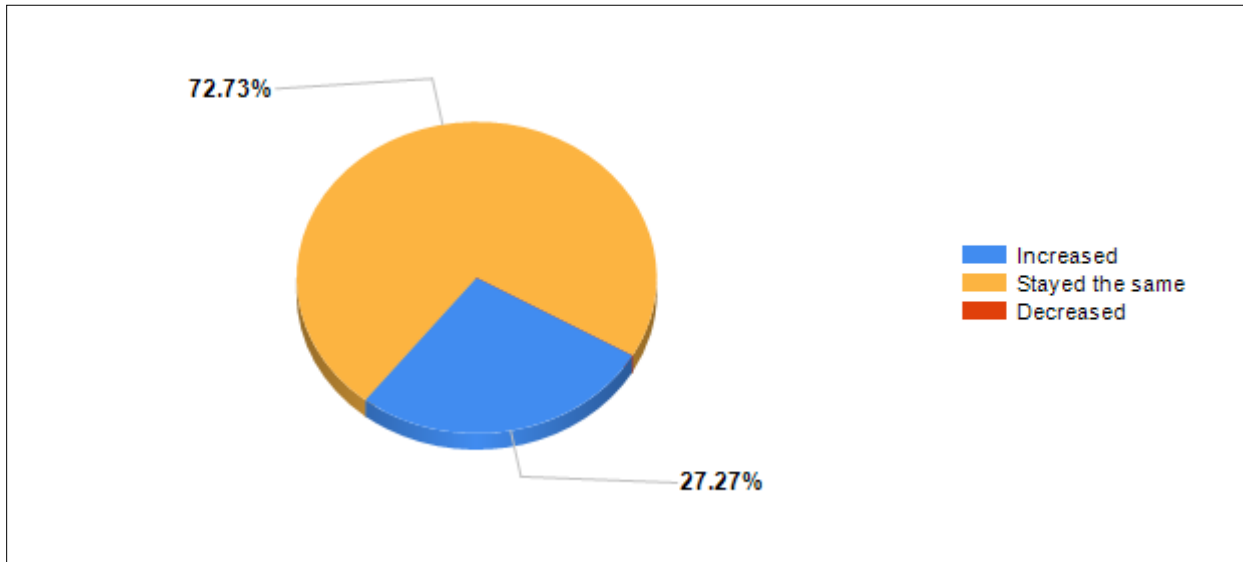
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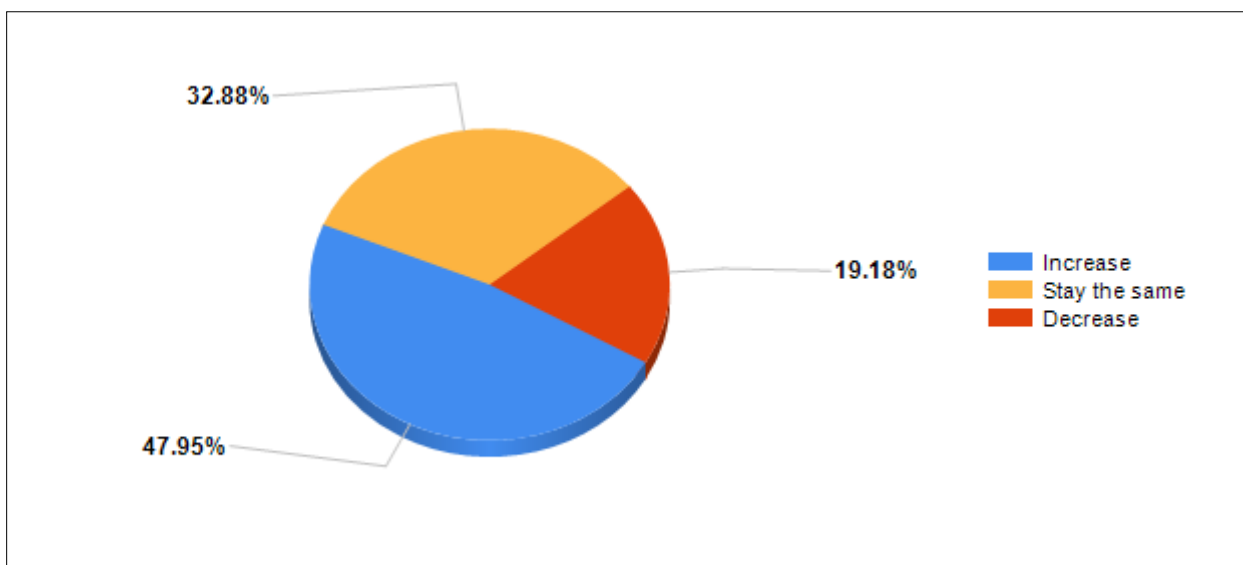
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How have sales changed in the last 2 weeks in companies with 501+ employees?



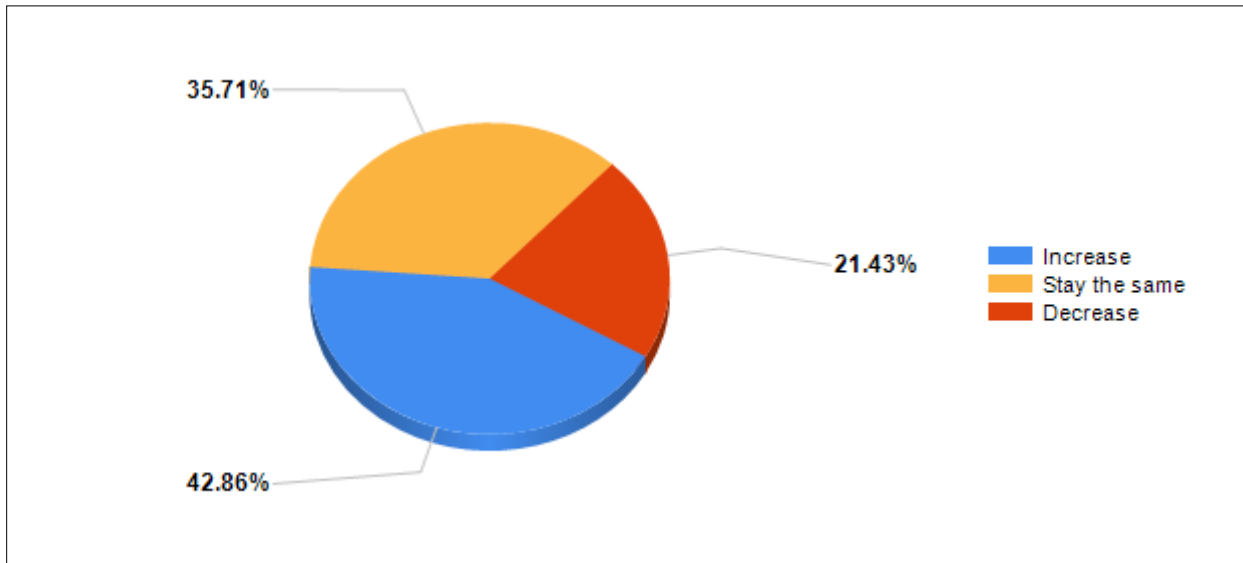
How do companies with 1-10 employees expect sales to change during the 1st quarter of 2010?



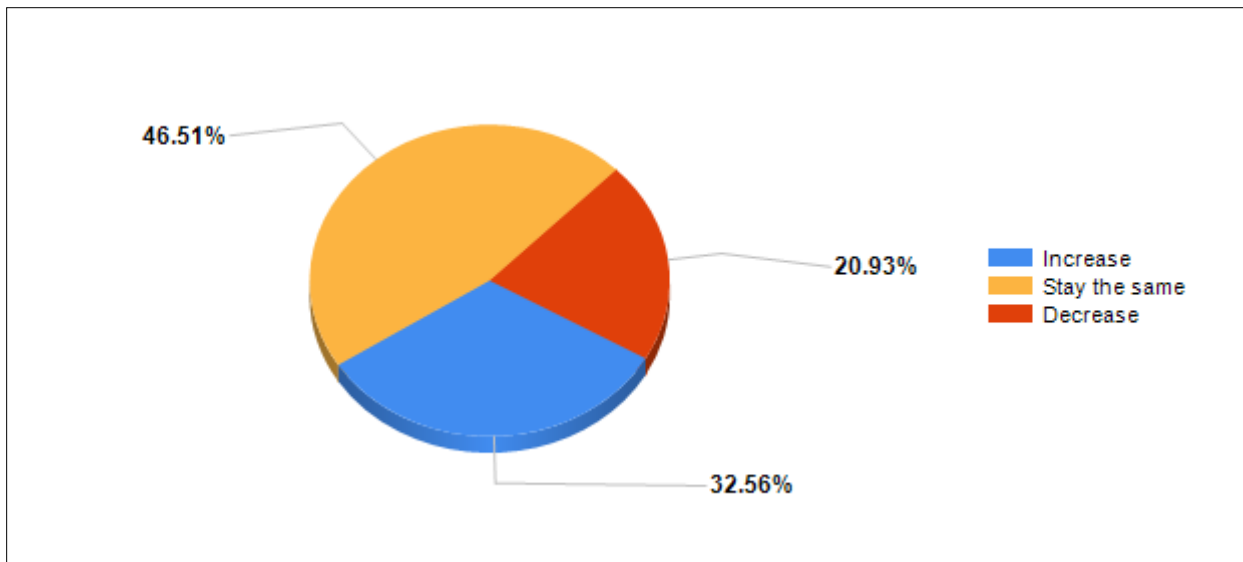
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How do companies with 11-20 employees expect sales to change during the 1st quarter of 2010?

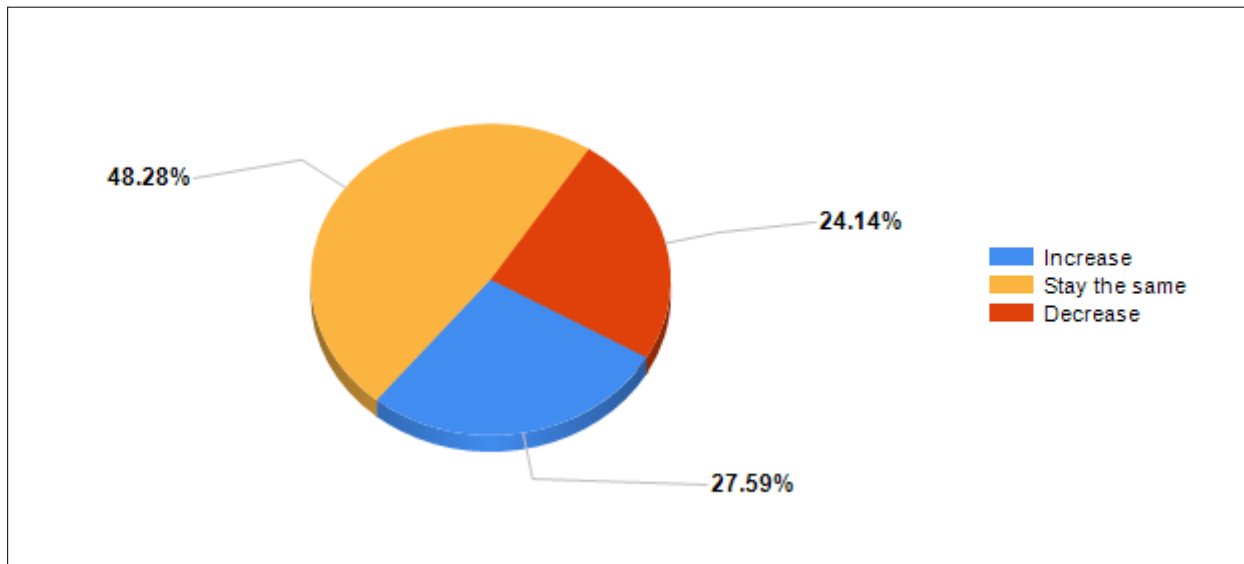


How do companies with 21-50 expect sales to change during the 1st quarter of 2010?

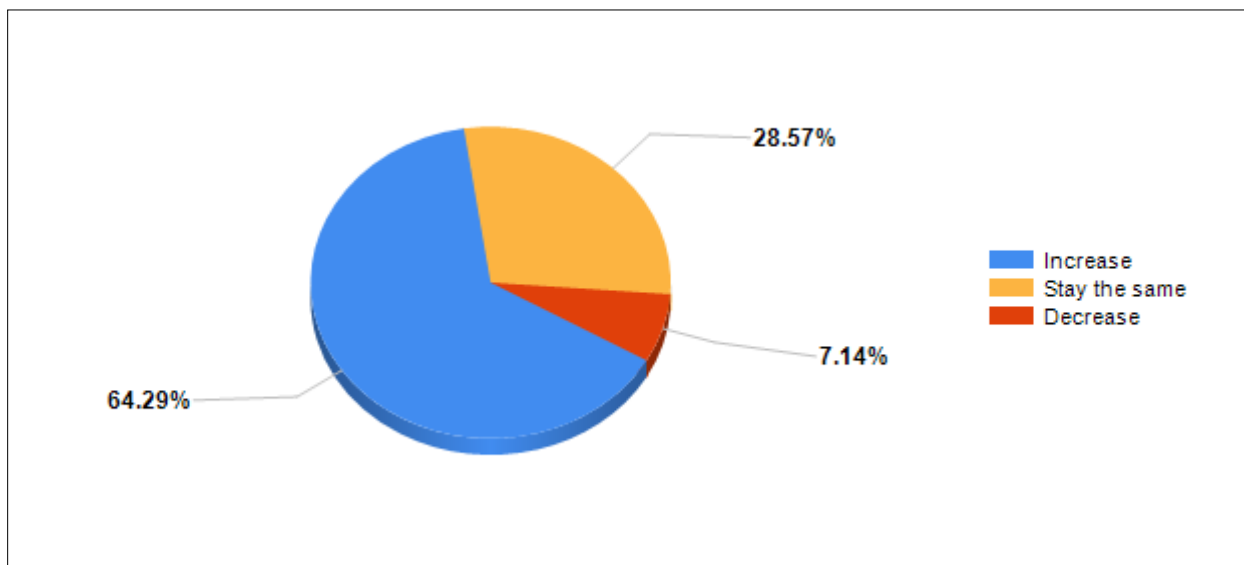


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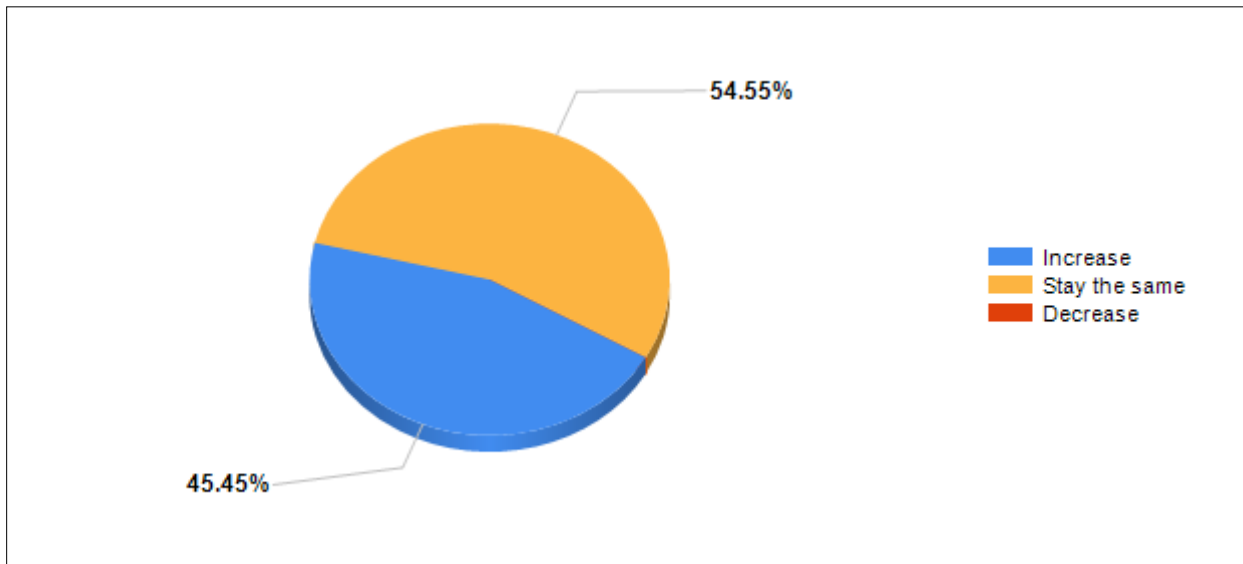


How do companies with 251-500 employees expect sales to change during the 1st quarter of 2010?

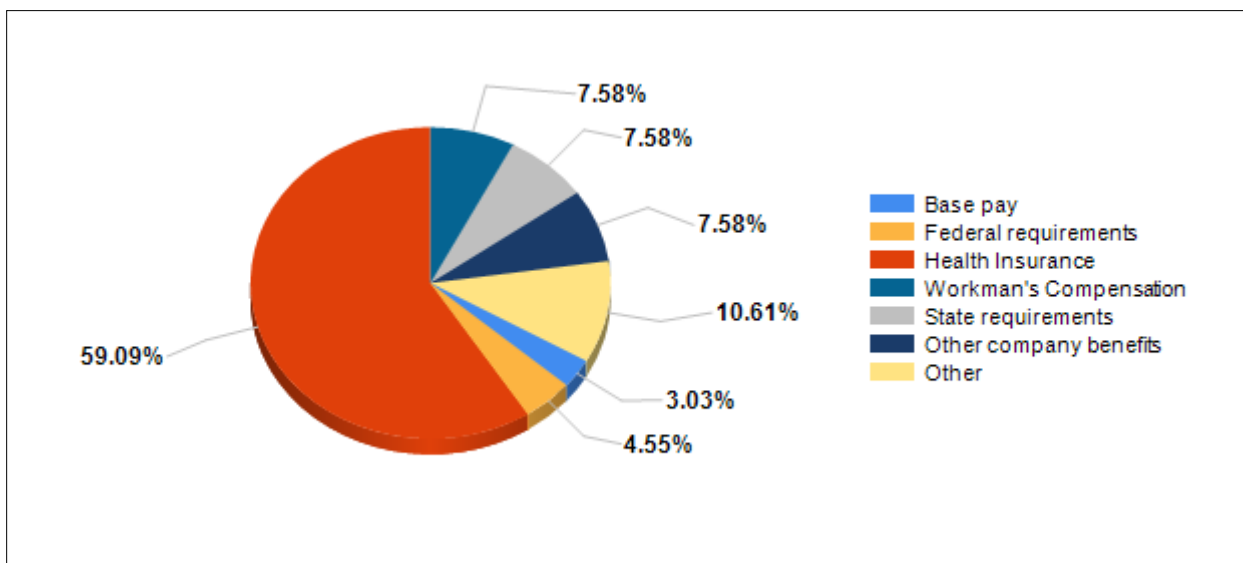


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How do companies with 501+ employees expect sales to change during the 1st quarter of 2010?



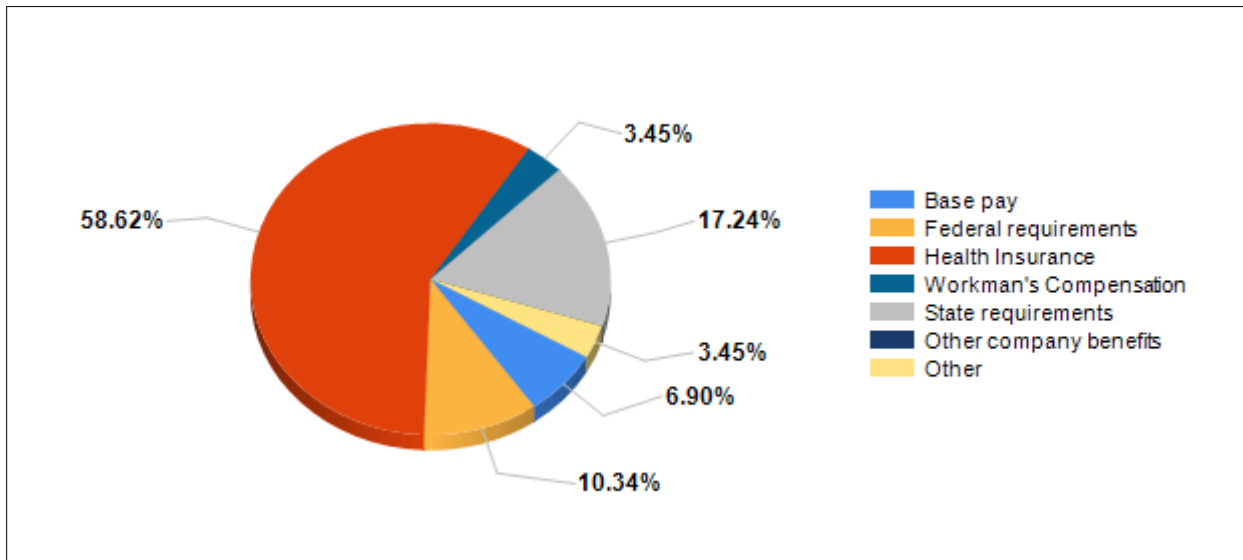
Regarding labor costs, what component of the costs has been increasing the fastest last quarter for companies with 1-10 employees?



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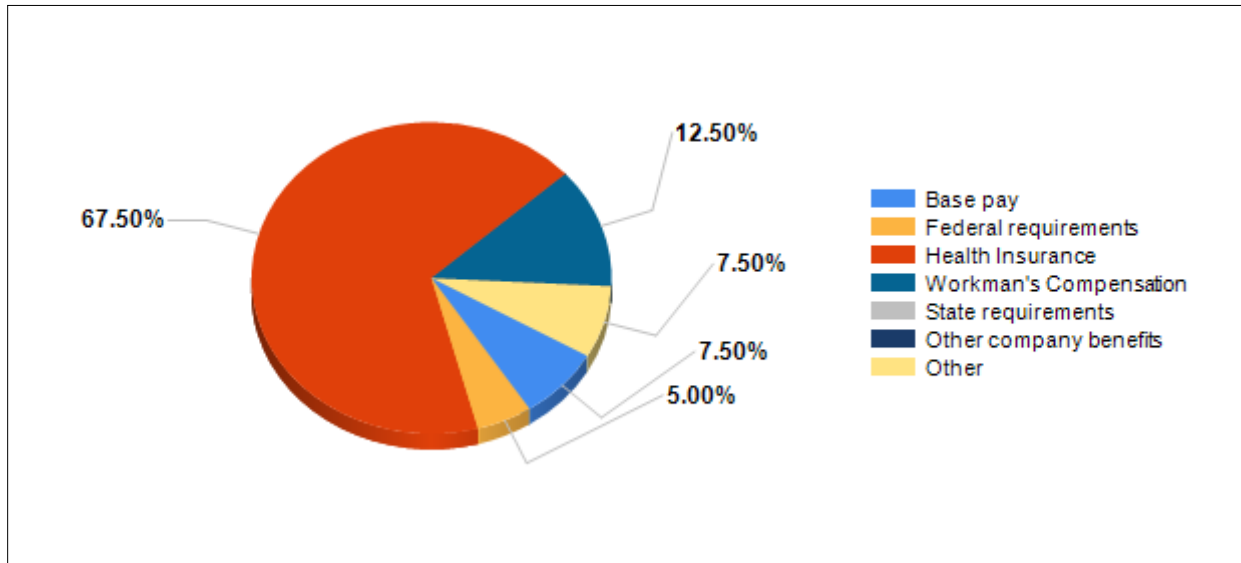
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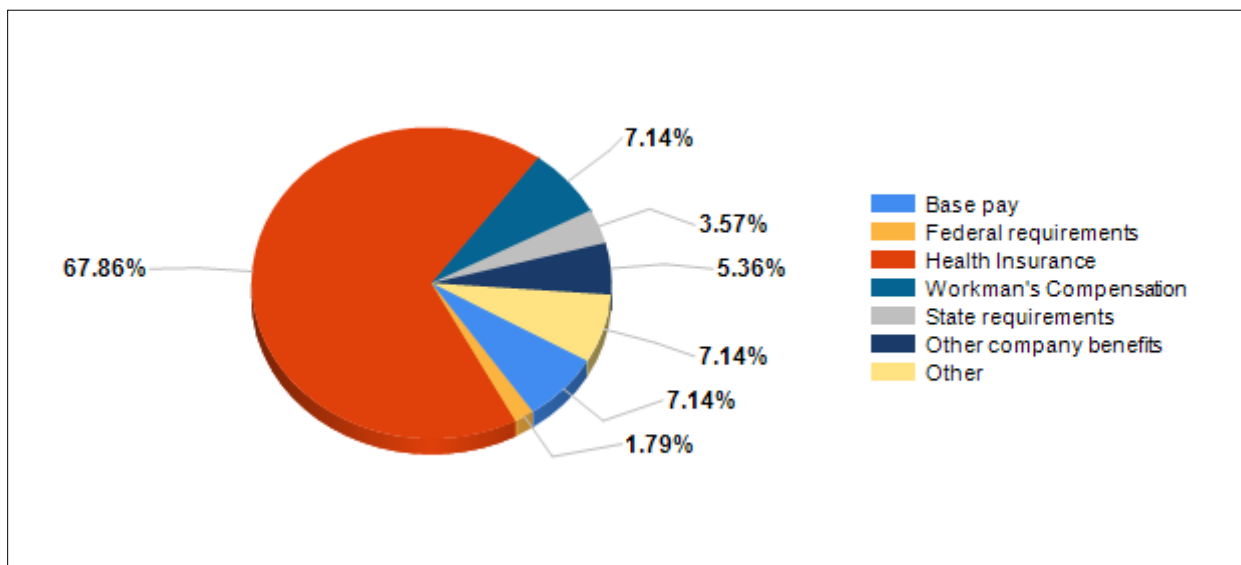


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Regarding labor costs, what component of the costs has been increasing the fastest last quarter in companies with 21-50 employees?

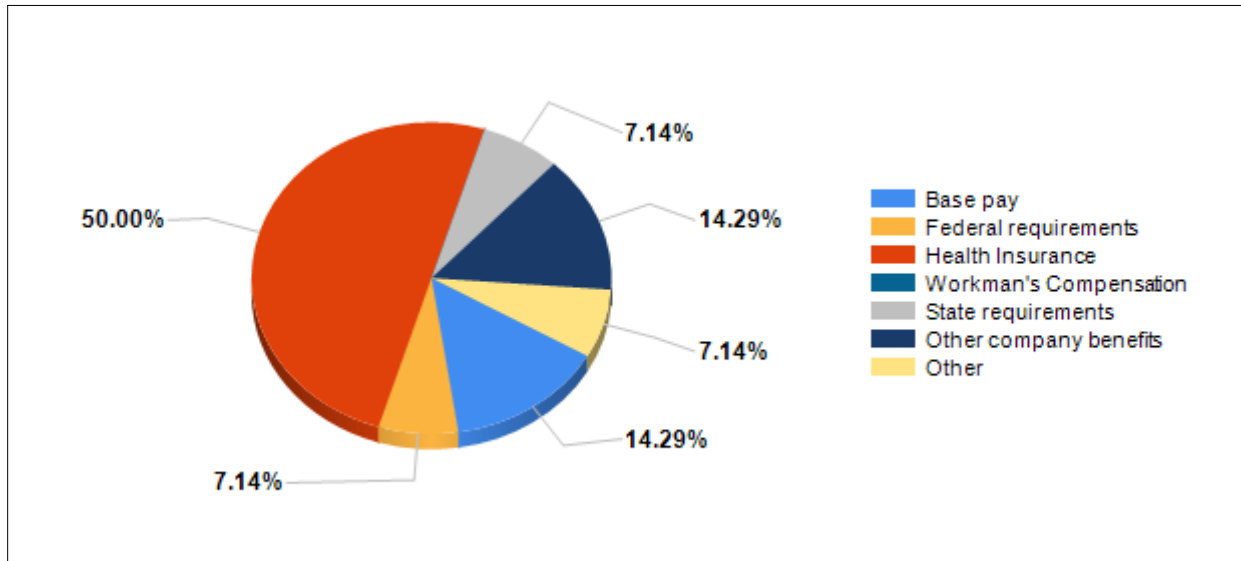


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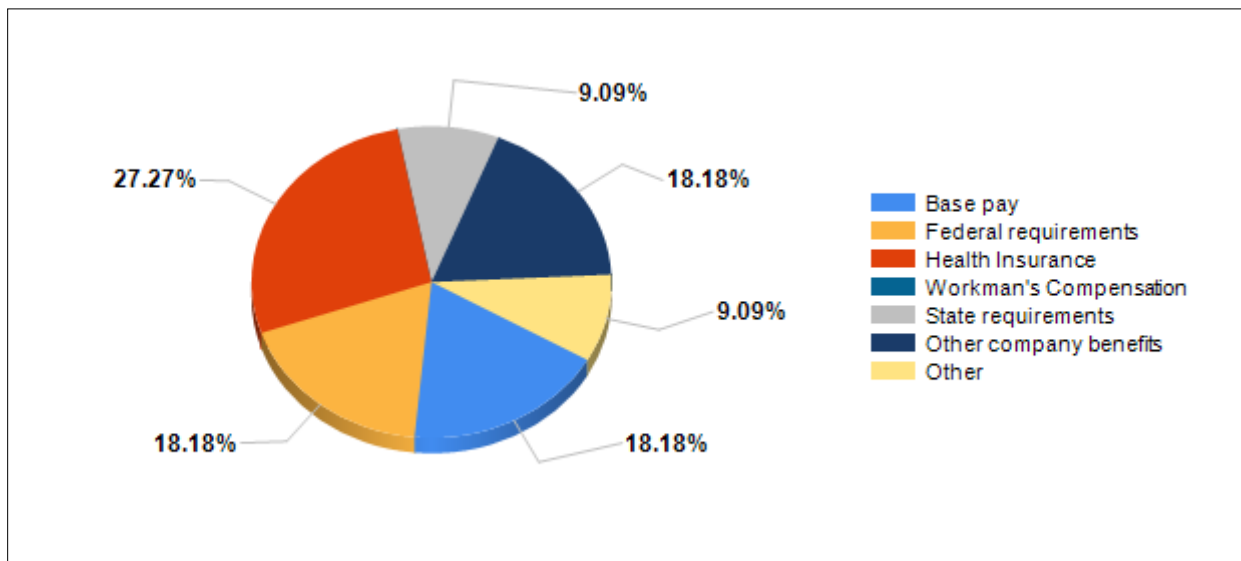


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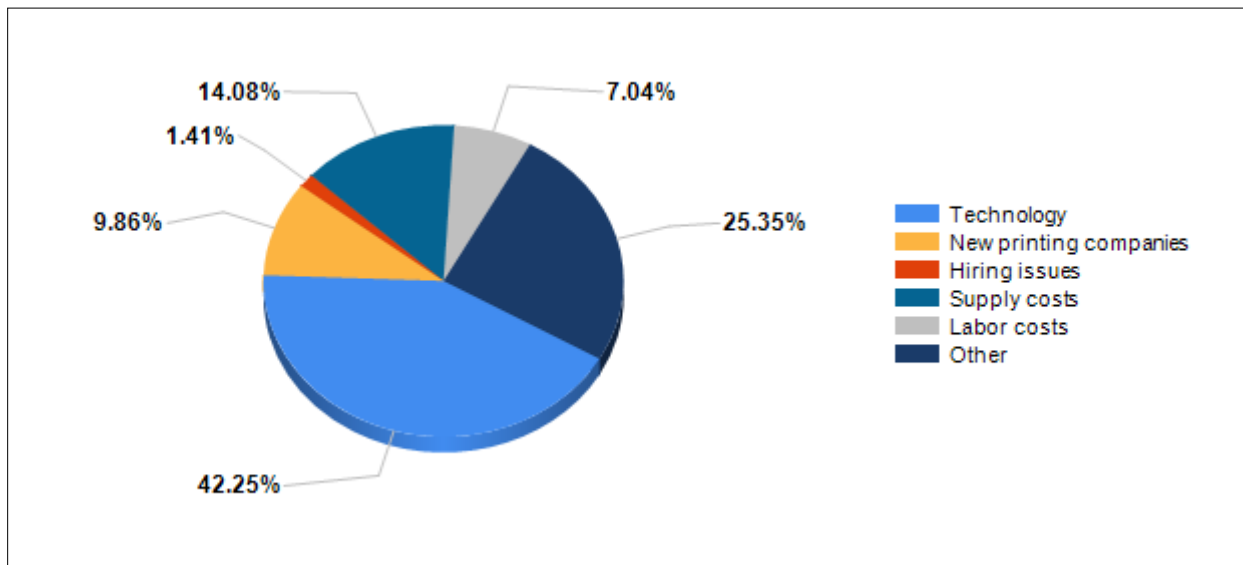


Regarding labor costs, what component of the costs has been increasing the fastest last quarter for companies with 501+ employees?



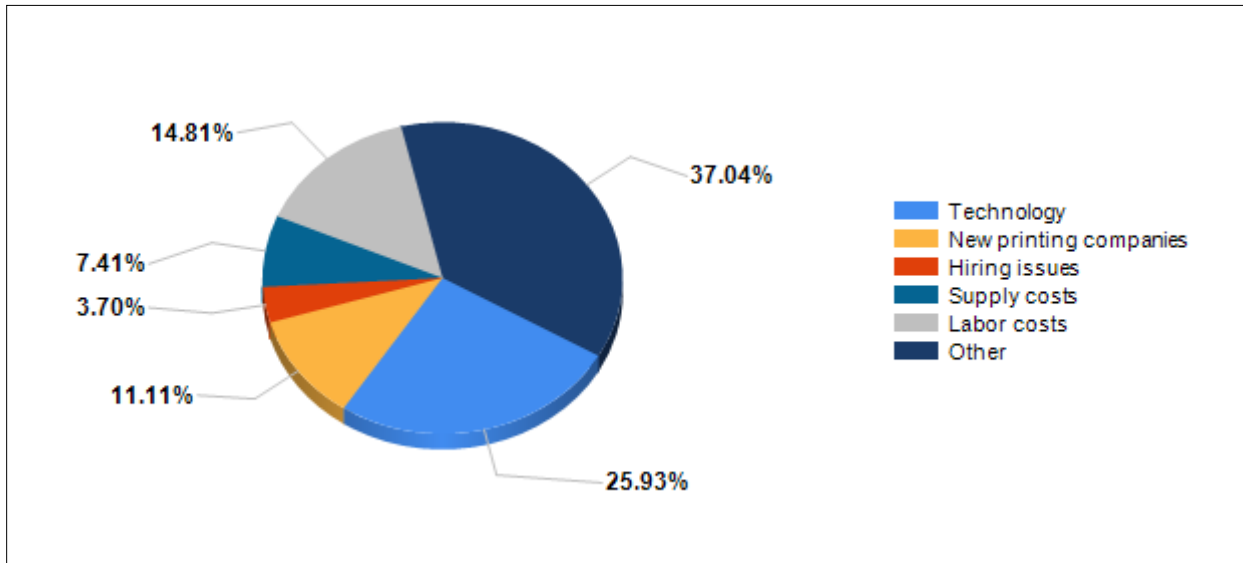
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What do companies with 1-10 employees consider to be their greatest competitive threat?

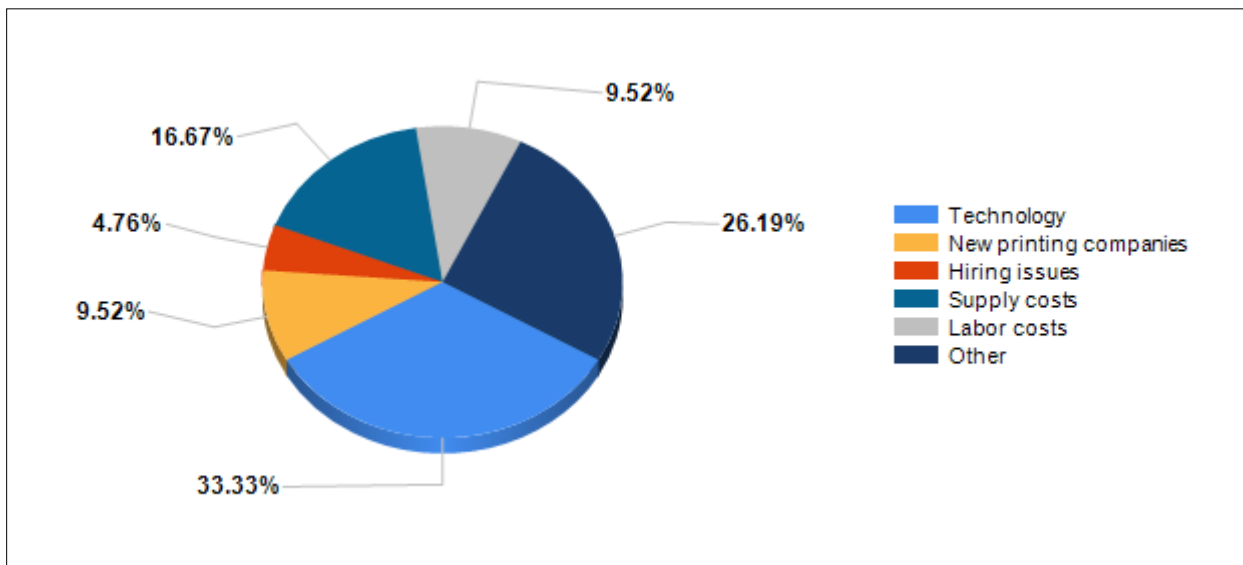


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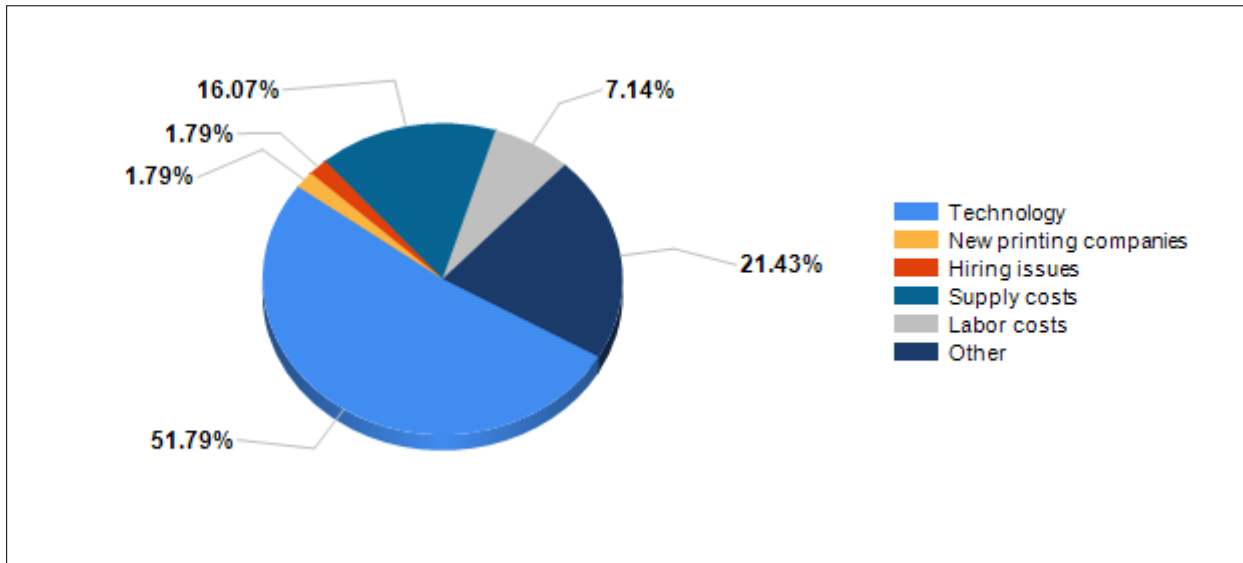


What do companies with 21-50 employees consider to be their greatest competitive threat?

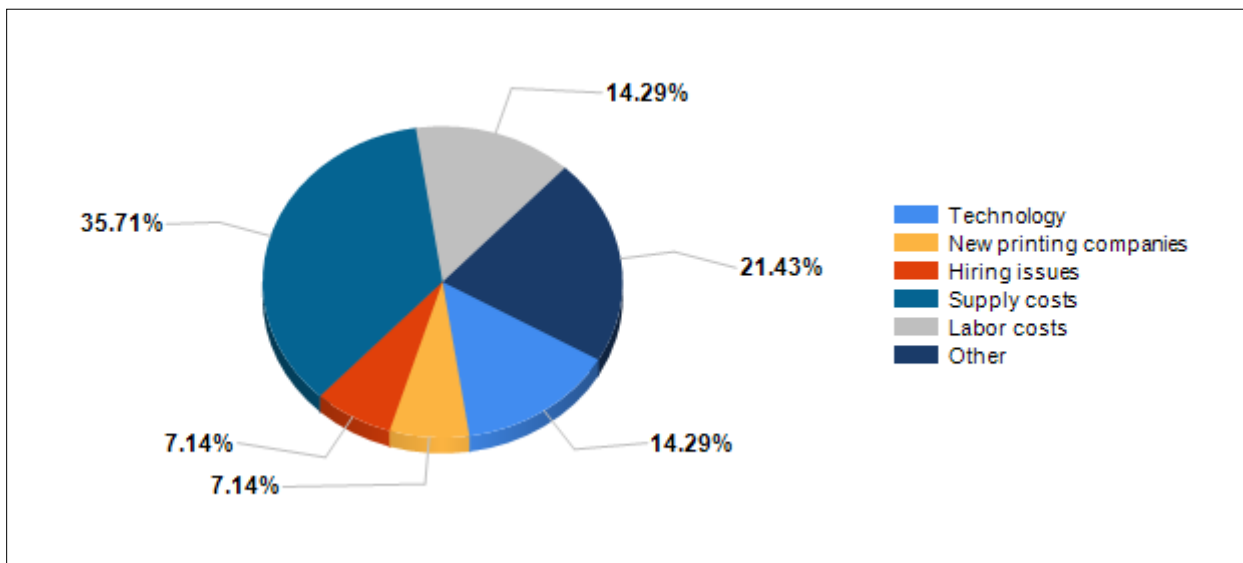


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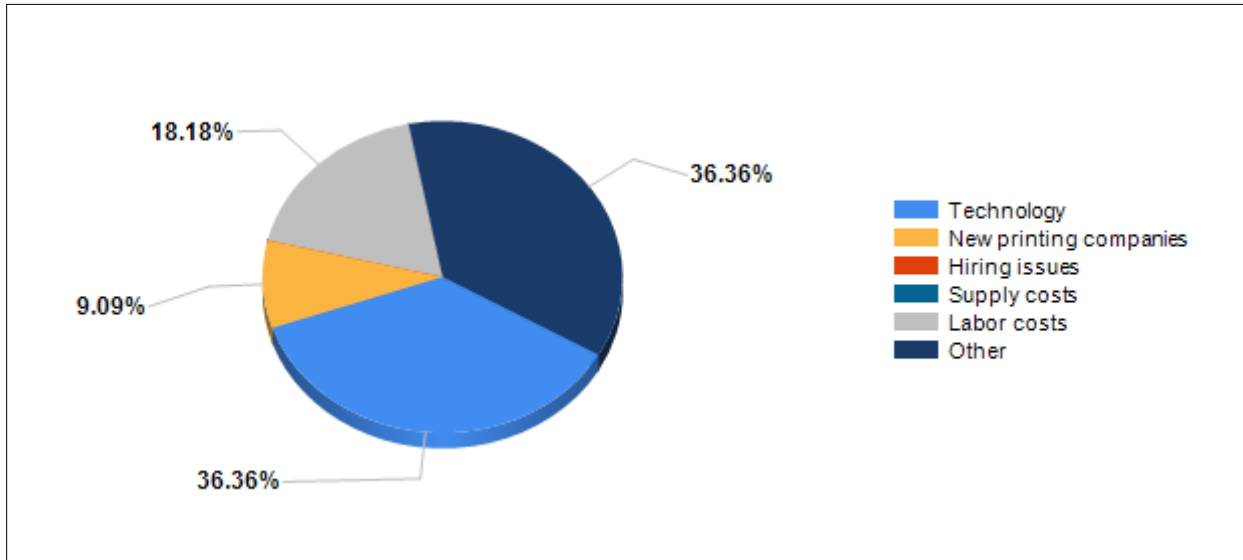


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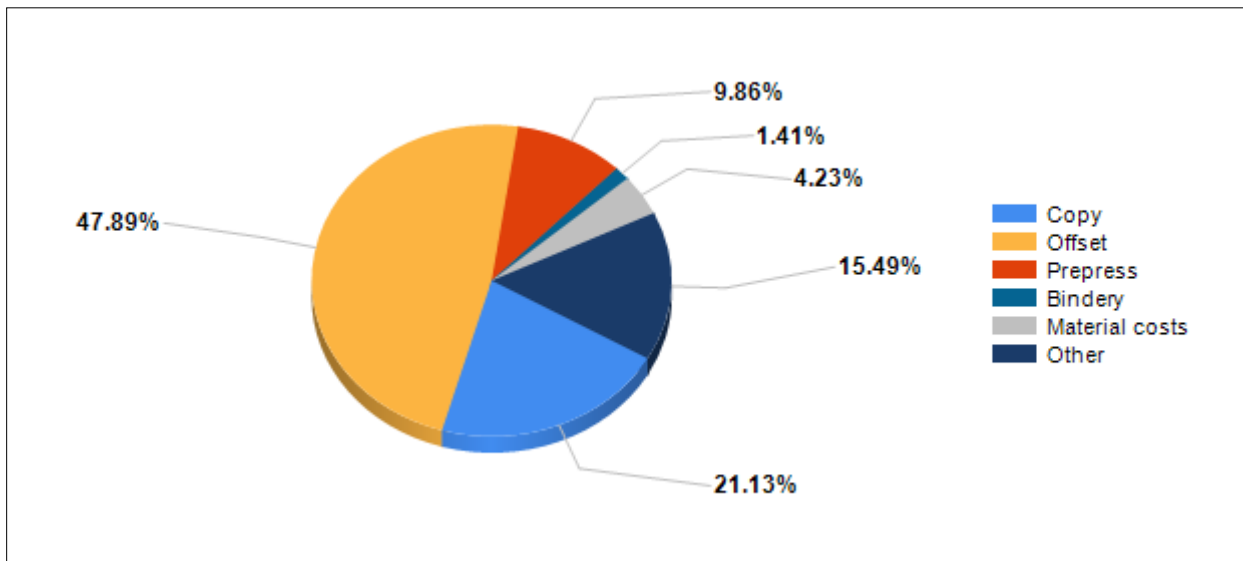


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What do companies with 501+ consider to be their greatest competitive threat?

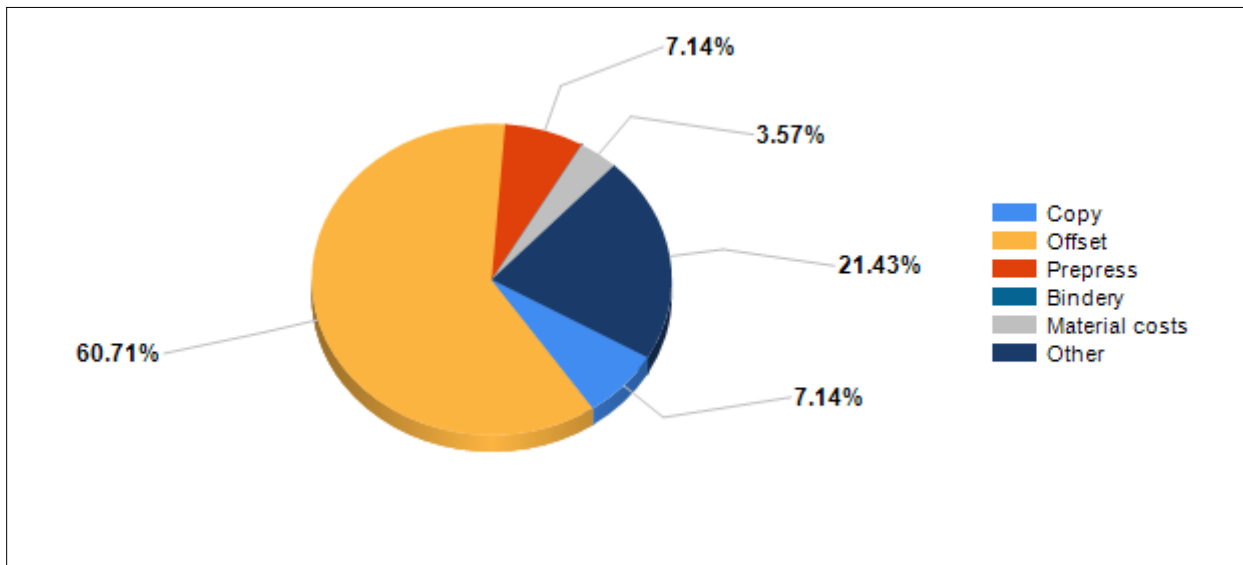


In what business segment do companies with 1-10 employees find the most pricing pressure from clients?



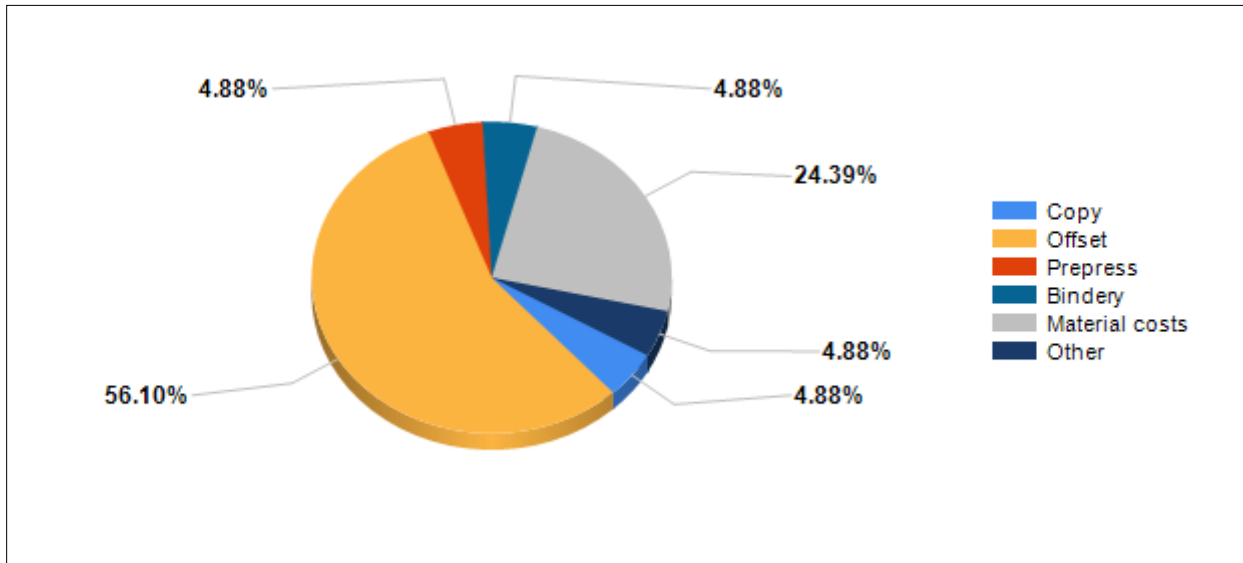
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In what business segment do companies with 11-20 employees find the most pricing pressure from their clients?

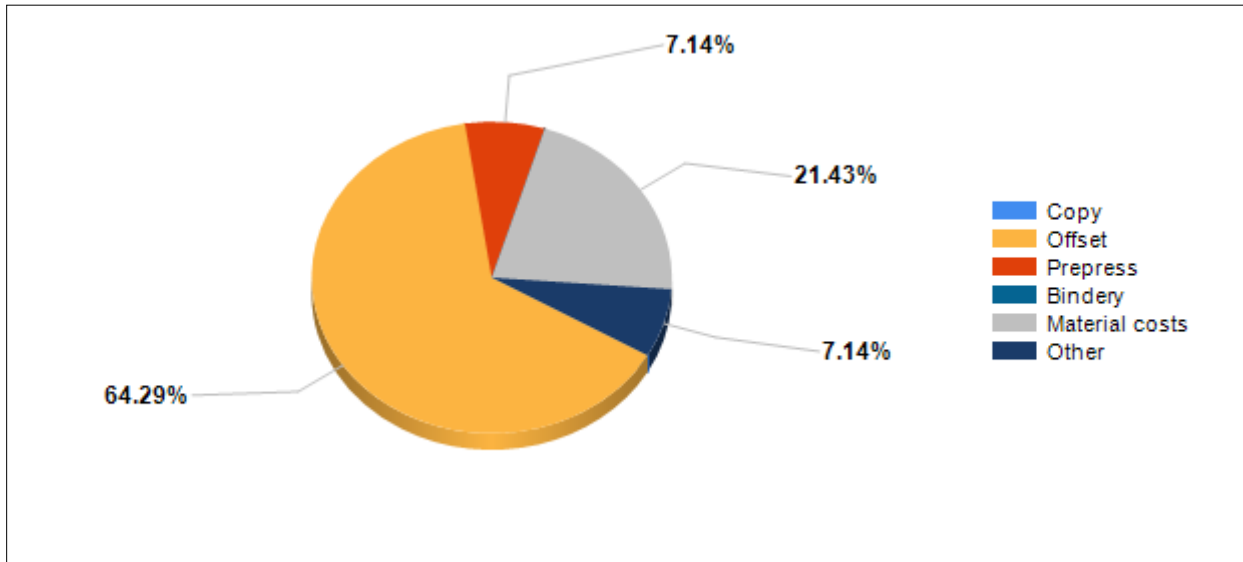


In what business segment do companies with 21-50 employees find the most pricing pressure from their clients?

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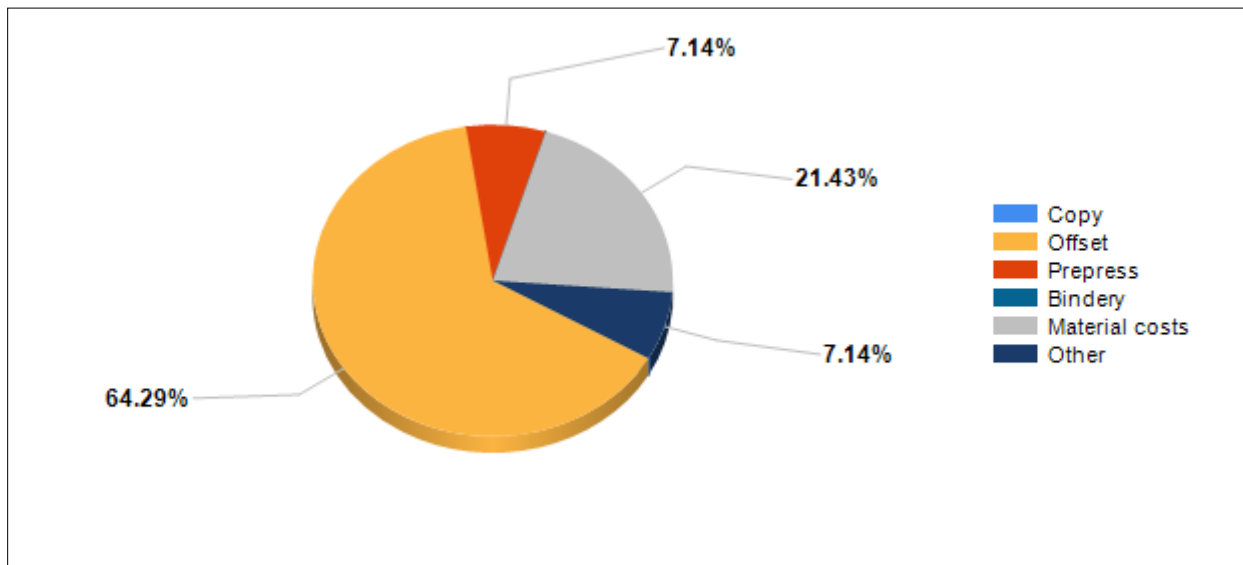


In what business segment do companies with 51-250 employees find the most pricing pressure from their clients?

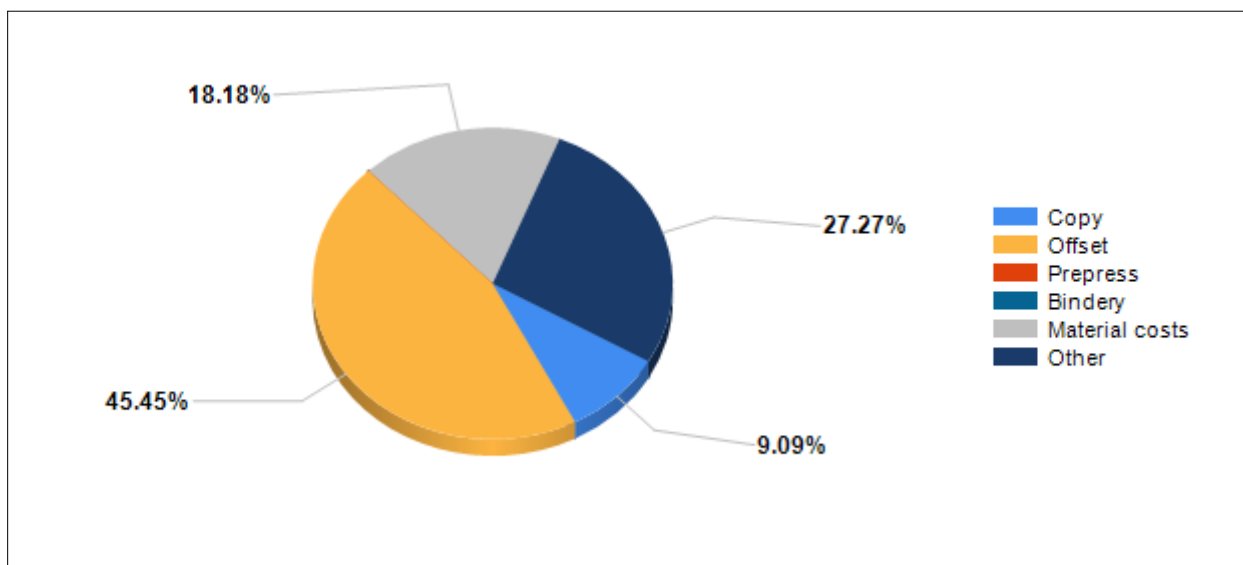


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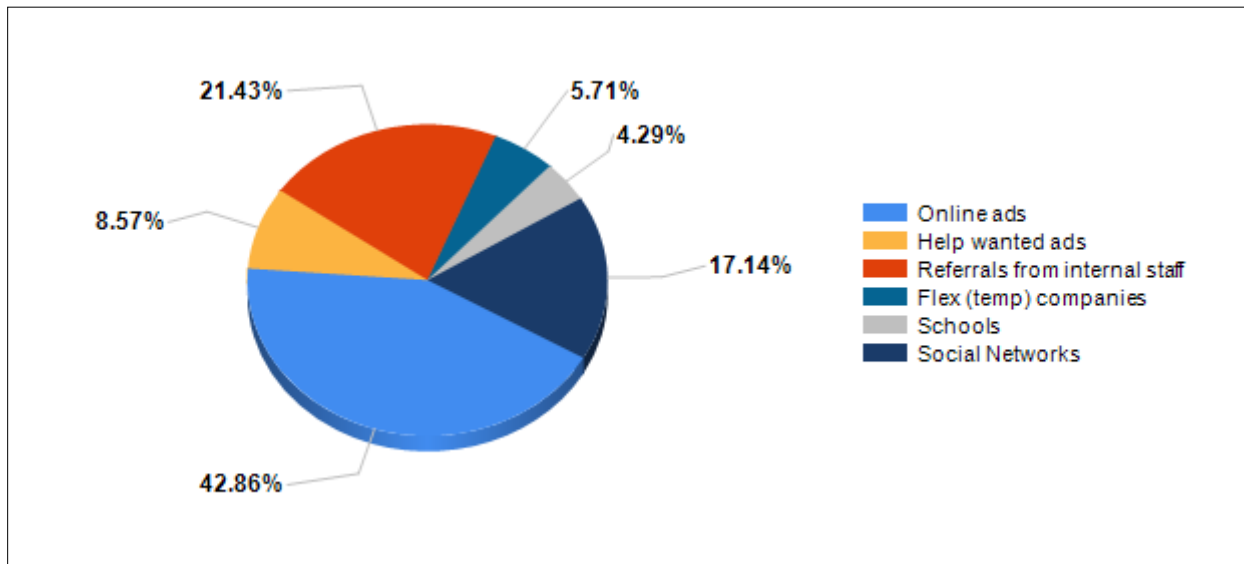
In what business segment do companies with 500+ employees find the most pricing pressure from clients?



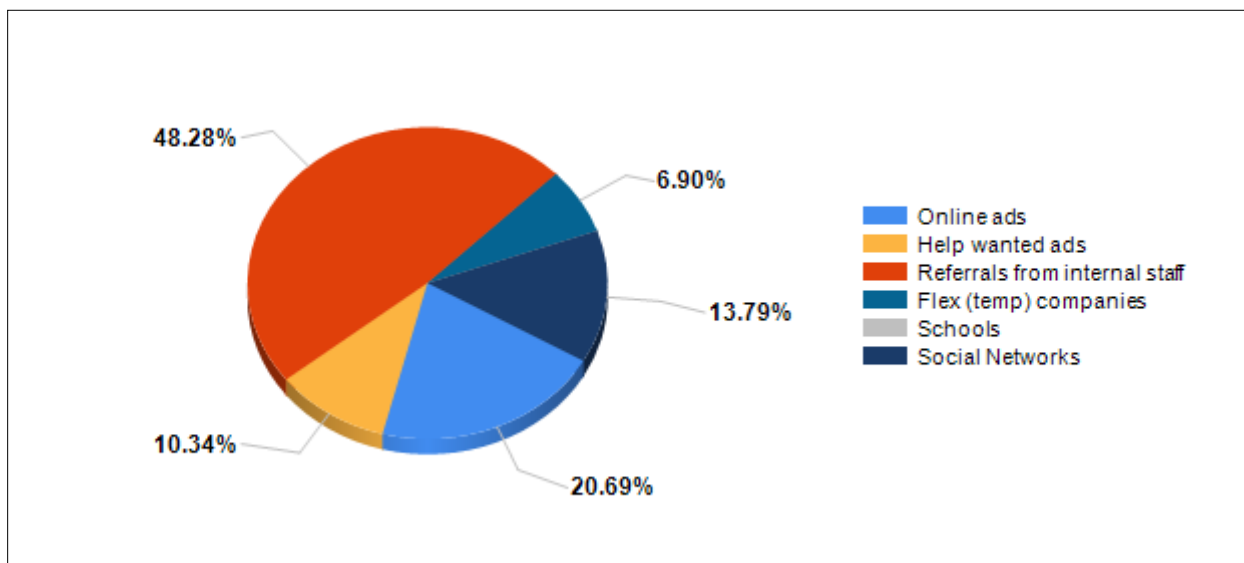
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What is the primary source of companies with 1-10 employees for finding skilled, full time workers?

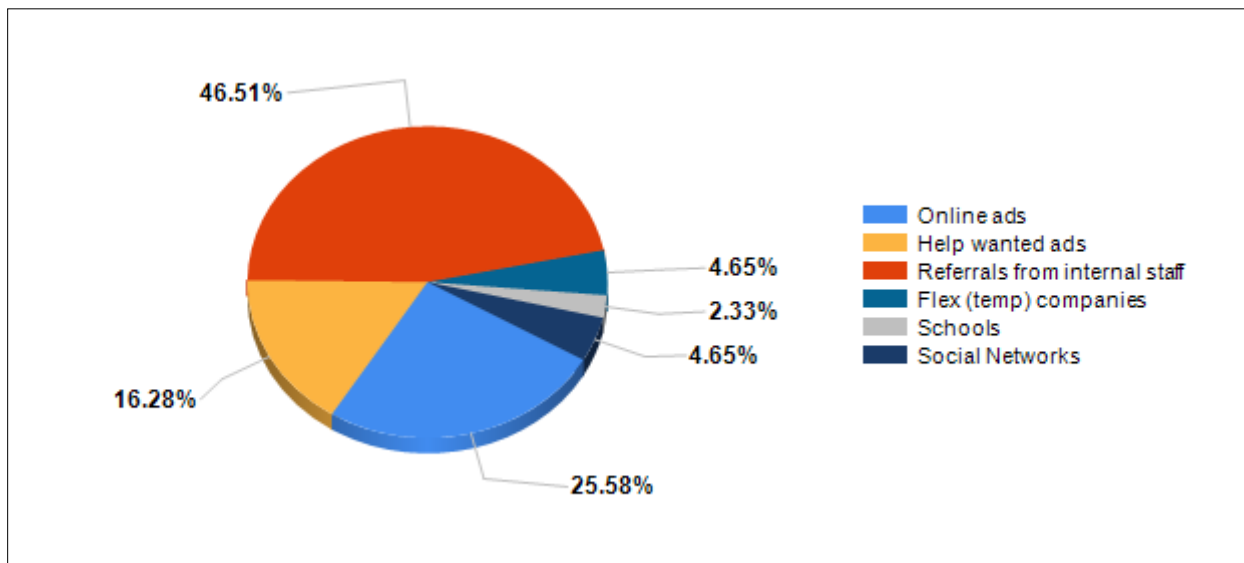


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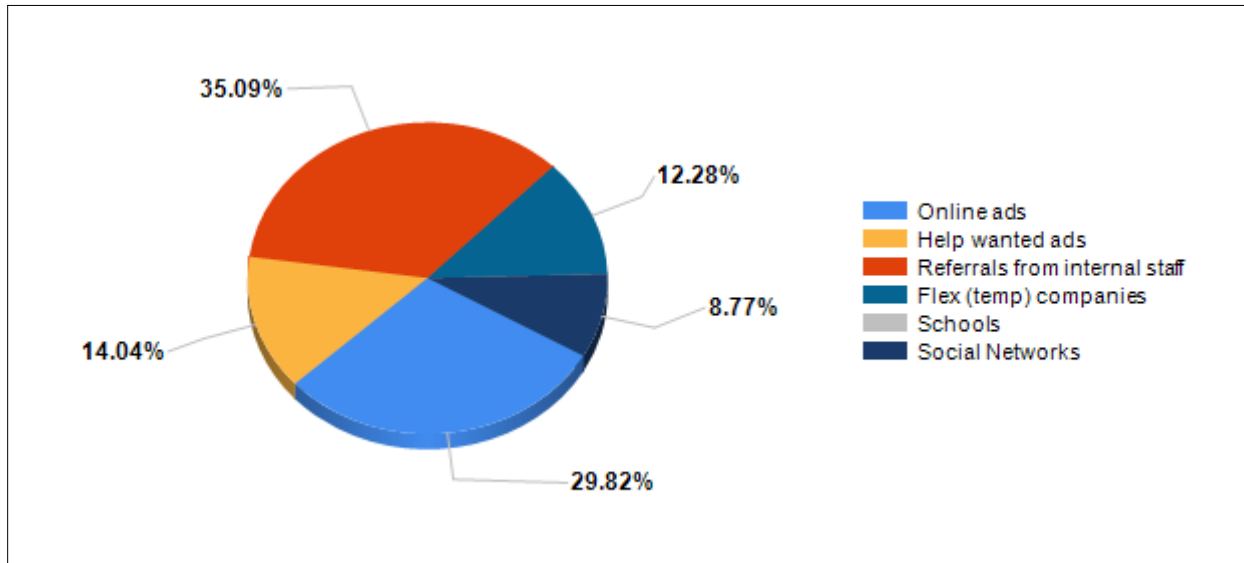
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What is your primary source for companies with 21-50 employees for finding skilled, full time workers?

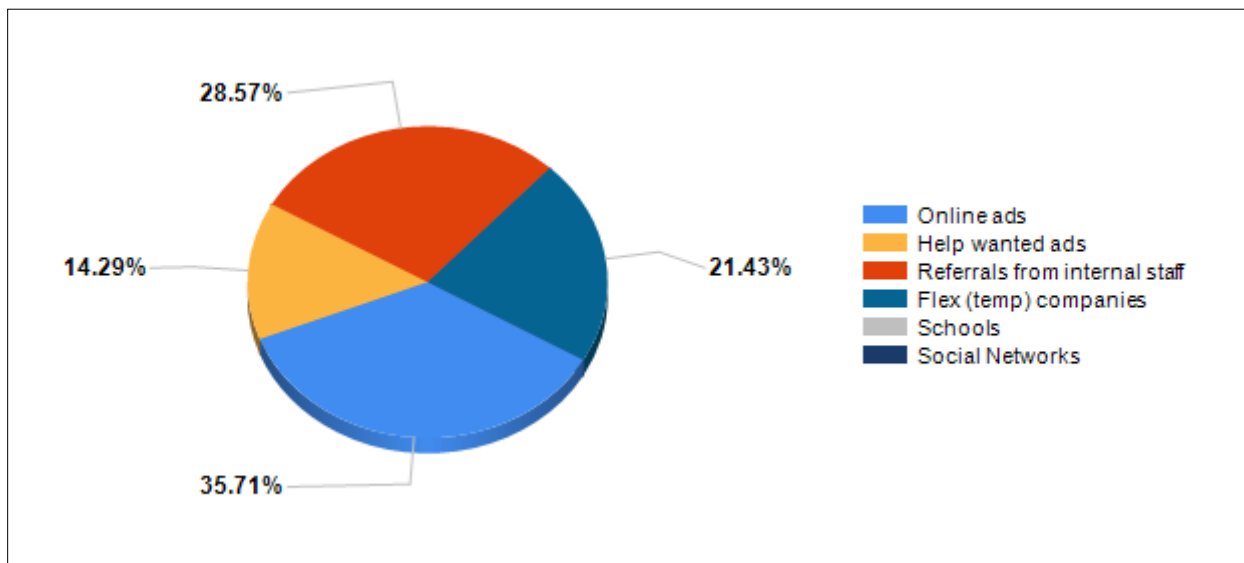


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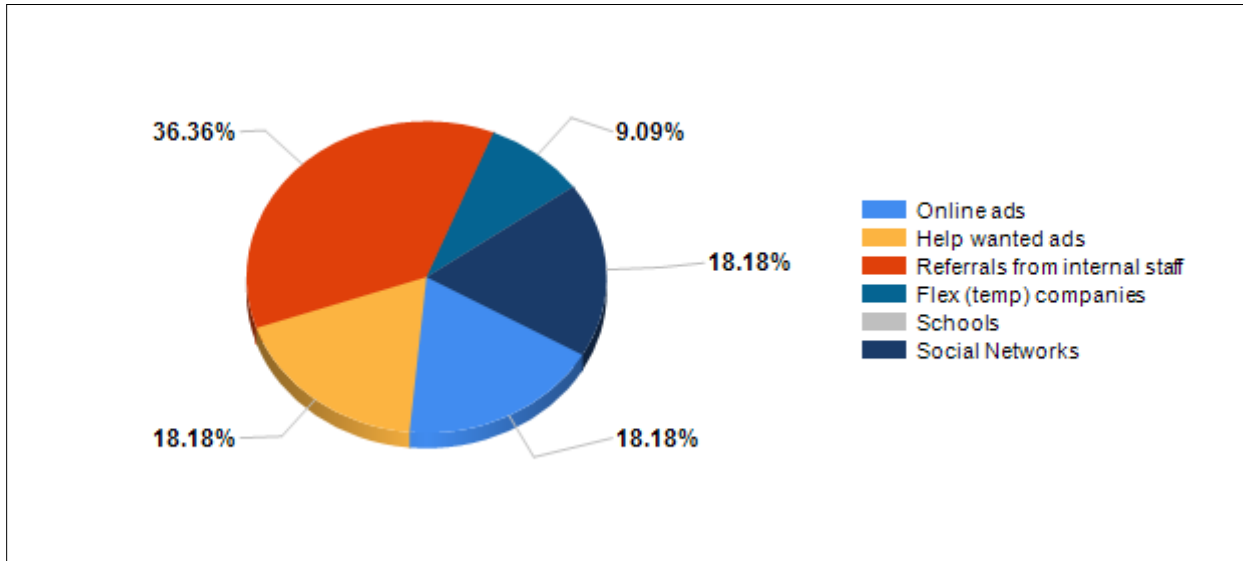


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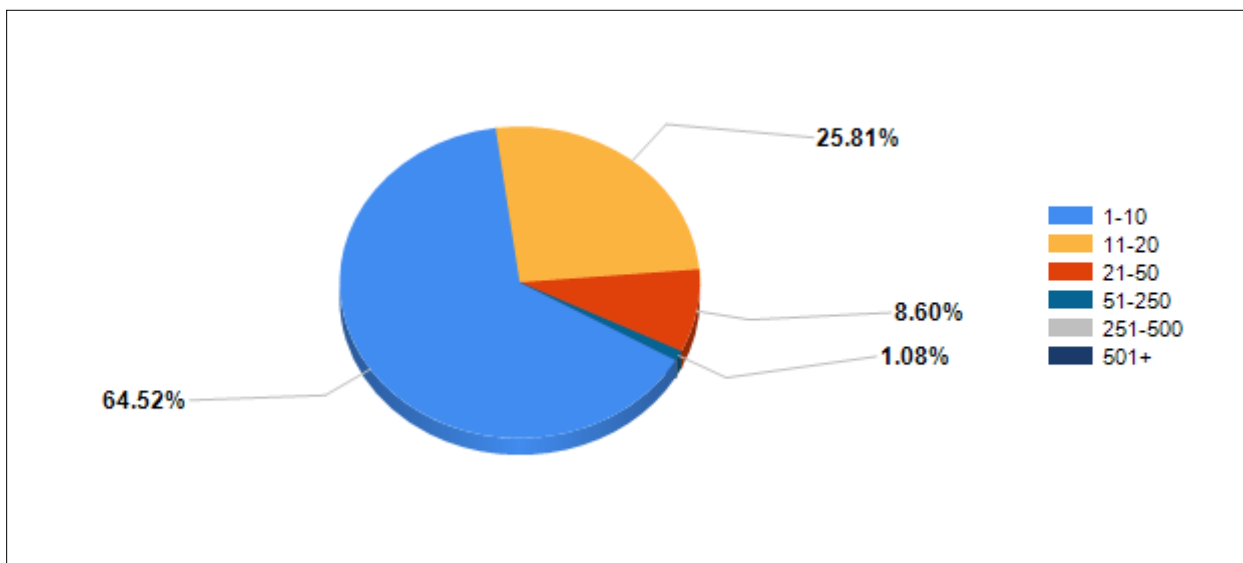


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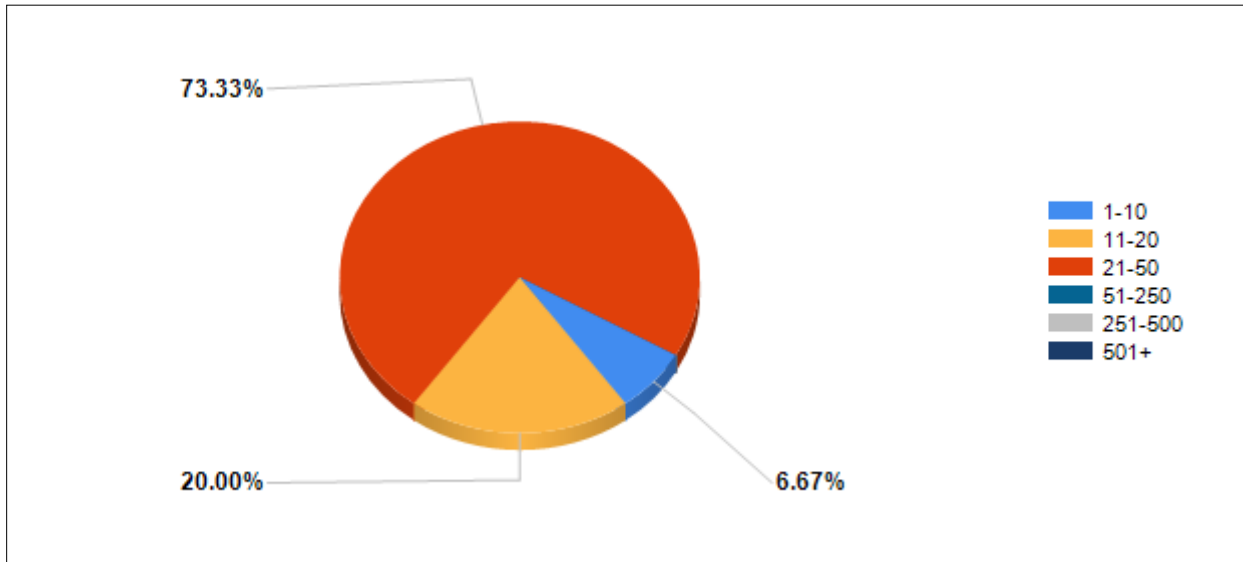


How many employees do you have within your organization, with \$1-3 million as company's estimated revenue in 2009?



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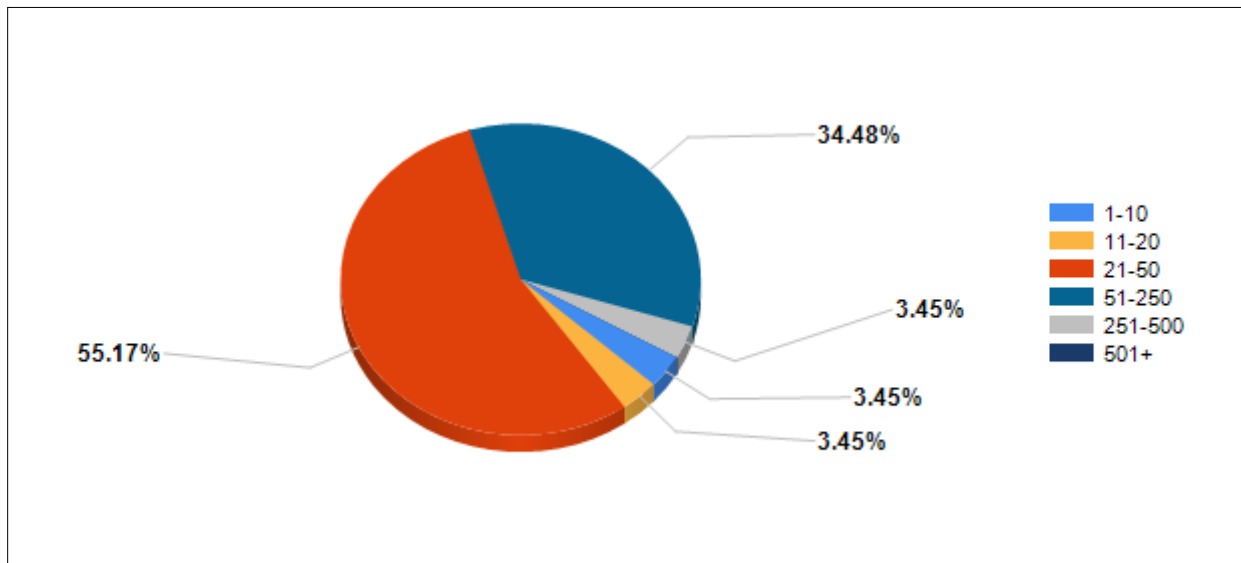
How many employees do you have within your organization, with \$3-5 million as company's estimated revenue in 2009?



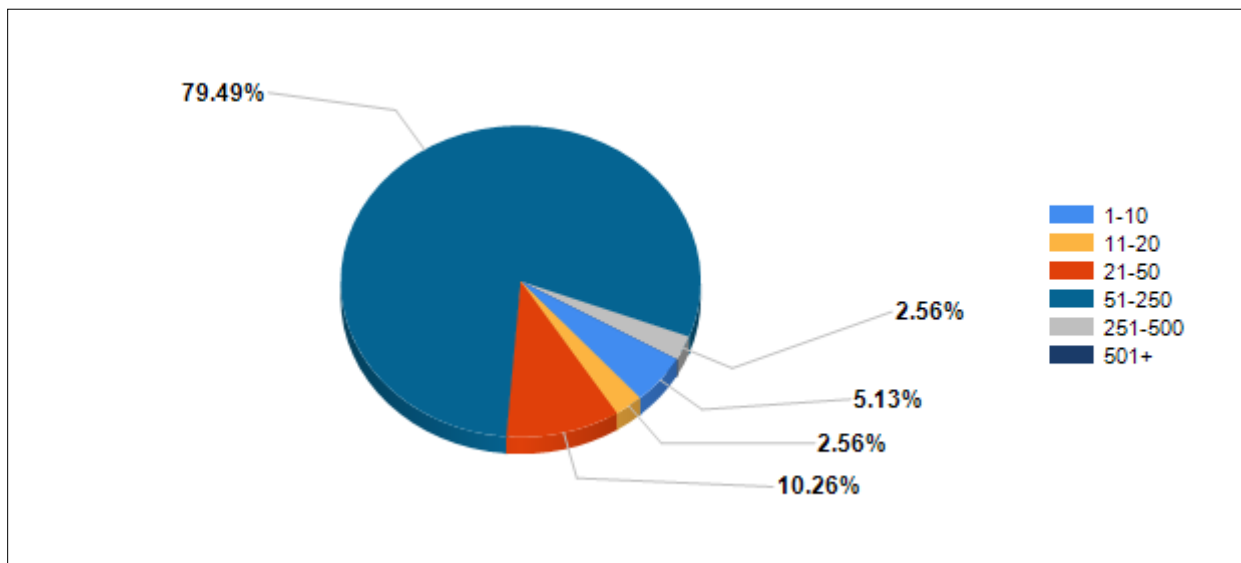
Semper International LLC.

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How many employees do you have within your organization, with \$5-10 million as company's estimated revenue in 2009?



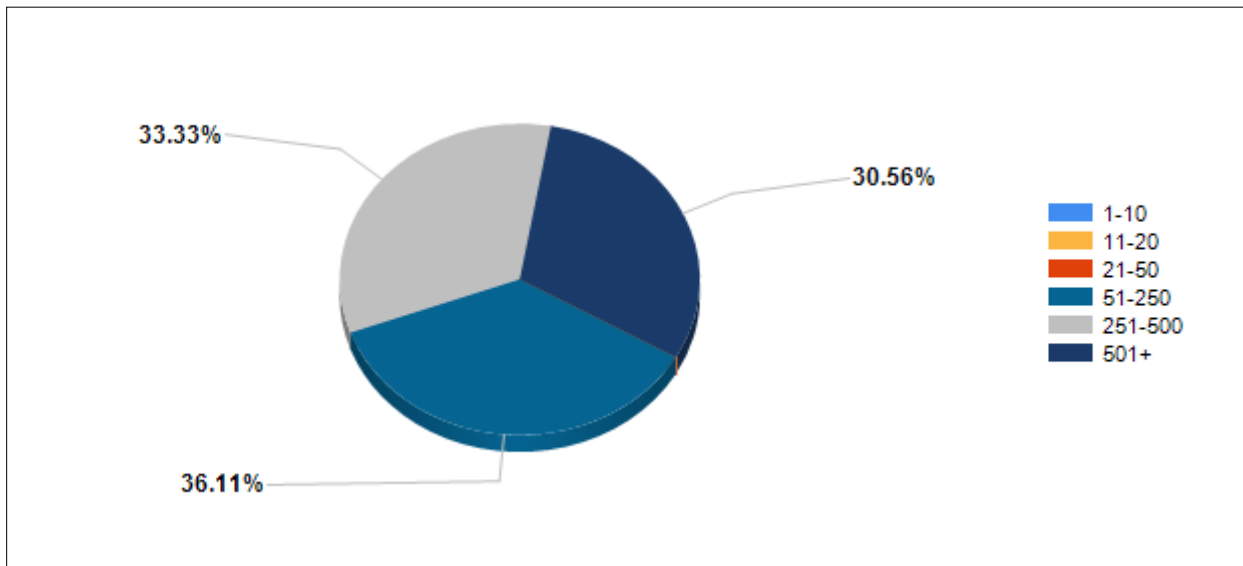
How many employees do you have within your organization, with \$10-25 million as company's estimated revenue in 2009?



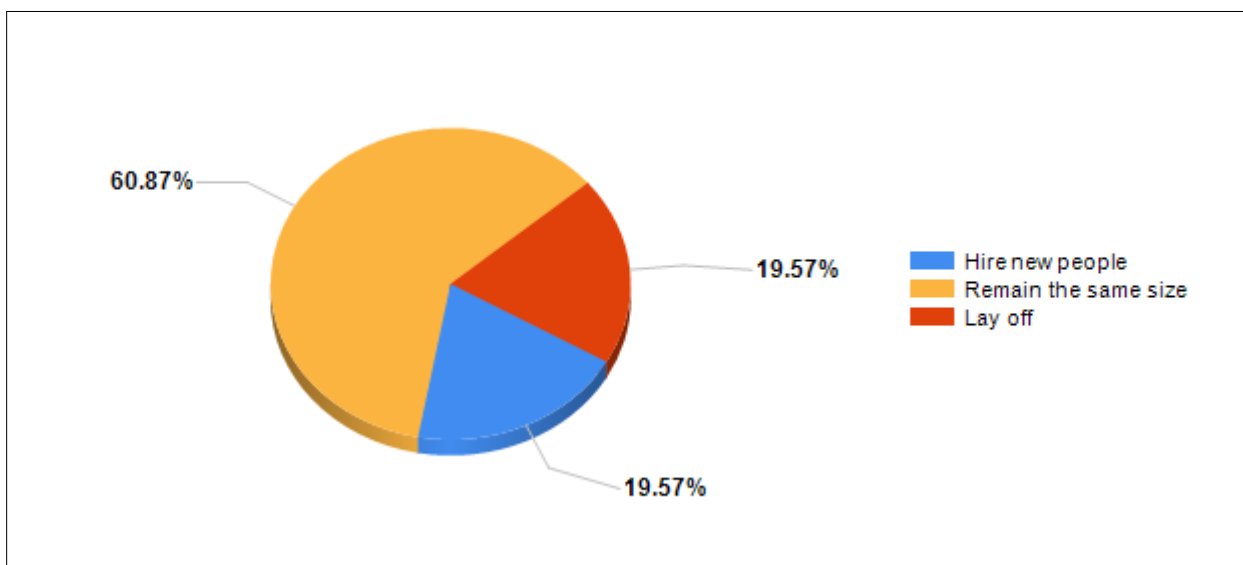
Semper International LLC.

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How many employees do you have within your organization, with \$25 + million as company's estimated revenue in 2009?



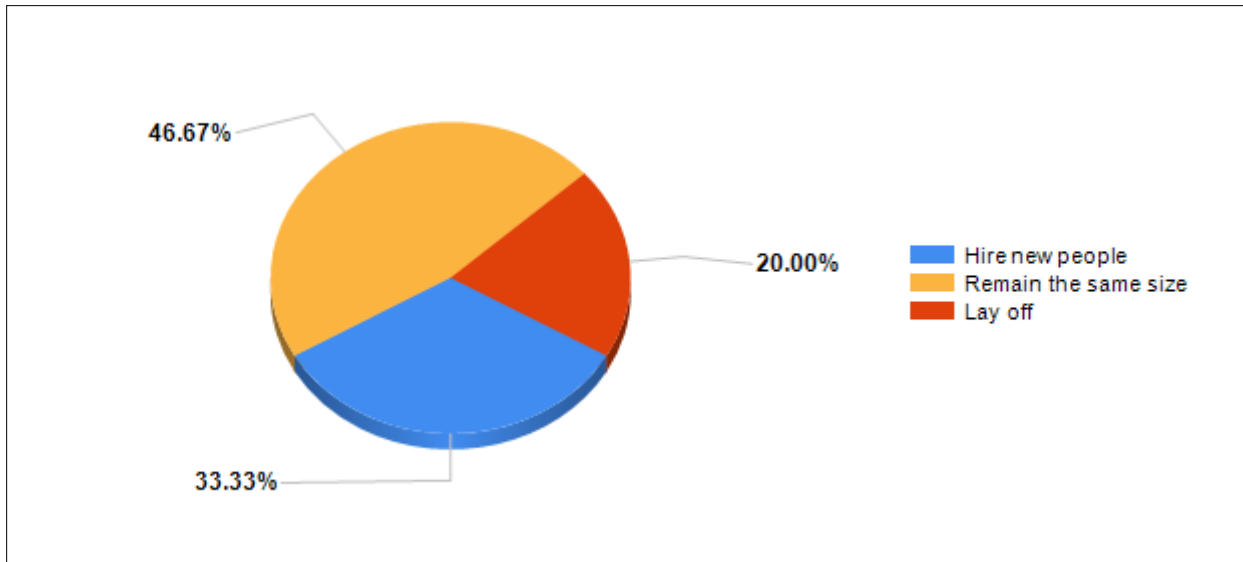
Companies with \$1-3 million as estimated revenue in 2009 are planning to:



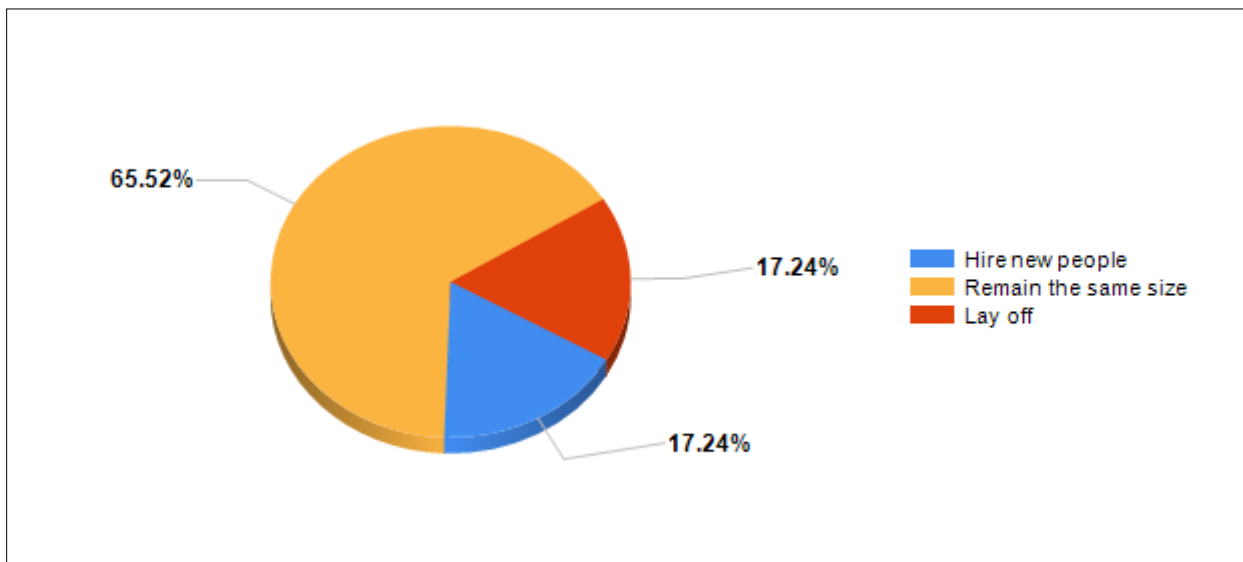
Semper International LLC.

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Companies with \$3-5 million as estimated revenue in 2009 are planning to:



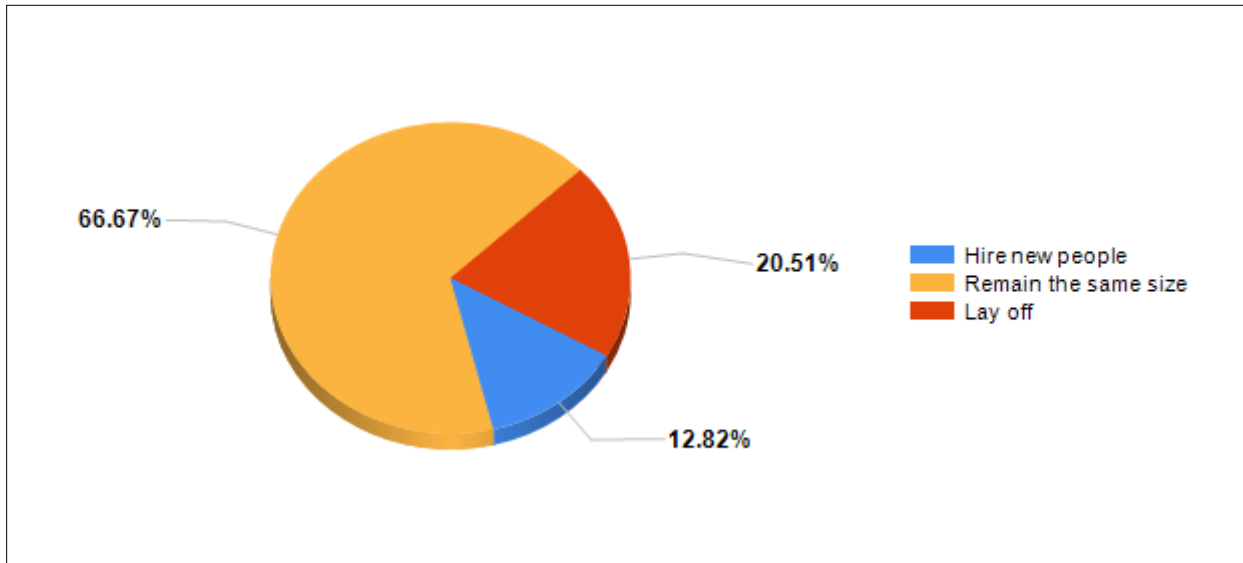
Companies with \$5-10 million as estimated revenue in 2009 are planning to:



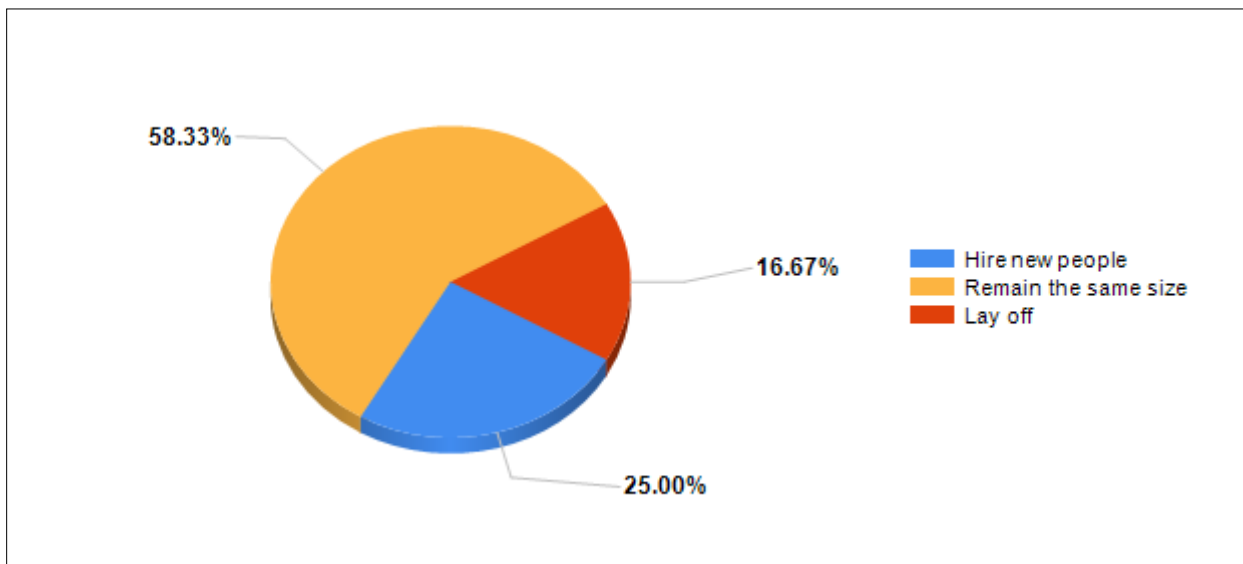
Semper International LLC.

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Companies with \$10-25 million as estimated revenue in 2009 are planning to:



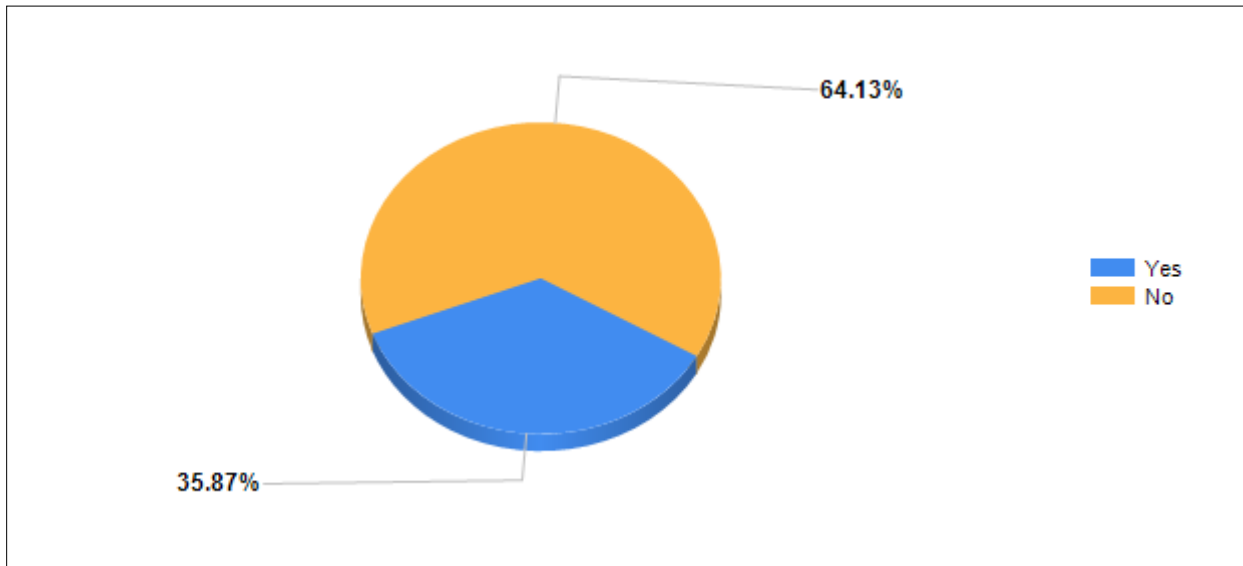
Companies with \$25 + million as estimated revenue in 2009 are planning to:



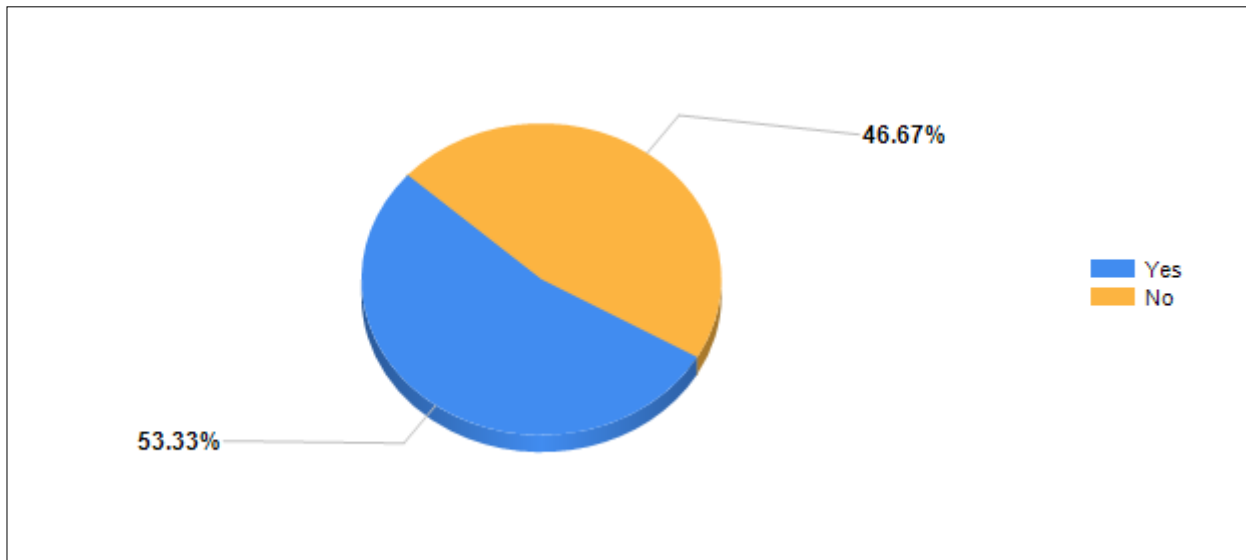
Semper International LLC.

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Did companies with \$1-3 million estimated revenue have a profitable 4th quarter 2009?



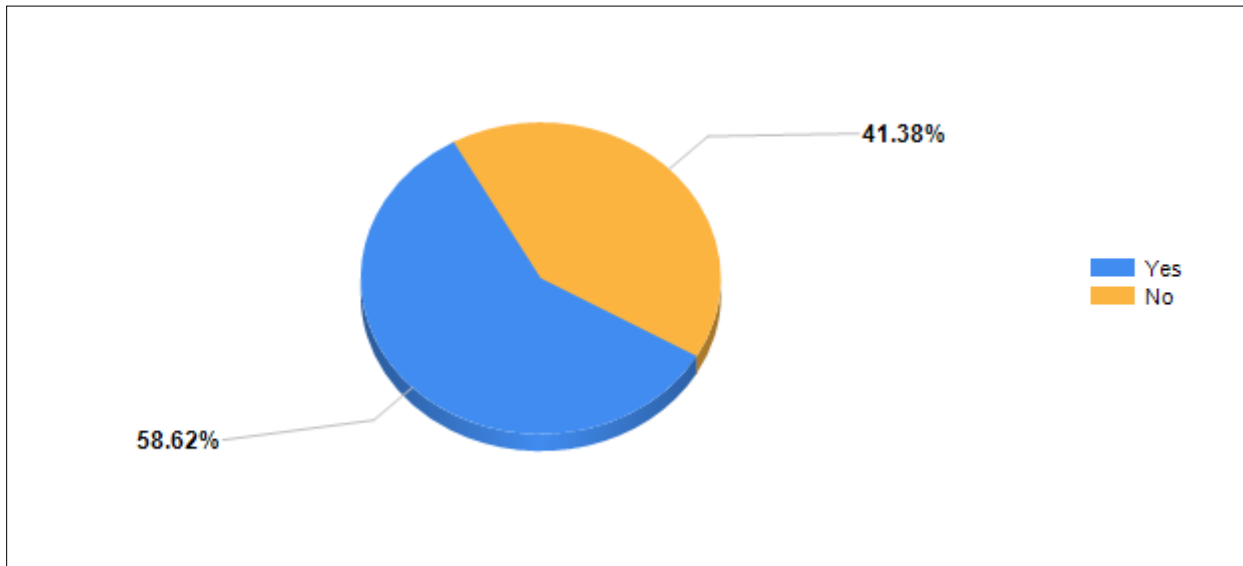
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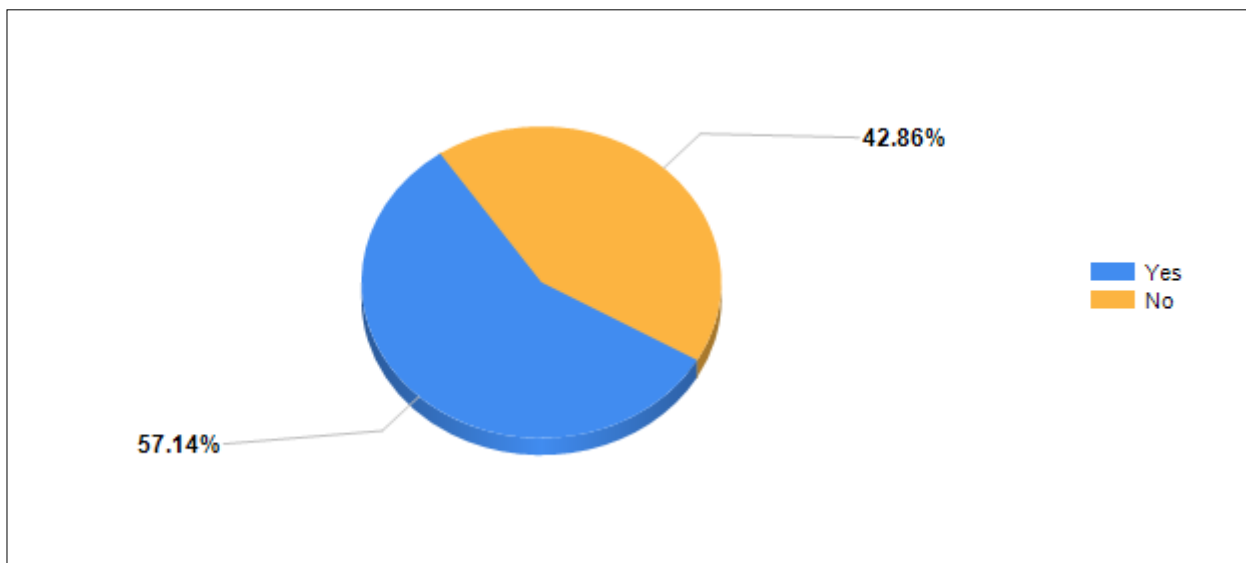
Semper International LLC.

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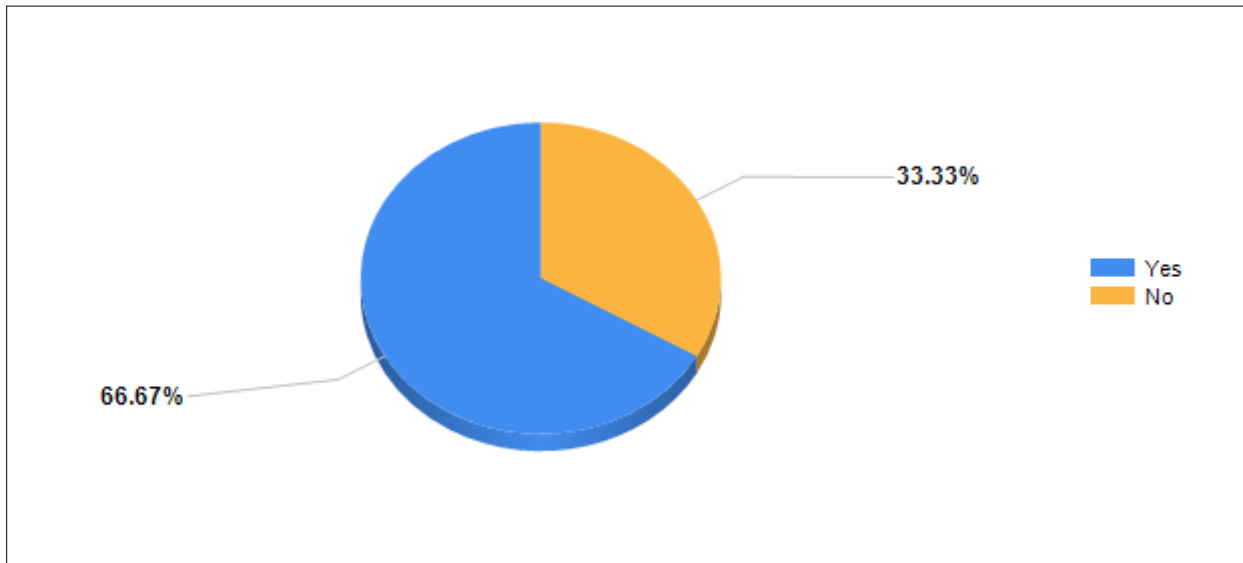
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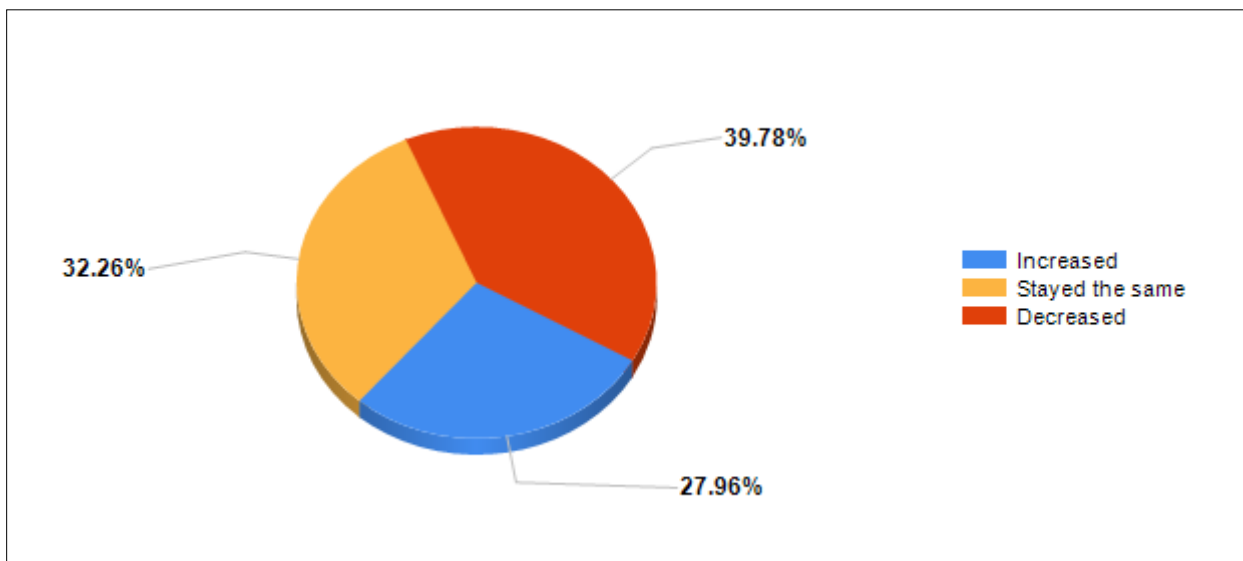
Semper International LLC.

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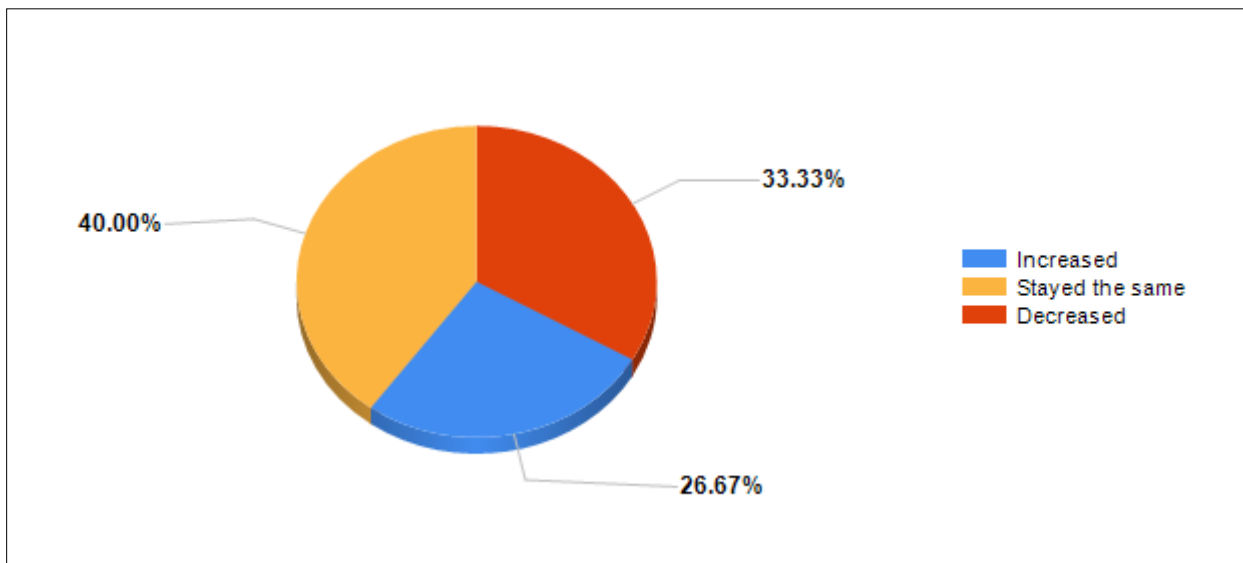
How have sales changed in the last 2 weeks for companies with \$1-3 million as estimated revenue in 2009?



Semper International LLC.

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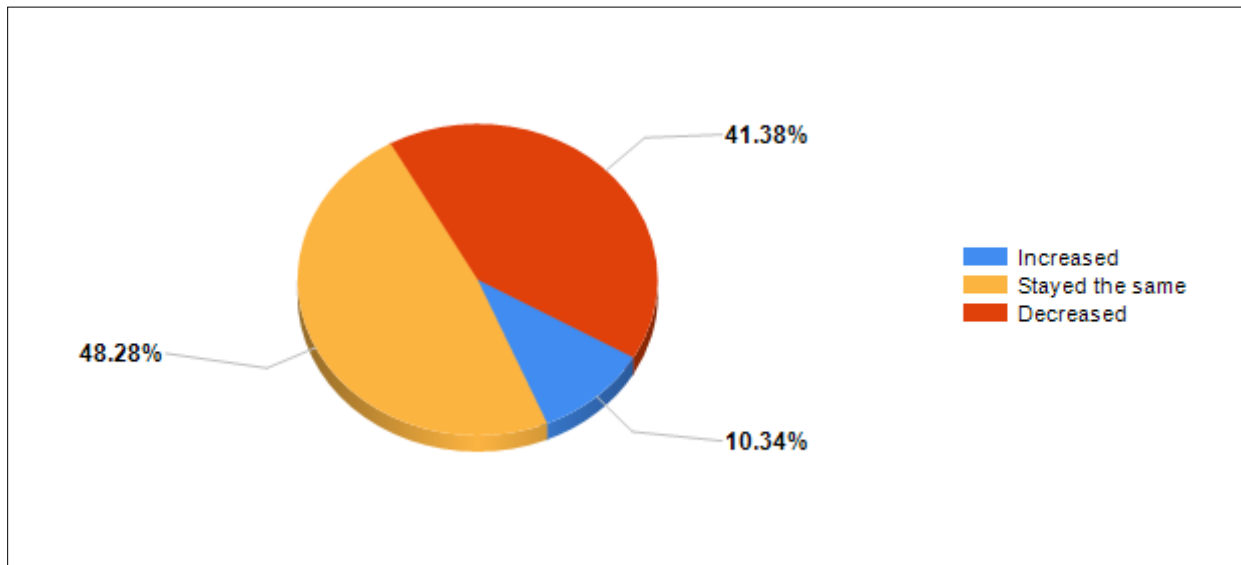
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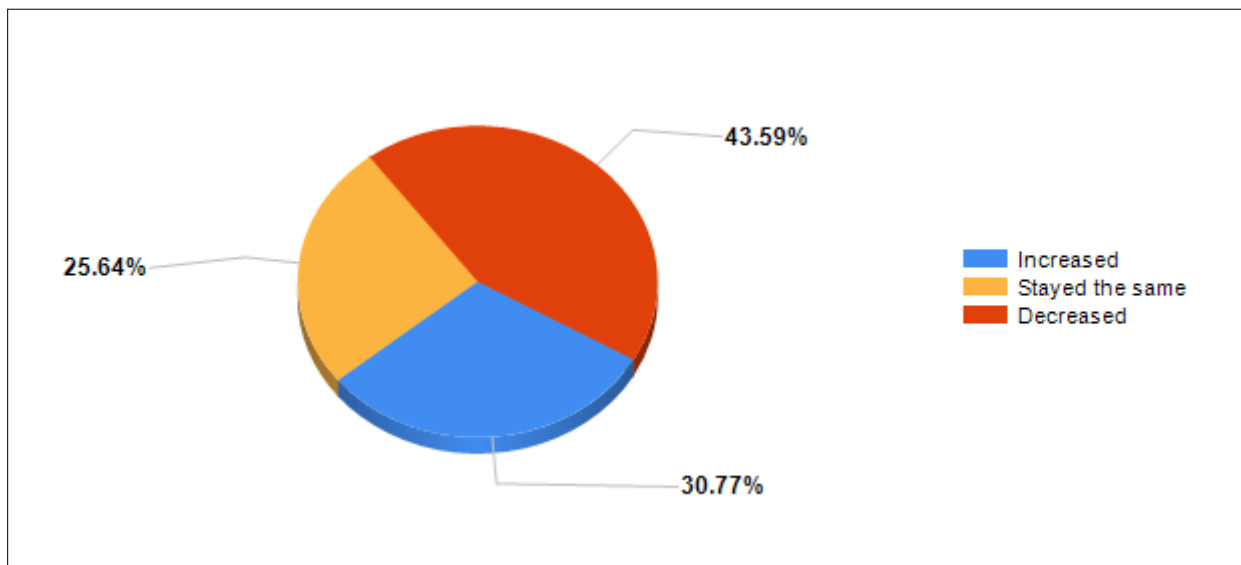
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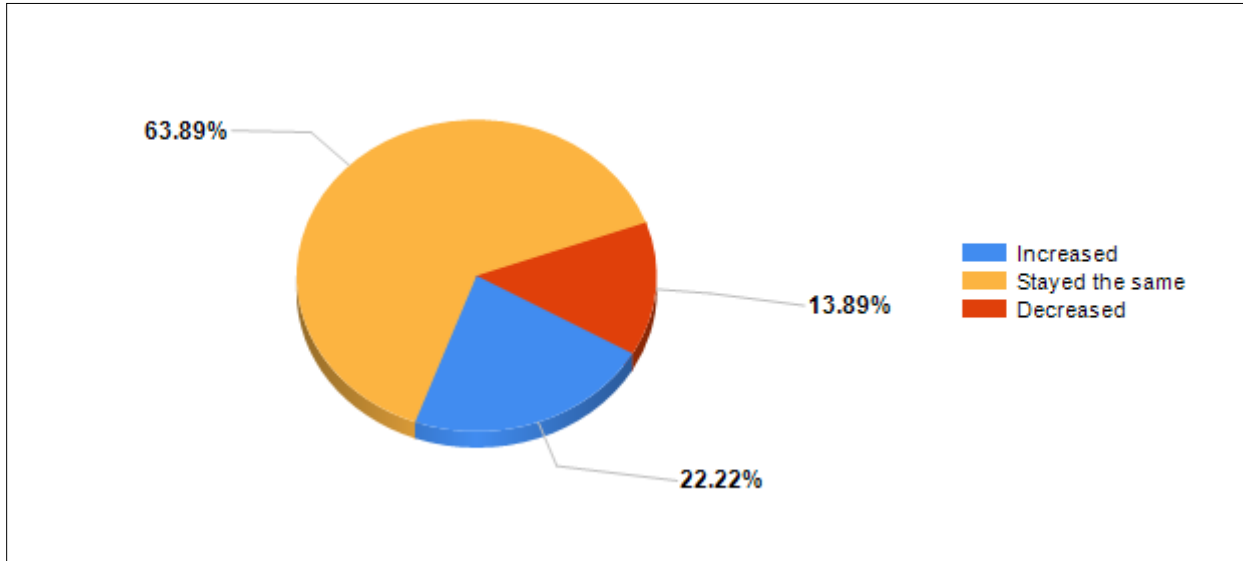
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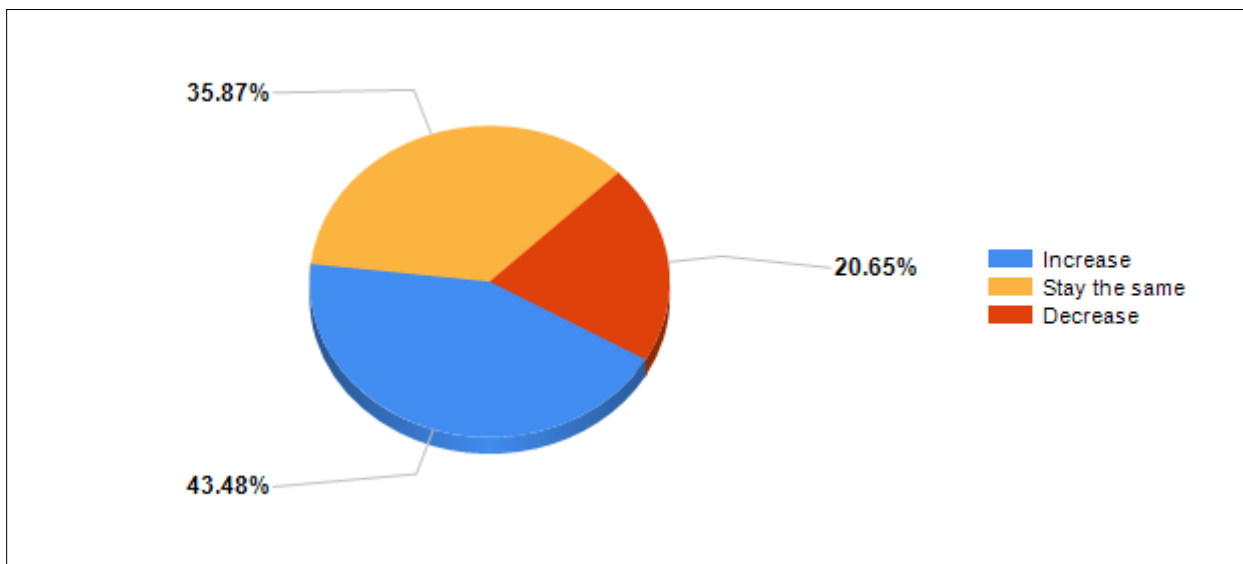
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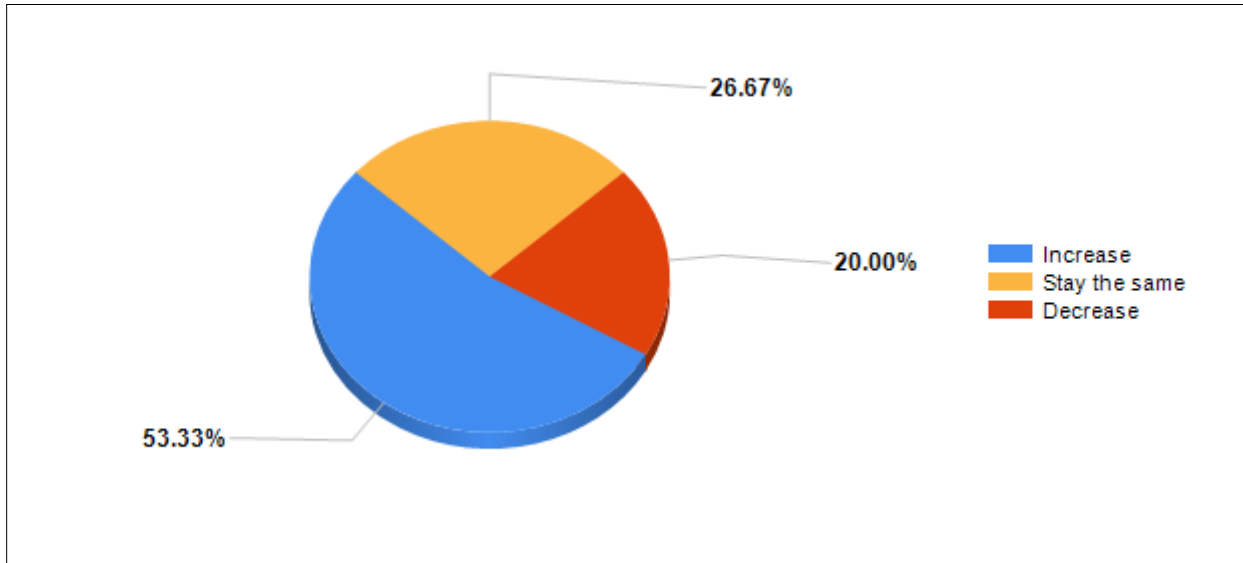


How do companies with \$1-3 million revenue in 2009 expect sales to change during the 1st quarter of 2010?

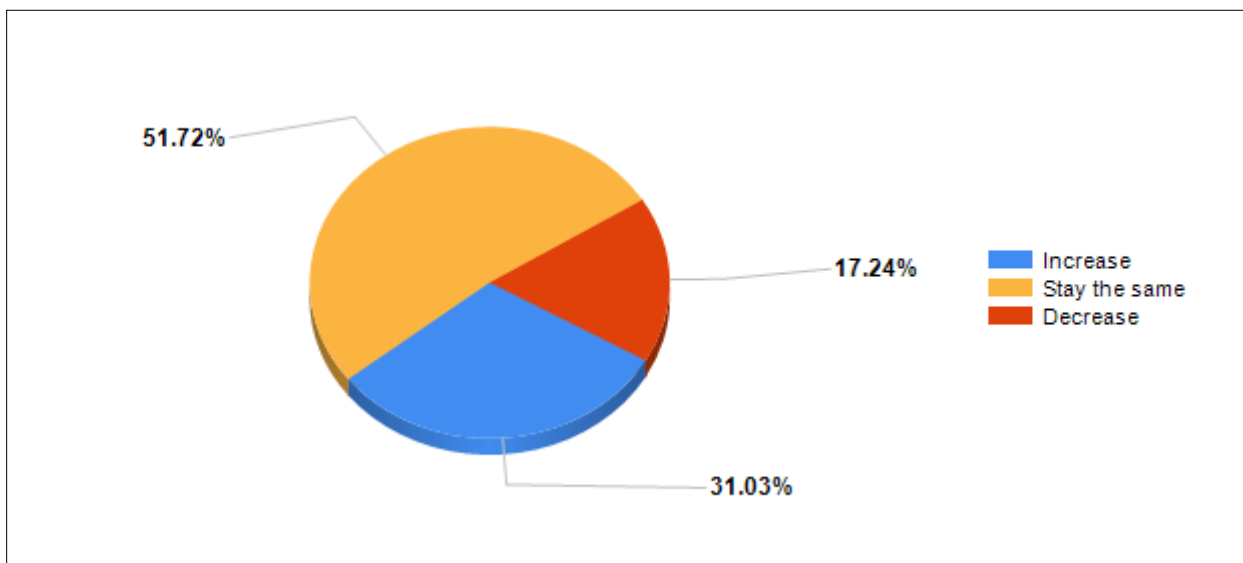


Industry Insight Survey 1st Q 2010

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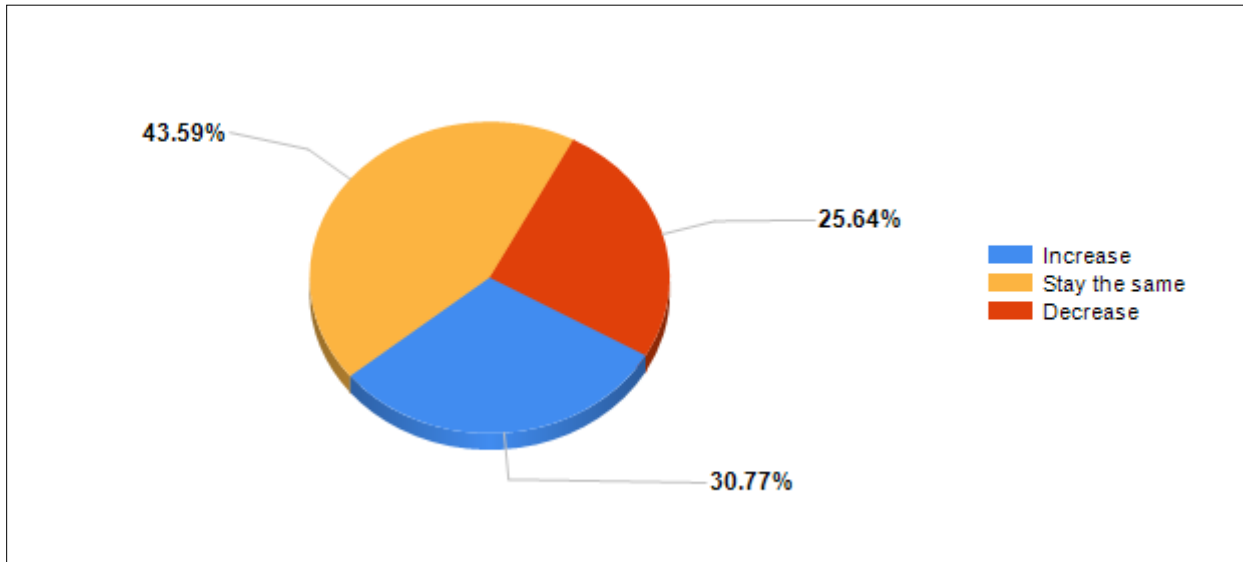
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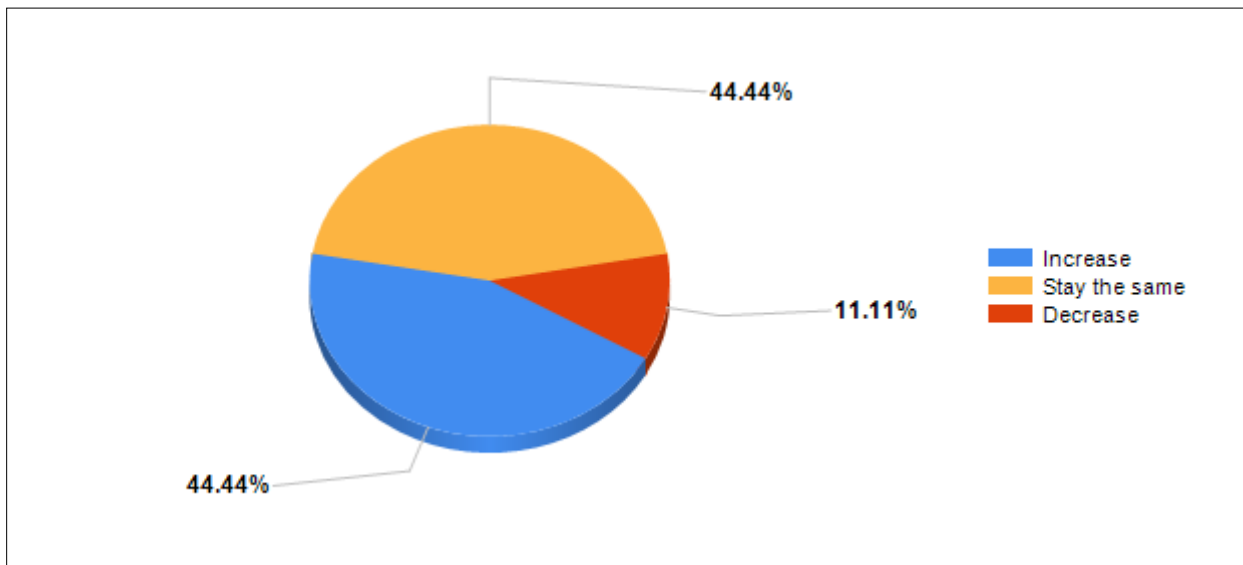
Industry Insight Survey 1st Q 2010

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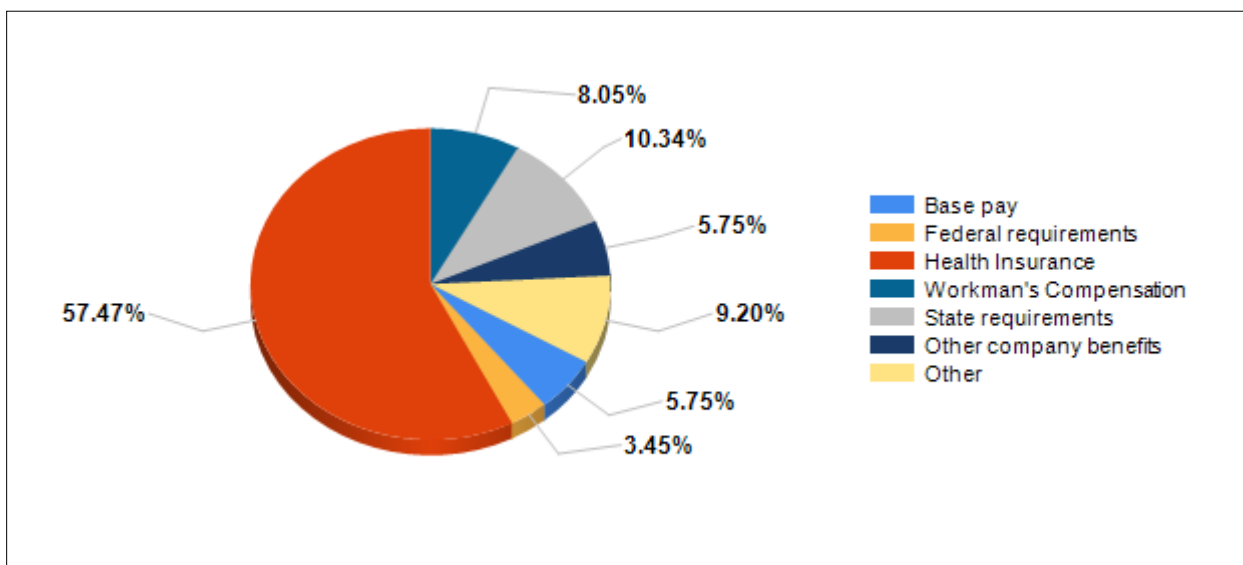


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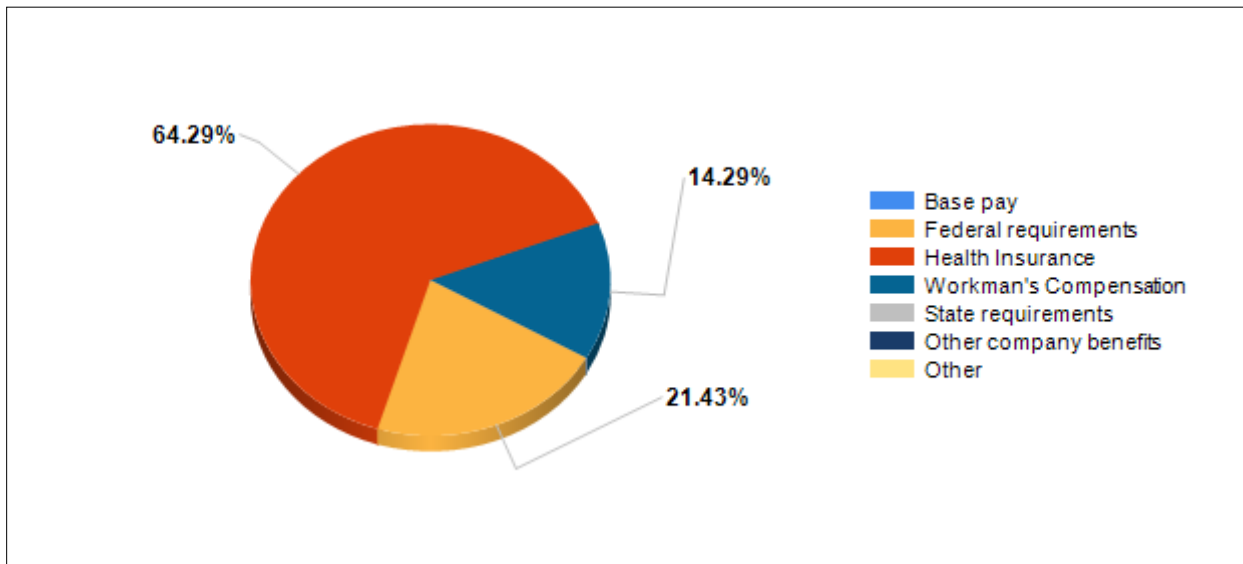


For companies with \$1-3 million in estimated revenue in 2009, what component of labor costs has been increasing the fastest over the last quarter?



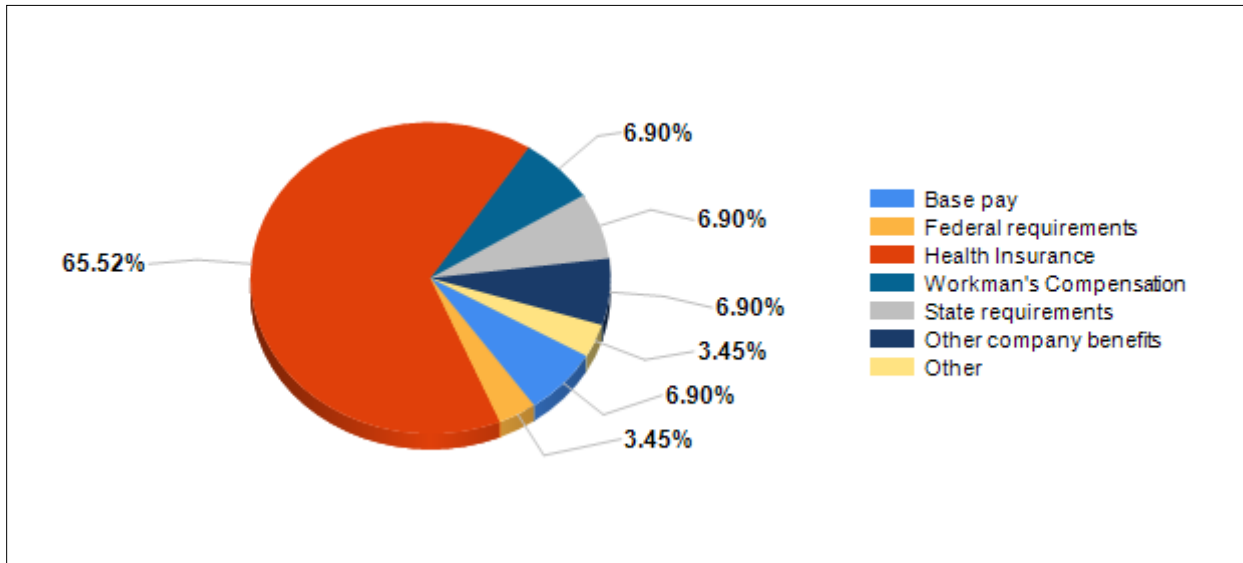
Industry Insight Survey 1st Q 2010

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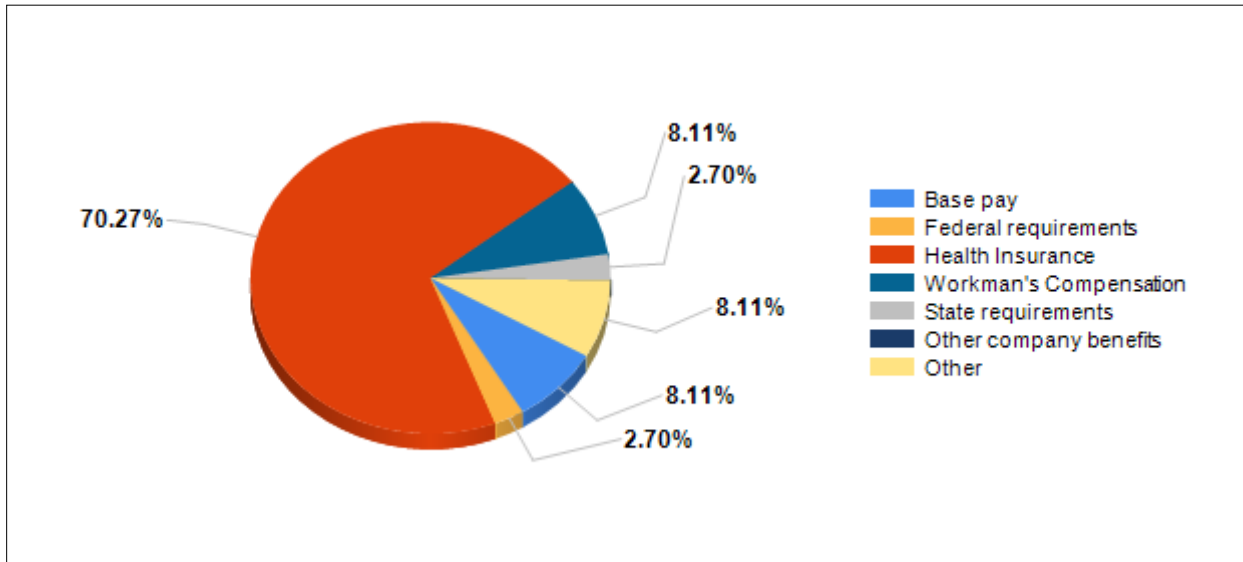


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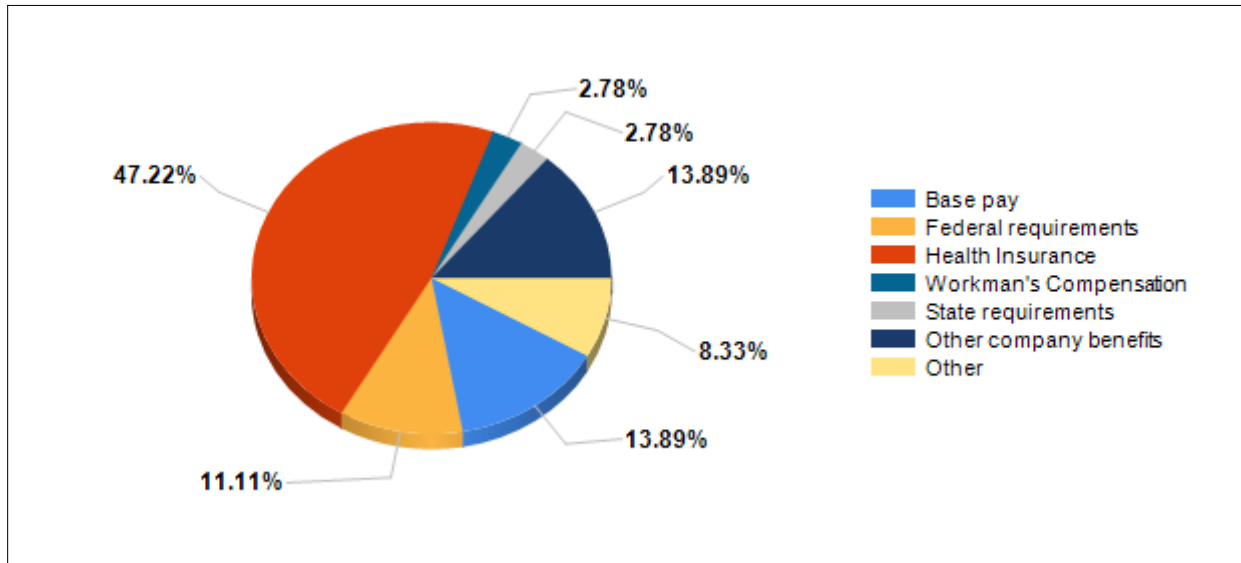


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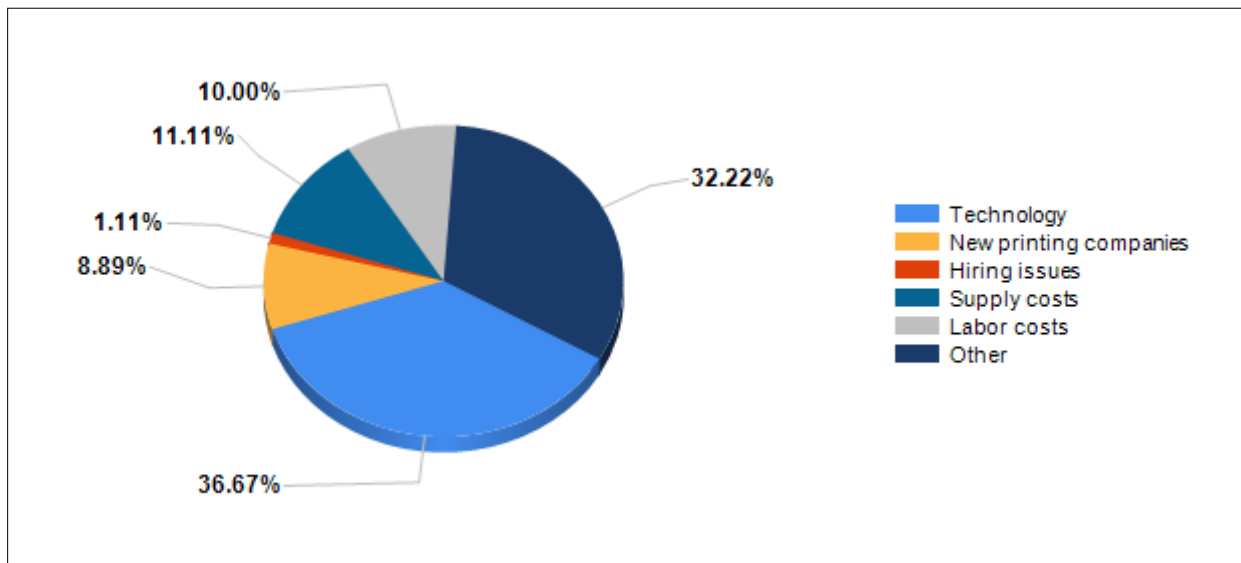


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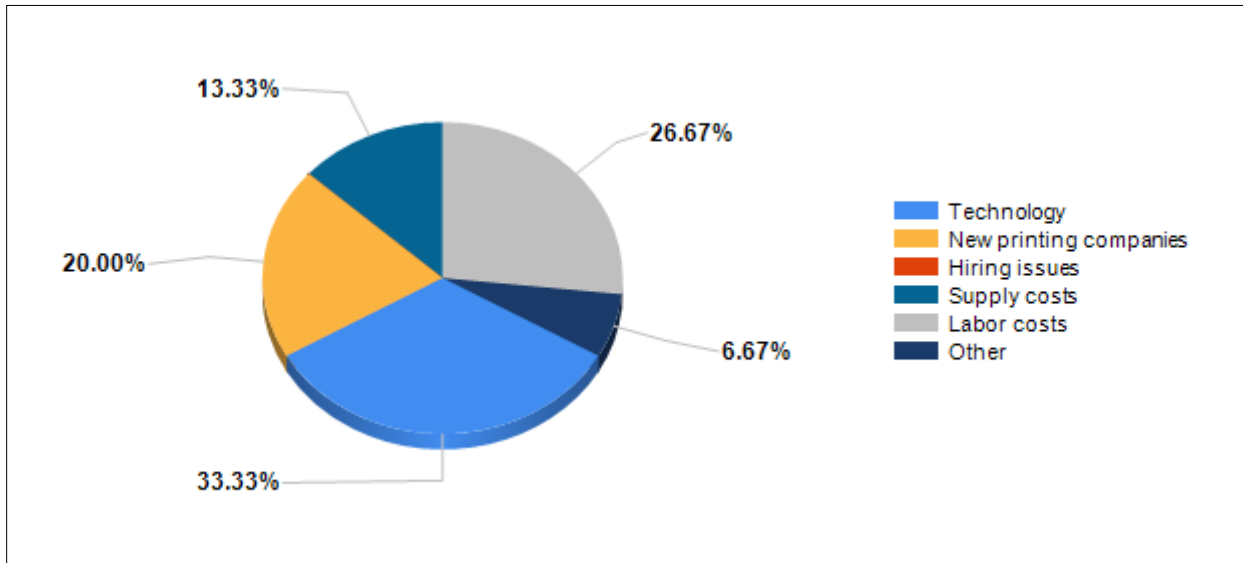


What do companies with \$1-3 million estimated revenue in 2009 consider to be their greatest competitive threat?

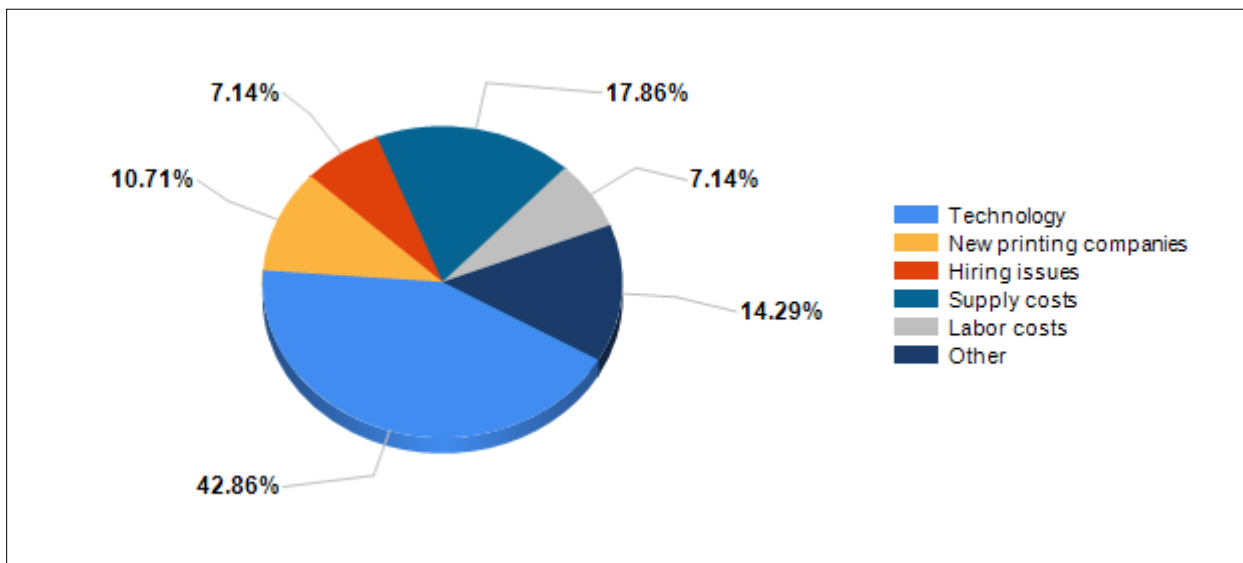


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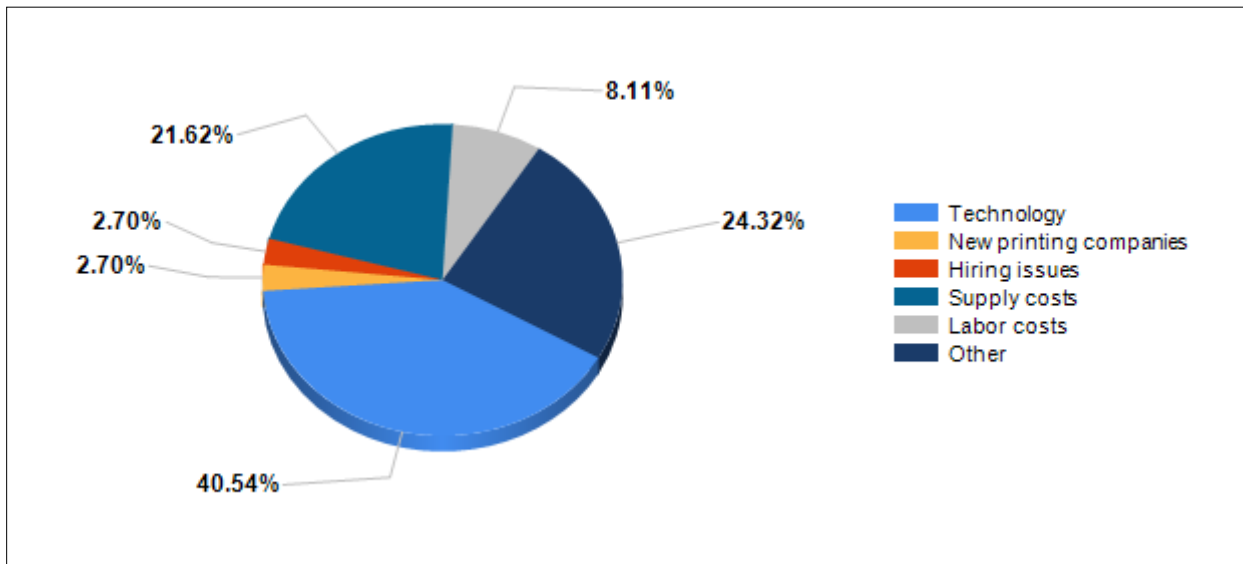


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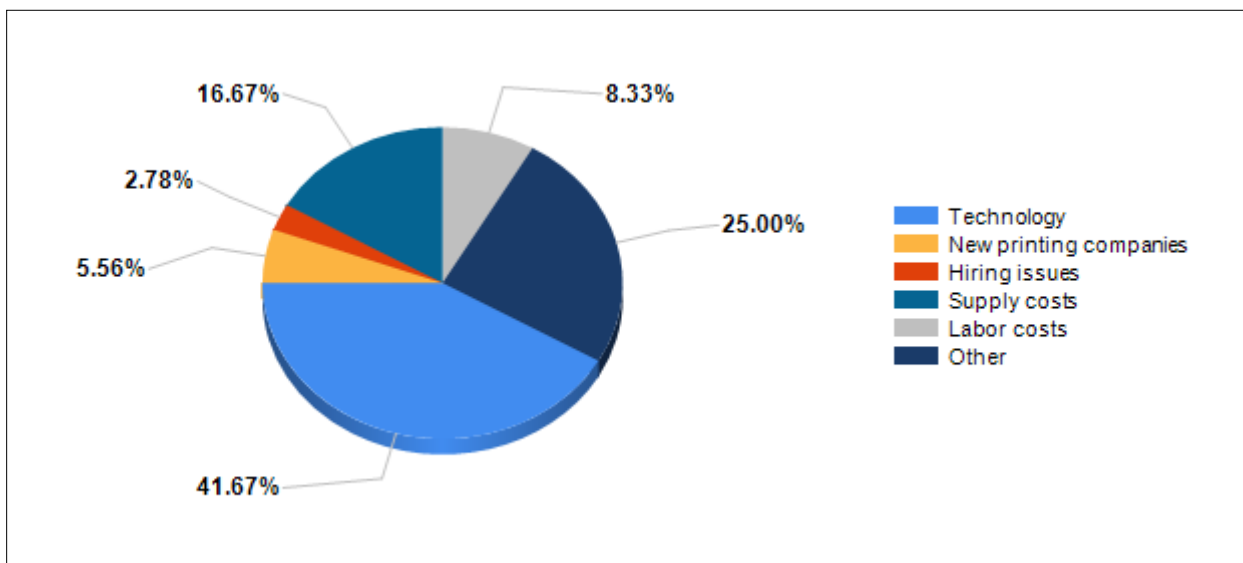


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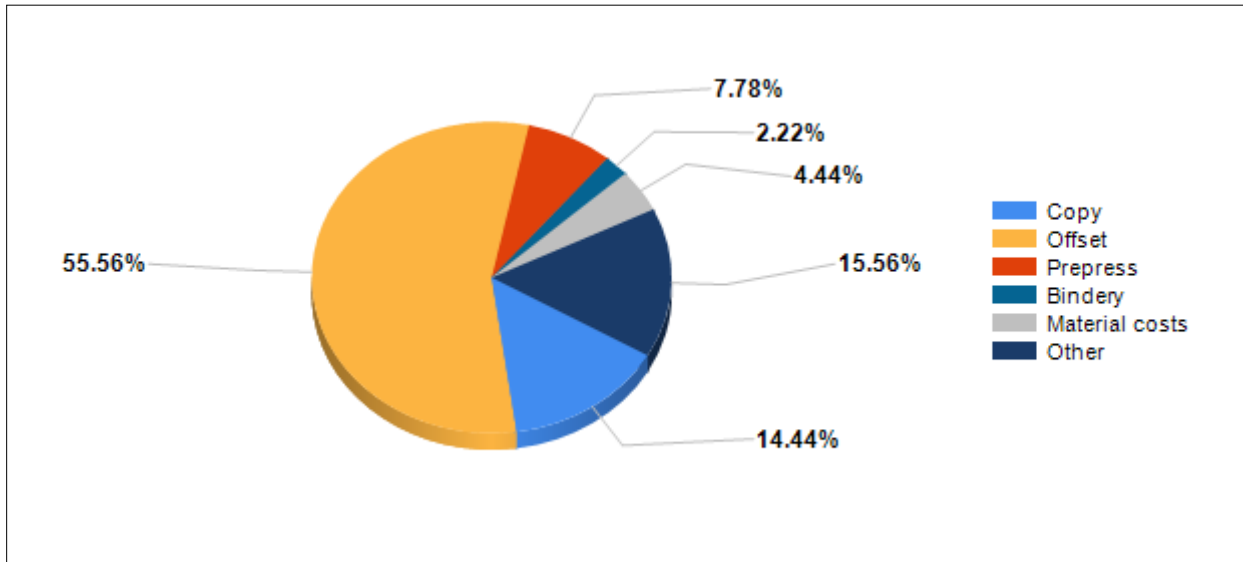


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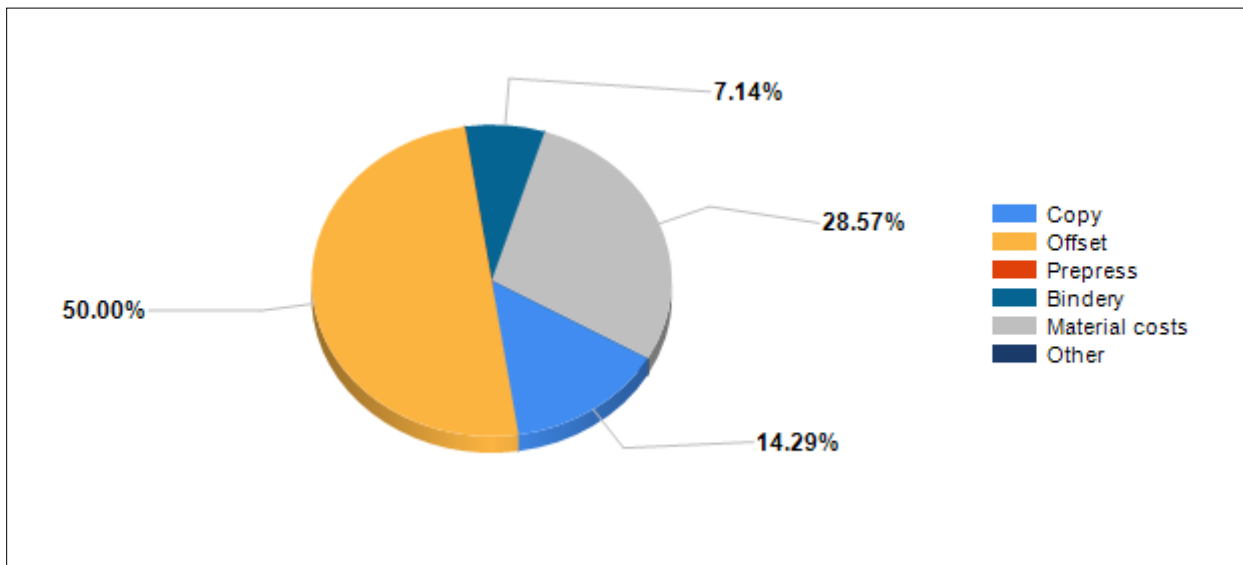
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In what business segment did companies with \$1-3 million estimated revenue in 2009 find the most pricing pressure from clients?

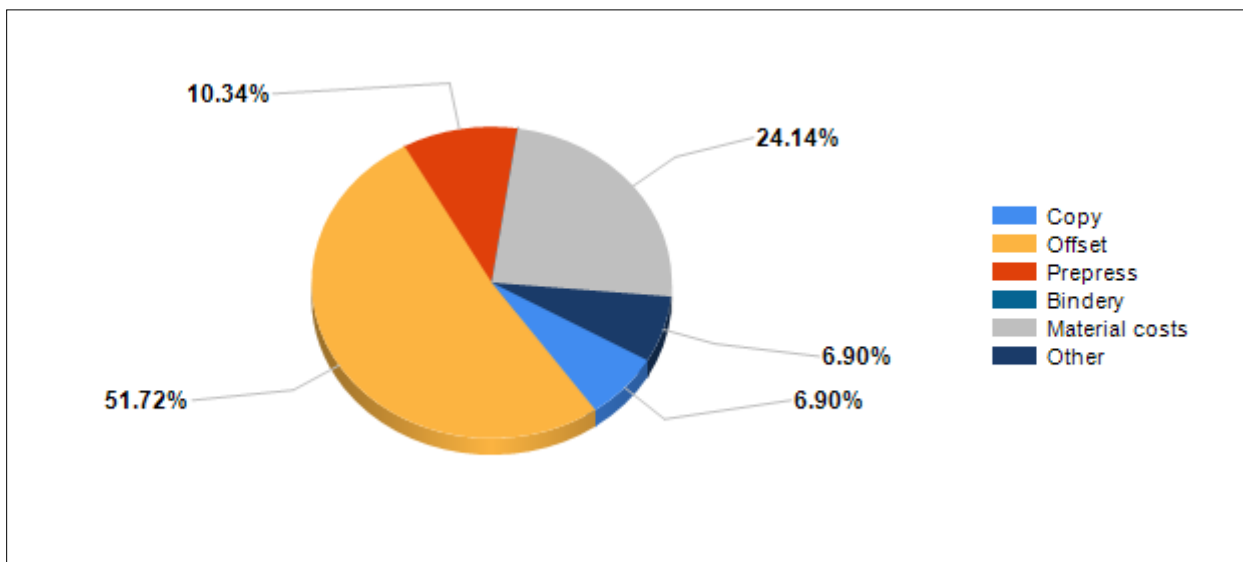


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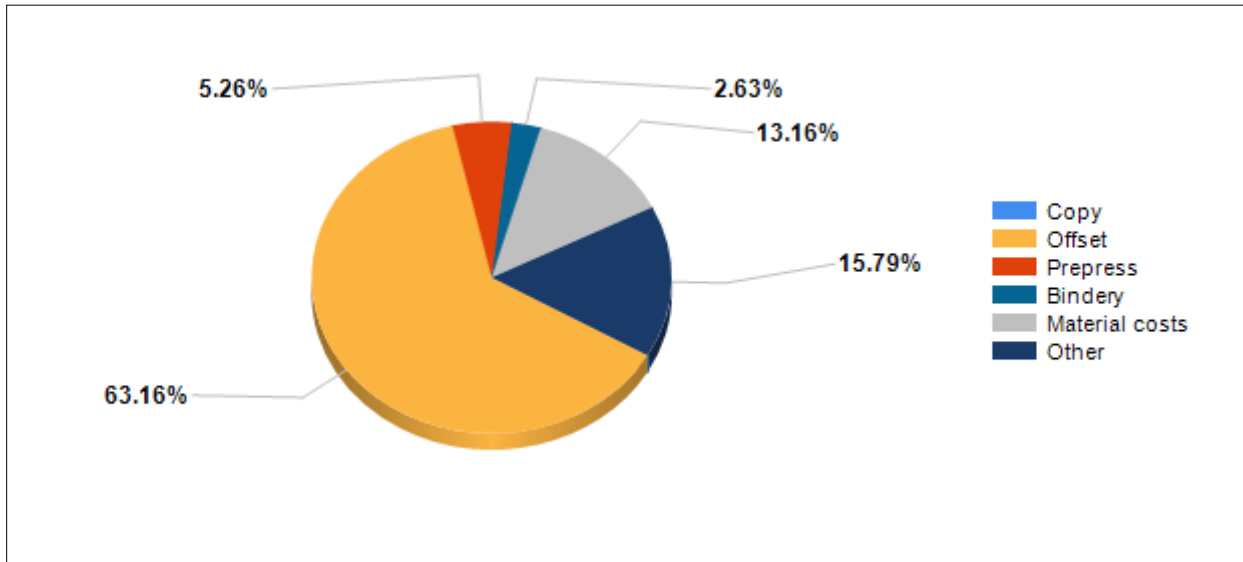
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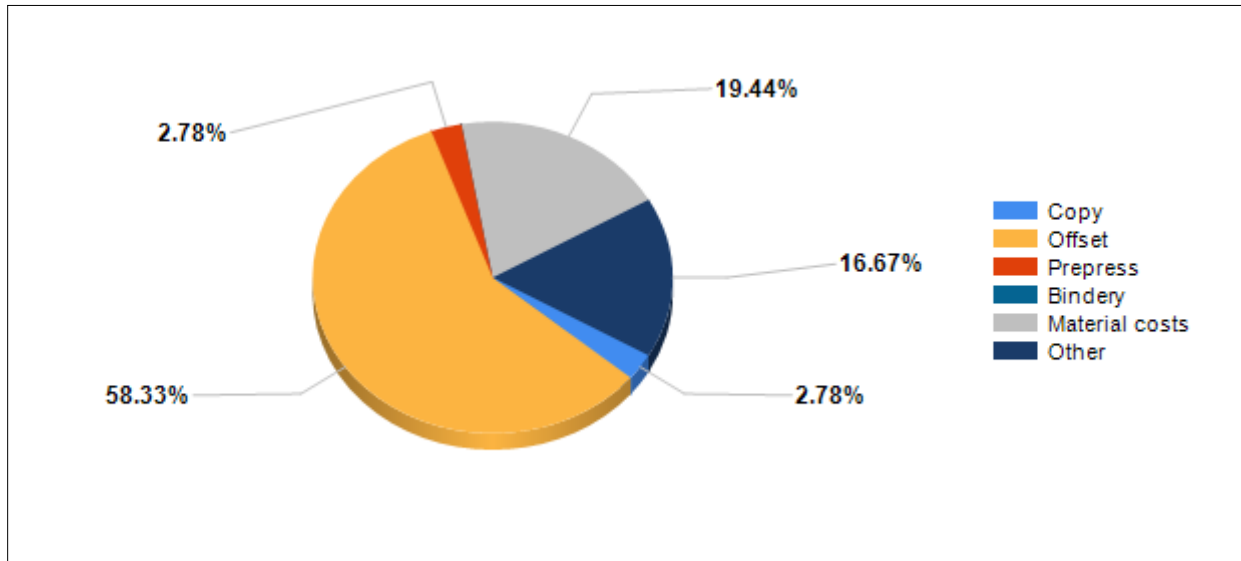
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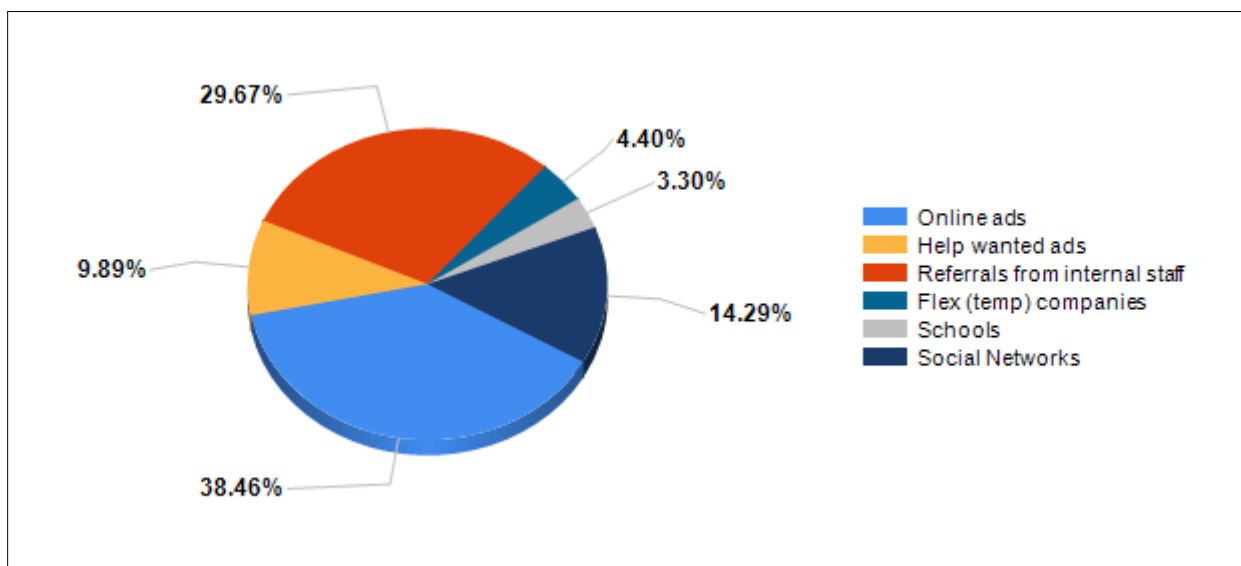


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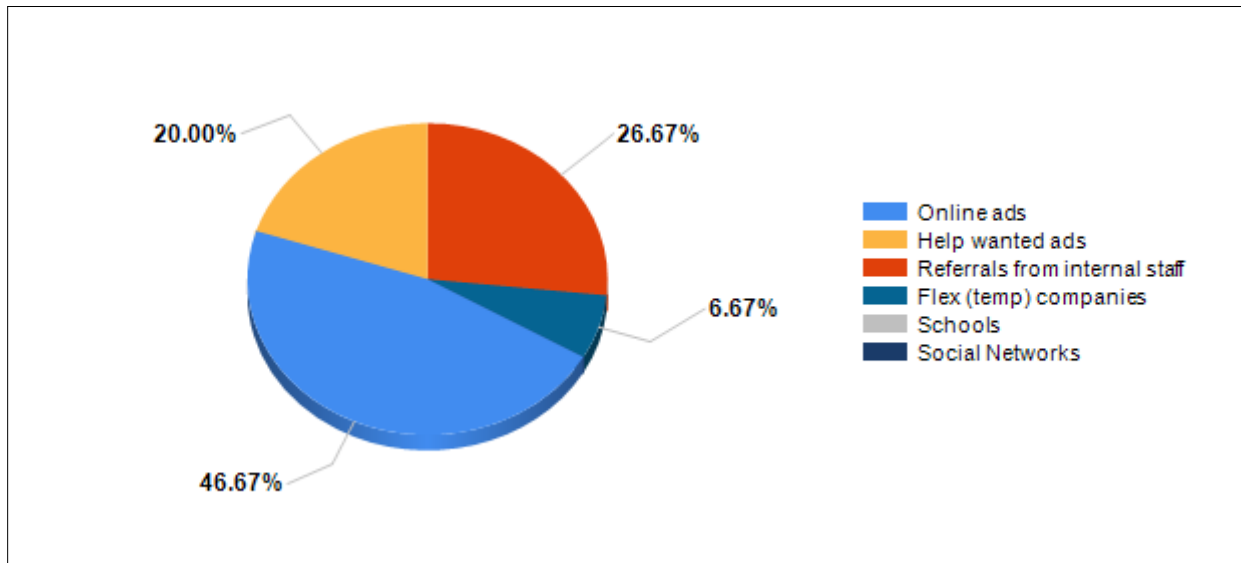


As a company with \$1-3 million in estimated revenue in 2009, what is your primary source for finding skilled, full time workers?

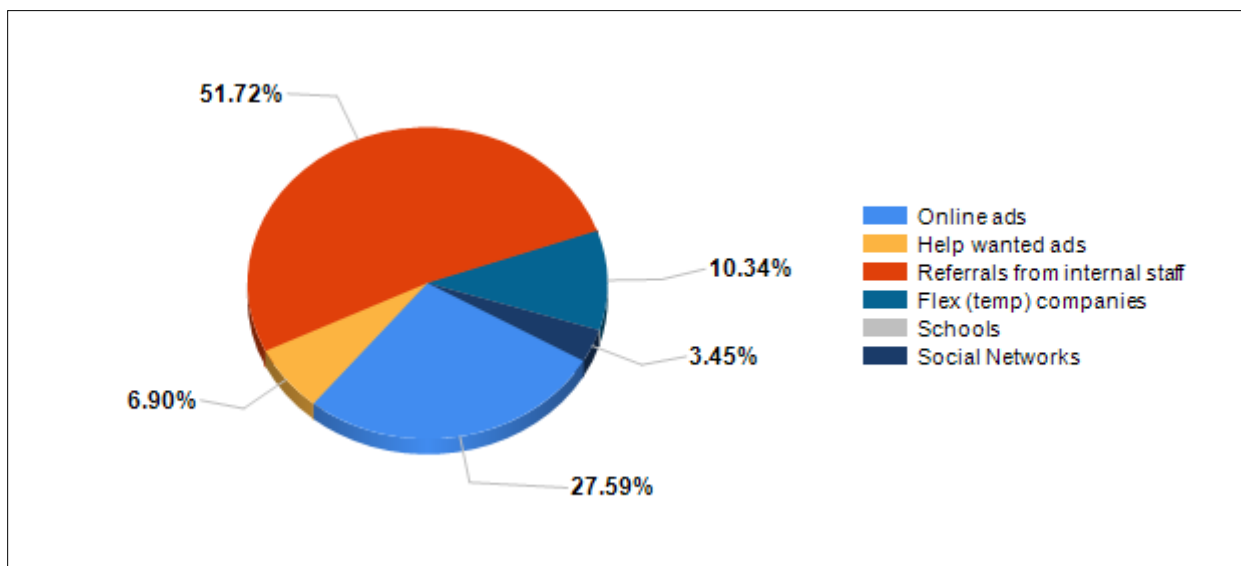


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As a company with \$3-5 million in estimated revenue in 2009, what is your primary source for finding skilled, full time workers?

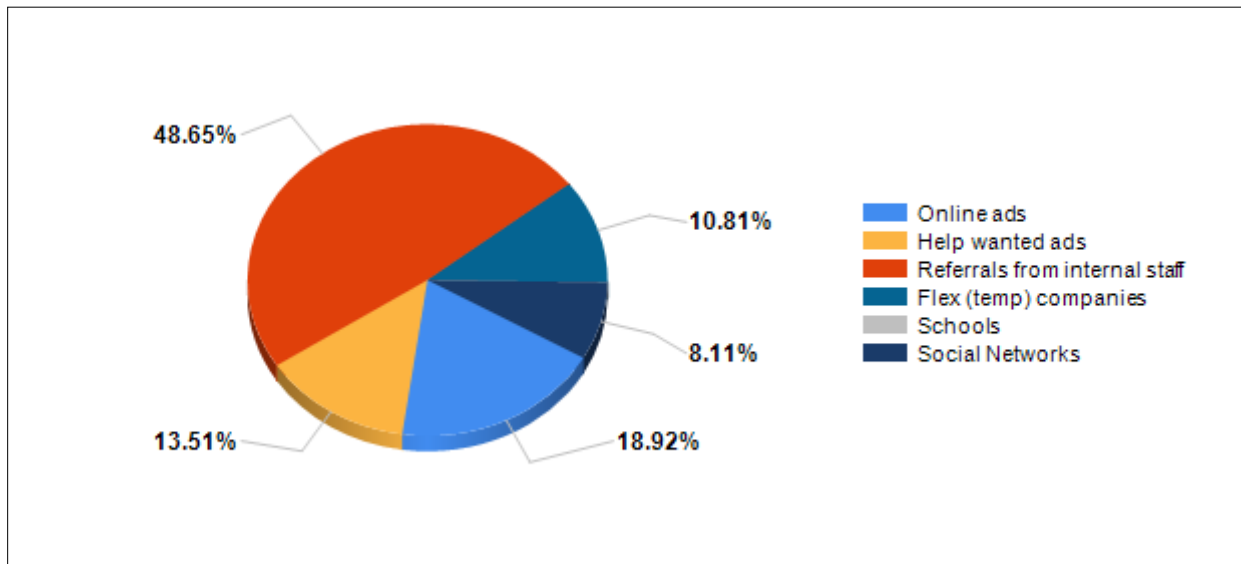


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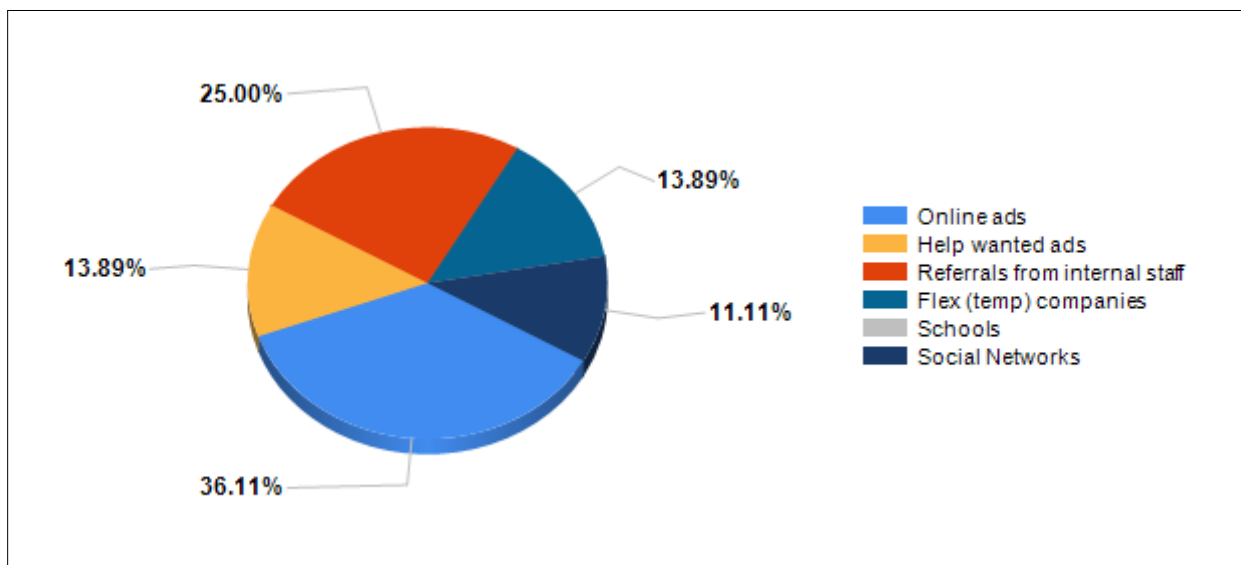


Industry Insight Survey 1st Q 2010

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Industry Insight Survey 1st Q 2010

Methodology

Semper International provides this survey based quarterly estimate of trends in the printing and graphics industries.

To prevent bias the survey questions were designed by Semper corporate partner Cvent. Questions were design to be both qualitative and quantitative. To preserve confidentiality, individual company information is not part of the tabulation.

Survey participants are more than 200 small medium and large printing companies, both clients and prospects of Semper International. Participants provide data on revenue and hiring a well as estimated outlooks on future trends. Data was requested from a random sample. They were not screened.