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Economic data is the key to revealing the condition of and outlook for our sector. Every year, we publish the Intergraf Economic Report, an in-depth overview of available data on the European printing industry. Our 2020 report is now available.

Stay informed of the latest graphic industry economic trends by ordering your **Intergraf Economic Report** today - we're waiting for your order! Our report is available **FREE OF CHARGE** exclusively for printing companies belonging to one of Intergraf's member federations. It is for sale for non-members.

The 2020 version of our **Economic Report** includes data on **Brexit** and **COVID-19** impacts, as well as the usual overview of the **evolution of the graphic industry** (e.g. turnover, number of employees and companies, production values and trade). **Historical developments and comparisons** between countries are also included, as is data from **other sectors** related to print. This edition also features our partner Smithers' **print market review**, with a forecast until 2024.

Statistical information is provided for the European Union (EU27), as well as the United Kingdom, Norway and Switzerland. Official consolidated statistics made available by Eurostat are the main source of information. Information about **current trends** in selected European countries is provided by Intergraf's member federations.

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COVID-19: A CHALLENGE AND AN OPPORTUNITY FOR PUBLISHERS

Many of the trends experienced by publishers in recent years have been accelerated by COVID-19. The sector must now weigh up how to respond.

FIPP, the network for global media, has released [a report](#) assessing the effects of the coronavirus on publishing. The report gives insights into content, distribution and newsstands, subscriptions, web traffic, events, ad revenue and bailouts.

Because of social distancing, newsstand sales of magazines have fallen, while the demand for subscriptions - print and digital - has grown. However, with everybody at home, creating

content is facing major barriers, as is the organisation of events. Publishers are also seeing increasing web traffic, which presents an opportunity (see also [this FIPP report](#)), but there is a lack of clarity on how to monetise it. Moreover, government support for publishers in Europe tends to be general and not directed specifically at media. Although in the UK, plans to bring forward plans to scrap VAT on e-publications have been brought forward. ■

WHAT DOES THE FUTURE HOLD FOR CASH?

Concerns have mounted about the role of cash in spreading COVID-19, despite the fact that it carries no more risk than other items (arguably even less because it is a dry surface). Will these misconceptions hasten the decline of cash?

Despite the general trend towards cashless payments, many people still rely on cash - 20-30% of people in the UK, for example ([BBC](#)). With the coronavirus instilling a fear of touch, cash use has declined - prohibited in some cases. This has led to widespread speculation about the risk of virus transmission on banknotes and coins.

The World Health Organisation has clarified that the virus "will not survive for very long on surfaces,

particularly on a dry surface like a banknote", and that person-to-person contact is the main driver of transmission ([Euronews](#)). In general, the risk of contracting the virus from surfaces is very low ([WHO](#)).

Although the use of cash has declined for now, the long term effects of COVID-19 on cash use is yet to be seen. A full picture will only emerge when businesses have reopened and people start to spend their money again. ■

"Most transmission of the virus that causes the COVID-19 disease is through person-to-person contact and not from touching objects"

[Euronews](#)

ADVERTISING IN THE WAKE OF A PANDEMIC

With abrupt retail closures and companies working only on business critical activities, many brands have entered a "dark period" devoid of advertising. During this time, the way in which consumers engage with brands has changed, making advertising more challenging, but also more necessary.

New habits

Navigating the best way through the COVID-19 crisis has been a universal challenge and much has changed as a result - for individuals and companies.

On top of the barriers all businesses are experiencing in their quest to continue normal operations, brands are having to grapple with a completely different context in which to sell their products. Our habits have changed. From teleworking, to media consumption and e-commerce (see image below), new trends can be seen. Not only this, but the perspectives of customers changed overnight. What was yesterday seen as acceptable (e.g. a group of people in close proximity), today appears out-of-touch.

Department	Dollar % Growth vs. Prior Week	Dollar % Growth vs. Year Ago
Grocery & Gourmet Food	50%	124%
Health & Beauty	16%	33%
Home & Kitchen	60%	284%
Pet Supplies	56%	87%
Baby Products	92%	164%

Image source: The Nielsen Company

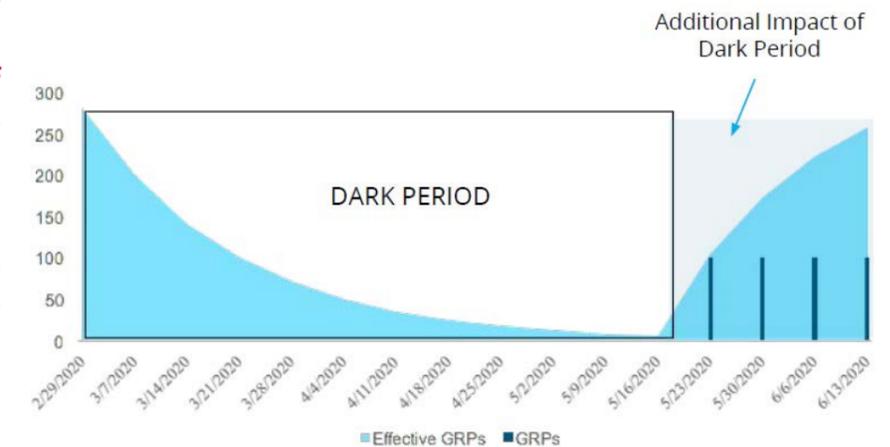


Image source: The Nielsen Company
"Nielsen's database of long-term effect models suggests that cutting advertising for the rest of 2020 could lead to an 11% revenue decrease in 2021."

Brand loyalty

For many brands, the crisis has resulted in a freeze on advertising. For the printers of such products, this has had a huge impact. For consumers, such a

"99% of audiences are currently willing to accept an alternative product/brand to usual, with 91% having already switched brands since the outbreak"

Bauer Media

freeze, combined with the physical restrictions of the COVID-19 crisis, has destroyed brand loyalty.

In a recent survey from Bauer Media, results show that "99% of audiences are currently willing to accept an alternative product/

brand to usual, with 91% having already switched brands since the outbreak. As a result, 76% of consumers intend to change their loyalties sticking with new brands that they've tried or being more willing to try new brands in the future." The Nielsen Company has further underscored the importance of advertising in a recent report, which states that "decisions to go dark [...] put[s] long-term revenue at risk" by up to 11% (see image above). The longer there is no advertising, the longer it will take to rebuild brand loyalty.

To regain customers, advertising must play a key role in brands' recovery plans.

Impact on print

As shops begin to operate again and there is a slow re-opening of the economy, brands need to advertise to bring customers back to their products. This will ultimately help print. ■



Meeting with MEP Hildegaard Bentele



PRINTED PRODUCTS MUST BE SAFE FROM ILLEGAL LOGGING

Intergraf continues to advocate for printed products to be included in the scope of the Timber Regulation and ensure they are safe from illegal logging.

The EU contains **5% of the world's forests** and EU forests have **continuously expanded** for over 60 years. EU forests and other wooded land now cover **182 million hectares**, representing more than **42% of EU land area**.

The European Commission has initiated several initiatives related to forestry. They are preparing a new **Forest Strategy**, assessing ways to step up EU action to **protect the world's forests**, and they intend

to present an legal framework to **halt and reverse EU-driven global deforestation**. Intergraf is using the momentum to repeat its call to **extend the scope of the EU Timber Regulation** to secure that imported printed products carry the same guarantee on the legality of the paper sourcing as European printed products.

Intergraf is approaching **Members of the European Parliament (MEPs)**, who are preparing reports on these matters. ■

TASK FORCE TO TACKLE FOOD CONTACT MATERIALS

Intergraf has launched a new Task Force of experts who will work on the important issue of food contact materials (FCM) and chemical migration.

The Task Force on FCM was launched because there is **increasing focus** by national and EU authorities on the issue of **chemical migration** from FCM to the food itself. This project is in collaboration with **FTA Europe**, the association for the flexo industry.

The regulation of printing inks on FCM is **not fully harmonised** at EU level. Since 2017, the European Commission has been examining all EU-level regulation applicable to materials and articles which come into contact with food. The

results of the evaluation, originally due this year, are expected in 2022. As confirmed in the EU's new **Farm to Fork strategy**, the European Commission has **committed to new legislation** for FCM.

The Task Force will first **evaluate** current regulation with which printers of FCM must comply, **gathering information** and **issuing advice** for printers. They will also **support Intergraf** to closely monitor the developing situation and ensure the printing industry's voice is heard. ■



WE WANT TO HEAR FROM YOU!



PRINT YOUR FUTURE SURVEY ONLINE

The Print Your Future project is about attracting a new skilled workforce to the European graphic industry. Complete our survey to support the next generation of printers.

Amid the current public health crisis, many aspects of our lives have changed. This is also true for printing companies. In order to **recover** from the crisis, the European printing industry will need support. Our survey will inform the development of tools to aid **recruitment**.

Print Your Future is an 18-month project about future skills and recruitment in the printing industry. The project focuses on **Estonia, Germany, the Netherlands and Portugal**, but it will develop pilot initiatives and a toolbox of materials that will be applicable in other countries, so it has a **high relevance for Europe** as a whole. Support print's workforce of the future by taking our survey. ■

TAKE SURVEY

TRANSITIONING TO A CIRCULAR INDUSTRY

Turning waste into new materials and resources is an essential part of the circular economy. Sharing resources between industrial sites ("industrial symbiosis") can help to cut consumption, pollution and costs for companies.

Two **free guides** have been published by the **Scaler project** to support businesses (particularly SMEs) in transitioning to a **circular economy** through the development of **resource synergies** with other companies ("**industrial symbiosis**"). Such working partnerships not only help companies to dispose of their waste **more efficiently**, but also "leads the way to transitioning cities and regions towards more sustainable and eco-friendly

industrial practices", according to the Scaler Project. The two guides are accompanied by a **Synergies Outlook**, which details what waste and energy streams can **generate the most value** - economically, socially and environmentally.

Companies in Europe are expected to prioritise **sustainability**. For energy-intensive sectors, this can be challenging. The Scaler Project and **industrial symbiosis** offers such industries an opportunity to operate in a more circular way. ■

"Industrial symbiosis offers a great opportunity for companies to work together in finding cost-effective, sustainable solutions to dispose of their waste"

Synergies Outlook, Scaler Project

THE RESURGENCE OF THE POSTER

Posters capture moving audiences with a simple message. In the wake of COVID-19, this has taken on new significance. Whether it's to notify the public of important health information, or simply to lift spirits, the poster has made a resurgence.



Jack Arts, London, [BBC](#)

Jack Arts, London, [BBC](#)

Morag Myerscough's posters on display in Leeds. Photos: In Good Company

EVENTS

- Intergraf General Assembly, Virtual Conference, Thursday 4 June 2020
- Print Your Future project meeting, Wednesday 17 June 2020

The Intergraf Newsflash is edited by Alison Grace.
 Contact Alison if you have news to share:
agrace@intergraf.eu | +32 (0) 2 230 86 46

