

Economic Situation of the Graphical Sector across Europe

Portugal

- Newspapers, magazines and graphical printing are decreasing.
- Packaging sector is growing.
- Books are doing fairly well.
- After a decrease in 2017, there was an energy hike in 2018. There has been a 17% price increase, with some printers experiencing up to 30% difference.
- Increasing paper prices are affecting printers – including newsprint.
- The scarcity of qualified workers is a major concern.
- Regarding recruitment, social skills, emotional intelligence and creativity is in high demand. The industry needs to be promoted to help with recruitment.

Italy

- Paper price increases are also affecting printers in Italy. Many publishers are asking printers to reduce costs – in the magazine sector, for example.
- Magazines decrease in numbers of titles and also in pages.
- The number of daily newspapers are reducing, but the supplements inside are getting better results. More supplements are being added to attract readers.
- Books are doing fairly well.
- There is an upward trend in packaging, particularly luxury packaging.
- More people want to work than are employed in Italy, but the printing industry still lacks workers.
- Companies are laying off workers so that there is enough skilled labour on the market. However, it is difficult to convert a traditional printer to the digital world.
- Energy costs are more an issue for the paper industry. The cost of pulp is a problem.

France

- High energy prices.
- High paper prices are resulting in publishers requesting lower prices. Many printers are, as a result, reaching their investment limits.
- Recycled paper is a problem in France, because it does not stay in France. It is sold in China. Newsprint is a particular problem as with only two producers there is not enough capacity to cover the French market.
- The French eco tax affects printers as it applies when the distance between production of paper and final distribution to end customer is more than 1500km. There are only limited paper producers in France, so paper always has to travel. It is taxed for this.
- French printers also suffer as the paper bought by publishers is sometimes of low quality. A project in group buying is envisaged, but this will cause problems with the publishers.

- There has been a market stabilisation of books. Value has increased by about 1% in value, not in volume.
- The French are trying to revalue their sector by promoting the benefits of printed products. For instance, they are more sustainable and renewable than other forms of communication (i.e. digital).
- There is a reform on unaddressed advertising which might lead to an opt-in for unaddressed mail. The reasons are for environmental grounds.
- French politics are not in favour of print – a revalorisation of print is needed.
- French schools use almost no printed schoolbooks – everything is digital. The cost of this is frequently pushed onto families. New problems are also being exacerbated, such as screen addiction amongst younger people.
- Mentorship within a company is very important. Recruitment and training for new employees should not be the only focus. This is not very developed in the sector and offers opportunities to improve.
- Lifelong learning is important and employees need to be liberated from work to follow this. But this causes problems in the small companies where machines cannot be stopped.
- Government is decreasing funding for apprenticeships. The French unions have their own training centres.

Belgium

- There is a possibility that the law on posted direct mail will soon change to an ‘opt-in’ approach, like in France. There may be subsequent losses for printers.
- The packaging sector is doing better than other sectors, as in other countries.
- Newspapers are trying to obtain more subscribers with larger weekend editions. Newspapers promote democracy as citizens see articles that they would not see otherwise.
- There is a trend towards mergers, creating fewer, larger companies.

The Netherlands

- An ‘opt-in’ approach on posted direct mail has been introduced in Amsterdam. Industry, supported increasingly by retailers, has taken the local government to court in an attempt to change this.
- The industry in the Netherlands has experienced a 3% decrease in turnover compared to 2017, although packaging is doing OK.
- There is a looming postal monopoly which may increase distribution costs.
- Recruitment is an issue in the Netherlands. The average age of employees in printing companies is 48 (and rising), so recruitment and upskilling is becoming more-and-more important as time passes.
- Very low labour mobility in the Netherlands.

Europe

- Reports and studies indicate that direct mail is viewed much more than digital. Direct mail campaigns have a higher success rate. Most digital ads are not viewed (54%) and 52% of the traffic on the internet is not human.

Finland

- In recent years, the number of companies in the print media sector has been reduced from approximately 918 to 720. Some companies have closed, others have merged.
- Exports have gone down by 9% compared to the previous year.
- Production in general is decreasing, as is the employment rate.
- Raised paper prices are affecting the industry.
- VAT on digital products has been lowered to 10%, the same as printed products.

Germany

- Social Dialogue in Germany is currently problematic and there are strikes.
- The number of employees is at 134,000.
- Image campaigns to promote the sector are very important. We should be very involved in these and learn from one another.
- Large demand for skilled people. 60% of companies are searching for skilled staff.
- In the past Germany used to have 20,000 apprentices now there are only 12,000.

Spain

- The printing industry represents 4.4% of the Spanish GDP and 8.8 % of industrial production.
- Similar situation to other countries: paper prices are rising and printers cannot pass on increases to customers.
- The packaging sector is also increasing in Spain.
- Books are increasing and e-books are stable.
- Advertising is suffering from the bad image of print. Young people read media online. However, digital information excludes part of the population.
- Government has stopped using paper for public services which fuels the divide between digitally savvy and unskilled citizens.
- Upskilling within a company is very important. Recruitment and training for new employees should not be the only focus.
- Image campaigns are very important for recruitment – for production jobs, as well as digital.
- Average age in companies is 43, so lifelong learning is important for the future.
- Few companies actually grant the 20hrs of training per year.

Sweden

- Graphical printing is decreasing in general and the packaging sector is at a standstill.
- There are still factory closures.

Croatia

- The sector in Croatia was doing very well before the 2008 crisis and so was invested in. As the crisis hit just after this investment it created a lot of problems with overcapacity.
- Increased energy prices are a big problem not only for the production, but due to the fact that the buildings are old and heating and cooling becomes more expensive.
- Newspapers decrease strongly, magazines decrease less, books are stable.

- Currently only the packaging sector is increasing.
- The sector is not as attractive as before and salaries are not increasing with the trends so recruitment is difficult.
- The government wants 30% fewer books in schools.
- There is lots of talk about how important training is, but not enough concrete action.
- Young people need to spend more time in printing companies during their training so they know what the job really is and harbour no misconceptions.