

Print and Premedia

SEMPERSM
INTERNATIONAL

Straw Poll



Q1: Winter 2018

Strong Profits Herald a Return

Semper International's first poll of 2018 shows strong profits from last quarter. 2017 ended up being a decent year despite a slow start. Respondents are conveying a hopeful message for growth in the year to come.

The first quarter always starts a bit slow. This one is proving no different as January showed a holding pattern trend. However, business is picking up with February's arrival. The poll respondents are confident that sales will increase as the quarter wears on.

Economics and politics are entwined this year more than ever as ramifications of the new tax law are felt on a personal and business level. Many believe the Affordable Care Act (ACA) is helpful for those who cannot afford healthcare. Recent changes to ACA legislation could remove arduous requirements and potential penalties for small and mid-sized companies.

As always, thank you for taking the time to participate. Please share this report with your colleagues and industry friends. Stay tuned for our Q2 poll in April.

Now, let's get to the data!

Thank You,

Dave Regan, CEO

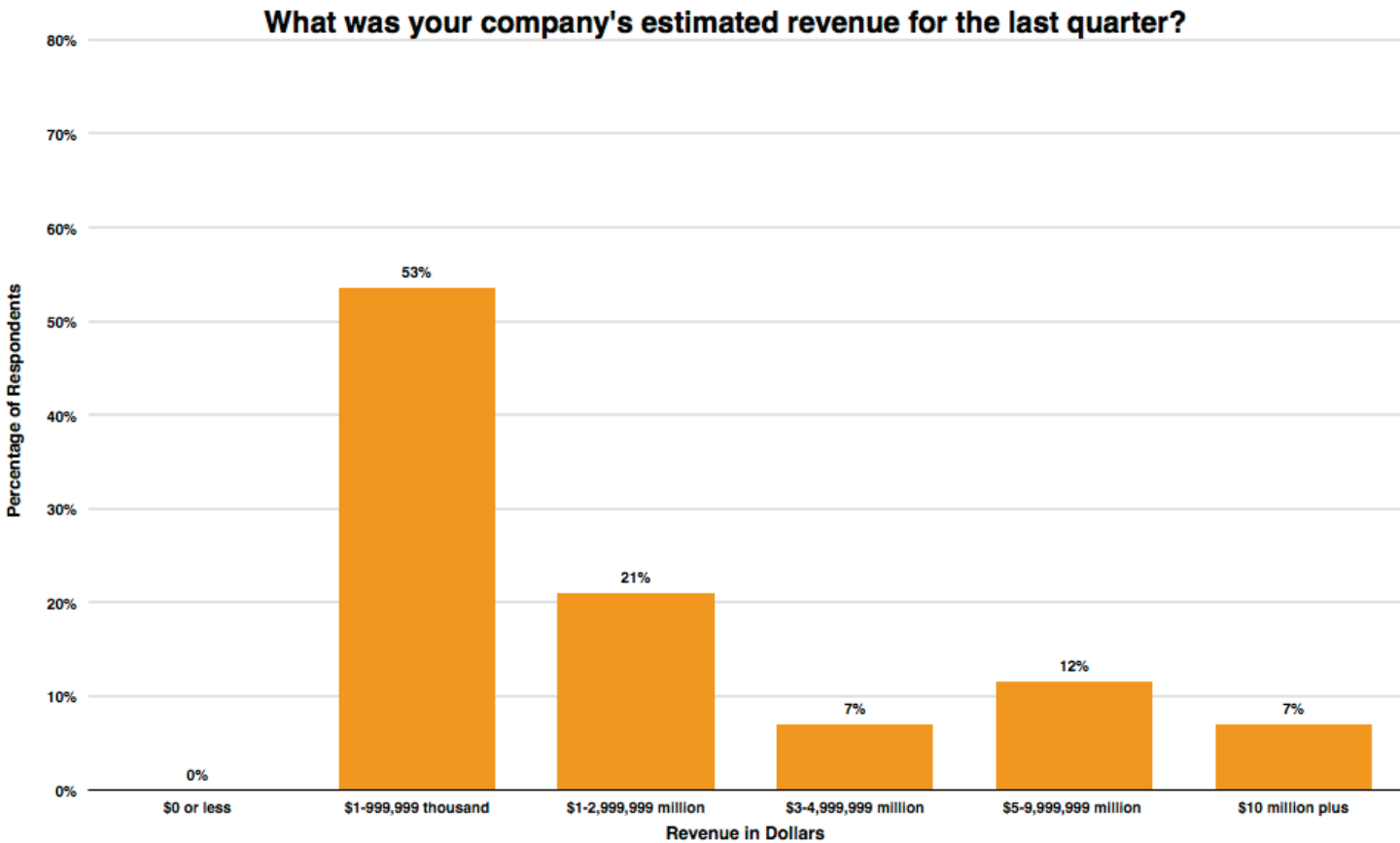
Semper International

Poll Results

Question One

Every quarter, an array of organizations take this poll. In order to ensure there is equal weight with small and large organizations, this question asks for total revenue.

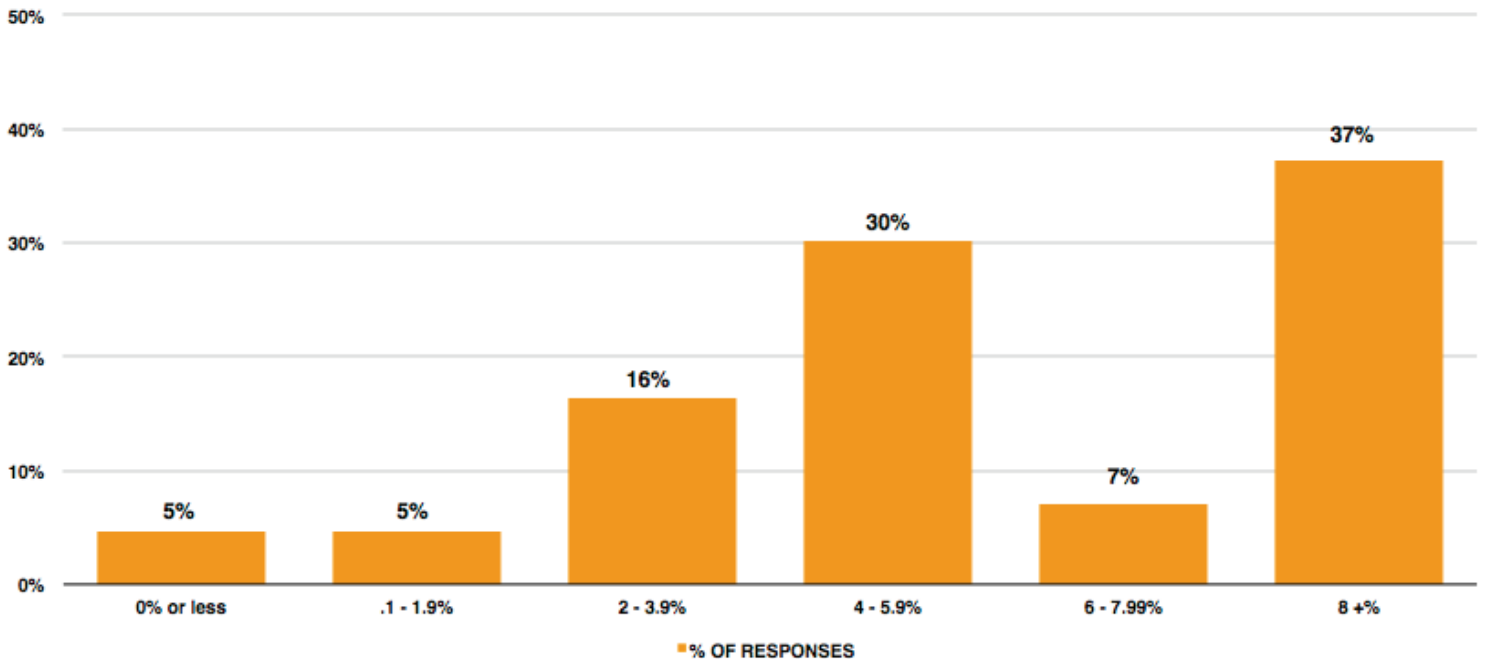
Based on the responses, the poll has a normal curve of small, medium and large companies represented. There aren't any data anomalies to watch for in the rest of the report.



Question Two

In this question, we get right to the bottom line by asking businesses how the last quarter went. There was a profit increase in the highest category by 1.25%. The rest of the respondents reported some minor downward profit pressures. This tracks with anecdotal data we are hearing from clients and other sources, citing an earlier than usual slow down in December 2017.

What was your company's net profit percentage (net profit / total sales x 100) last quarter?

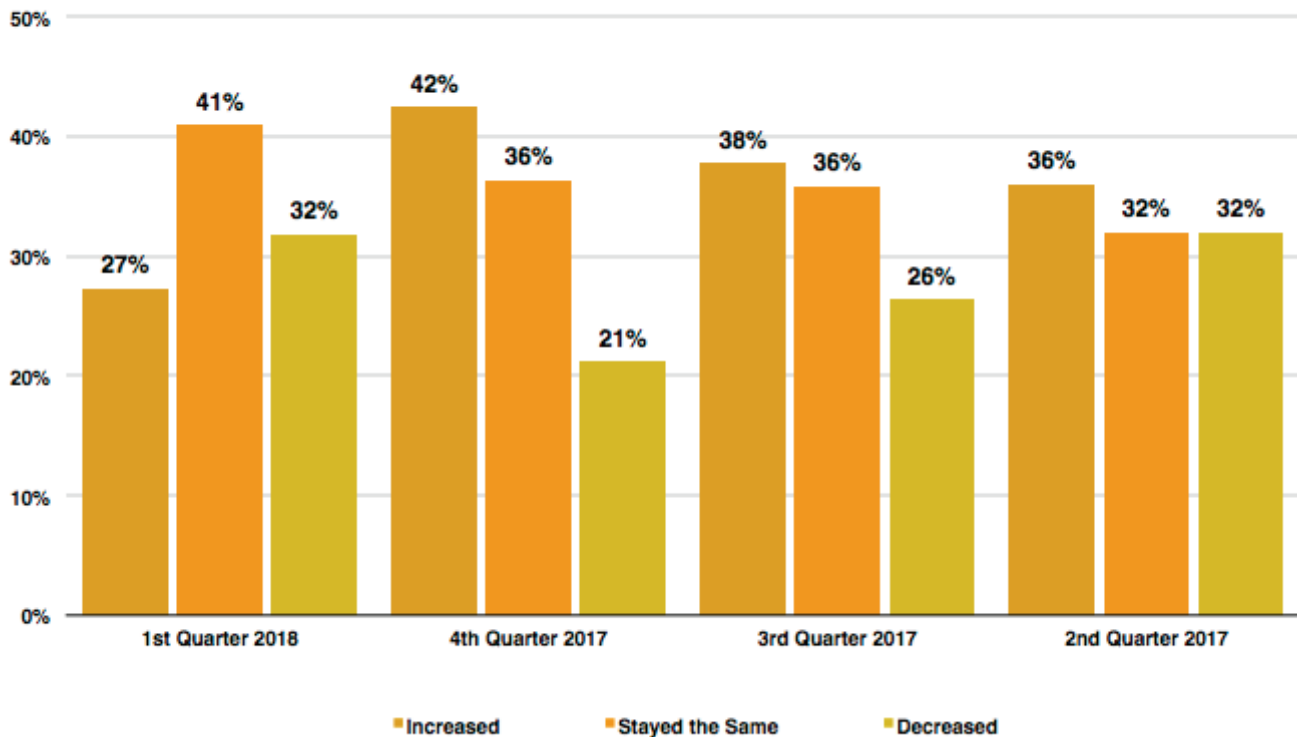


Question Three

January doldrums! This question covers the last two weeks in January 2018. As noted in Question Two, some Semper clients mentioned that softness was more pronounced in December 2017 than in past years. Signs and sources all point to the fact that business is picking up in early February.

Overall, less companies indicated sales increases in the last two weeks of January. The majority said sales held steady or stayed the same. Naturally, those companies who noted decreases in Question Two, also recorded a sales slowdown in the last two weeks of January.

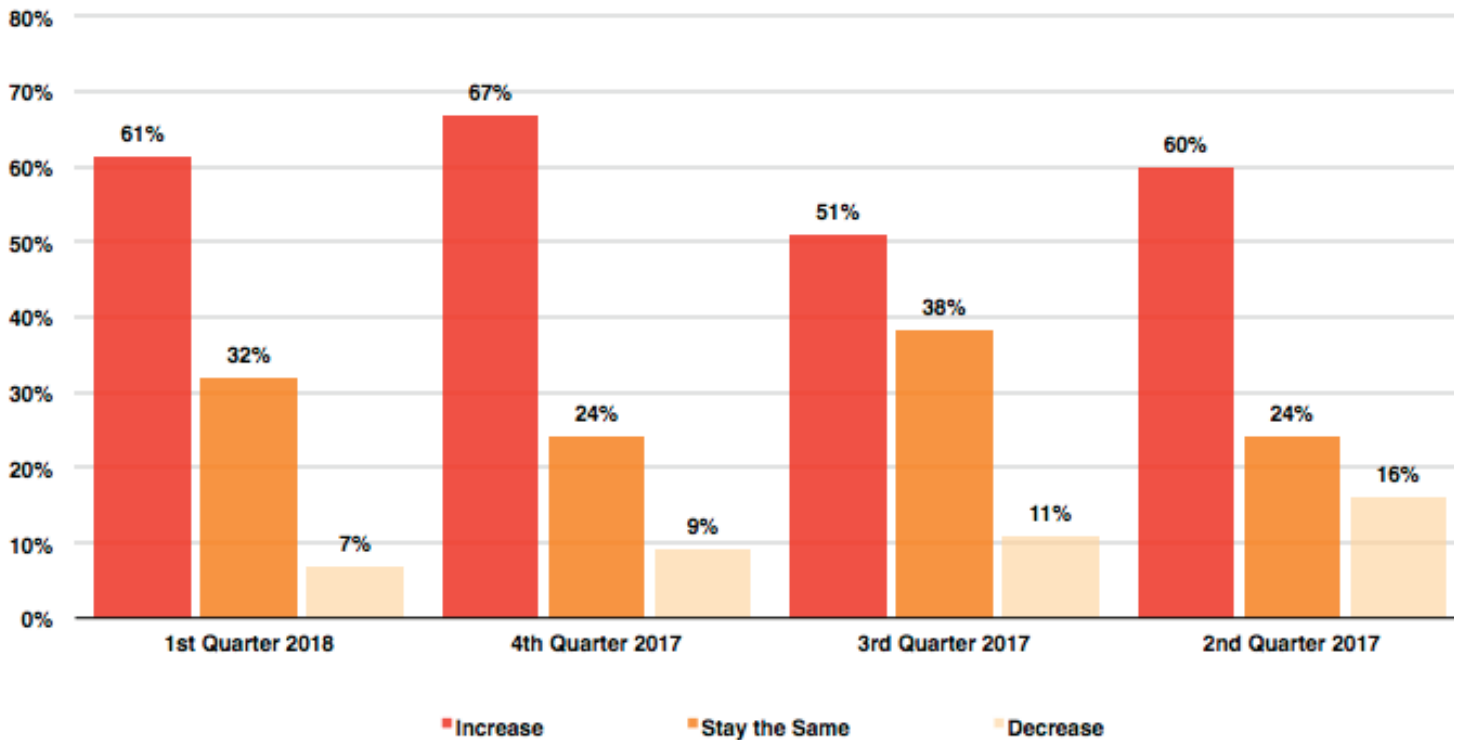
How have sales changed in the last two weeks?



Question Four

A highlight of this quarter's poll is the optimism expressed by many respondents. In fact, 61% think sales will increase in this current quarter, while 32% think they will stay the same. Those expecting sales to decrease dropped from 9% in the Q4 2017 poll to slightly under 7% in this quarter.

How do you expect sales to change during this quarter?



Question Five

The results from this question show companies are hesitant to hire at this time. Sales trends need to increase and maintain consistent growth before adding more overhead. Companies planning to hire went from 30% in our last poll to 20% in this one.

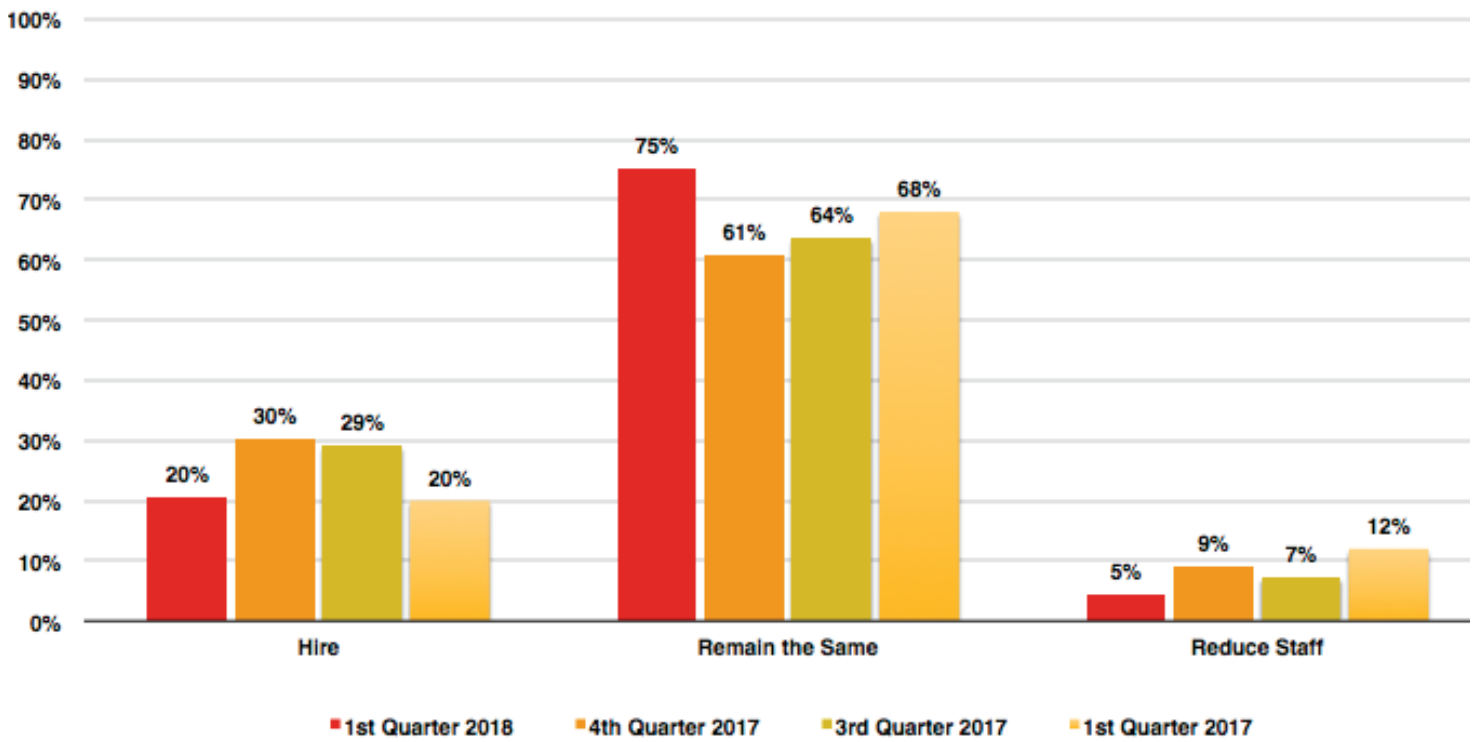
There is evidence of business picking up thanks to less companies laying off. In Q4 2017, 9% of respondents had plans to layoff but this quarter only 5% of respondents have layoffs in their sights.

Firms are still learning from the events of the last 10 years. The recovery from 2008 remains slow on the labor front. The print and premedia industry are just getting back to pre-2008 labor levels, and true wages have not yet risen. Companies that are still standing are likely doing so because they were judicious with past expenses. Newer firms entering the market are successful by carefully watching their costs.

Semper's company phones will start ringing off the hook as soon as the busy season truly comes and we are starting to hear those bells!

Question Five

What will your staffing needs be like this quarter?



Over the past year, it has become clear that Semper's clients share one **big concern about replacing the skilled print and premedia employees who are set to retire**. Stories like a client in the Midwest who will have to replace 200 skilled employees in the next year are relayed to us every week.

Semper understands that positive solutions need to be implemented now for the sake of the industry.

Speak to our expert team and find out how we can help with your skilled staffing needs. Click the button to contact us!

GET STARTED TODAY