



National Printing Research Council

Dedicated to providing members with the latest tools and resources to boost profits and sales!

[Published Oct. 20, 2021](#)

Coping With Covid-19 & Supply Chain Issues Characterizes Slow and Steady 2021 Recovery

By John Stewart, Executive Director, NPRC

Before we begin our formal report on the results of our latest survey, we would sincerely like to thank the owners of 167 printing, mailing and sign firms that took the time to complete our survey. Without your support and contributions, detailed and accurate reports such as this would simply not be possible. Thank you very much.

A few surveys came in after our Oct. 18th, midnight deadline, and helped us reach the 4th best response rate for our on-again, off-again industry surveys. We received 167 completed surveys, and that response rate was topped only by three other surveys that also dealt heavily with Covid-19.

We will be candid in noting that we're going to be happy when this whole "Covid thing" is over so we can get back to doing ordinary surveys about the industry, and not finding ourselves being criticized by either the left or right for politicizing Covid.

As innocuous as this recent survey was in terms of the questions asked, we still found ourselves being criticized by a few for apparently showing a bias because of the way we either framed a question failed to allow for other choices!

As I mentioned to my local tech guru, the result of this survey, more than many we have conducted, could be told almost solely through the use of Excel Graphs. In fact, there is nothing wrong with that and in some cases we are going to let the graphs, with or without captions, speak for themselves.

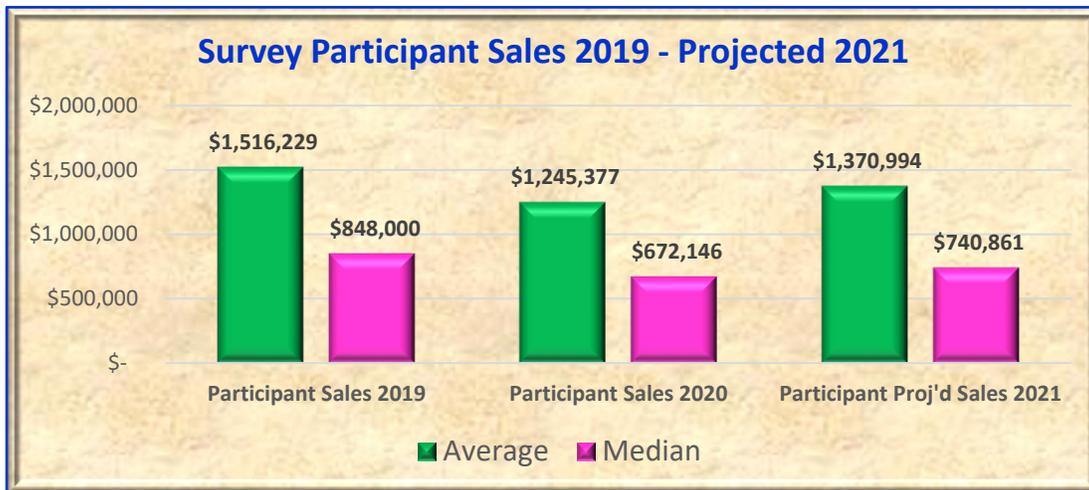
#1 - Average Owner Age - But first, some preliminary data to set the stage and give you a profile of our survey participants. The average age of our participants was almost 61 with a median age only one year older at 62. We had three octogenarians as well as a few in the 30-40 range.

#2 - The Average Age of Firm – The average, total age of the firms (since they were founded) is 40 years. The median age is slightly less at 37. We had five firms reporting they were more than 100 years old, with the oldest coming in at 155. This firm is located in Aiken, SC. Only one firm reported it was less than 10 years old.

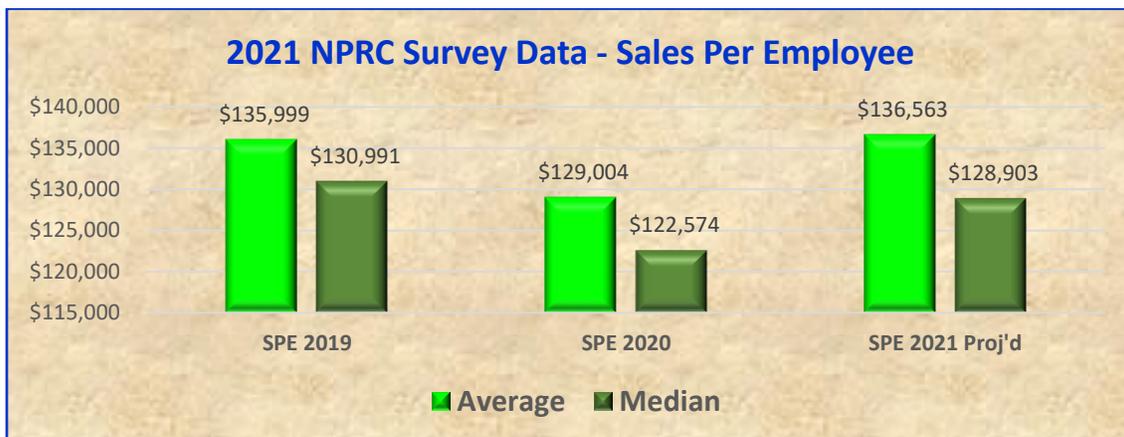
#3 - General Sales Data Years 2019-2021 Projected - Although optional, a significant majority (67%) of survey participants agreed to provide us with comparative sales data. We used that data, along with the employee data, to calculate SPE data, one of our favorite productivity ratios.

#4 - 2019-2021 Employee Counts - Once again optional, we asked participants to estimate, as accurately as possible, the number of FT equivalent employees, including all owners, working spouses and employees involved in producing the sales for the respective years 2019, 2020 and 2021 projected. Due to a minor coding error, only whole numbers are allowed. Fortunately, this oversight had only a very minimal impact our SPE calculations.

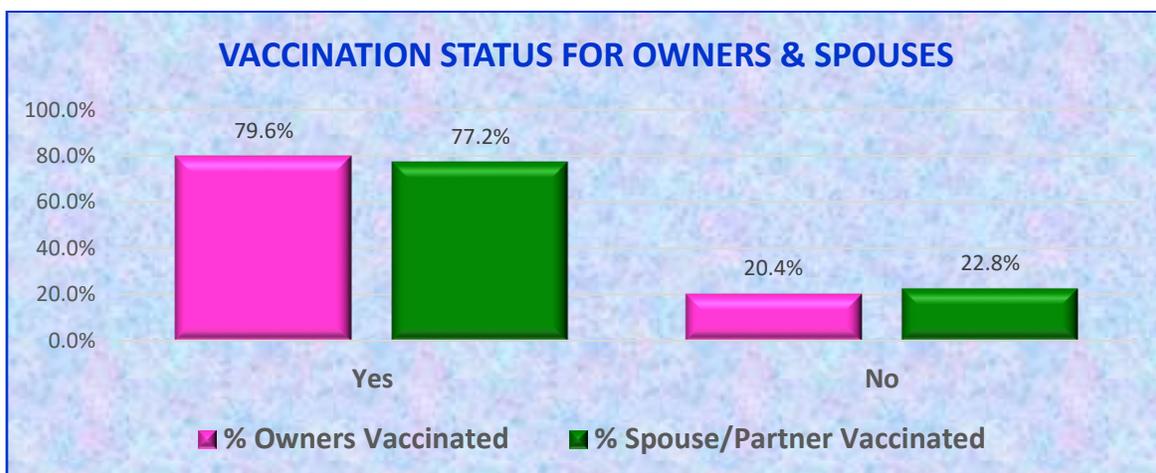
Below is our **2019-2021 Sales Chart**. It is self-explanatory.



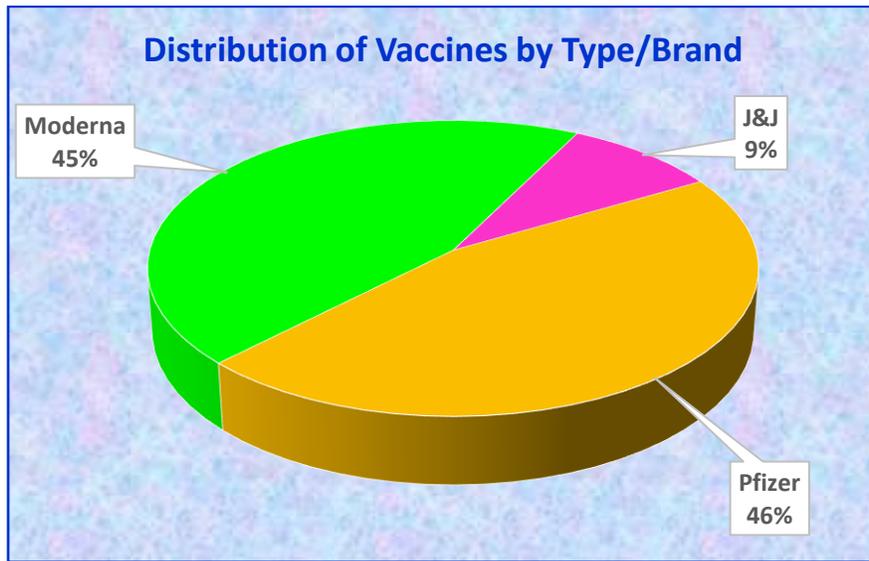
While we aren't prepared to announce a dramatic rebound in industry performance, "Sales Per Employee" seems to have at least returned to the pre-Covid era where sales per employees of \$130-\$135,000 were indeed reasonable goals. You can see the dramatic drop in average SPE for 2020. Notice too, however, that the median SPE for this three-year period has still not fully recovered.



#5 & #7 – Currently Vaccinated for Covid-19? We asked the question and we were a bit surprised as to the responses we received. According to our data, the printing industry, at least its owners, is significantly ahead of the general population, in terms of vaccination rates. According to the CDC's latest data (10-14-21) 65.6% of the total U.S. population has received at least one vaccine dose.



#6 – Vaccine Types Administered – Not a big surprise here. Our data tends to mirror that available nationally.



#8 Plans on Receiving a Booster Shot? We asked participants, assuming they have received an initial vaccine shot, whether they planned on receiving a booster shot when available? They answered...

Yes... 67%

No... 32%

#9 Mandatory Vaccinations for Employees? – Are Covid-19 Vaccines mandatory as a condition of employment at your company? According to our survey respondents, owners responded...

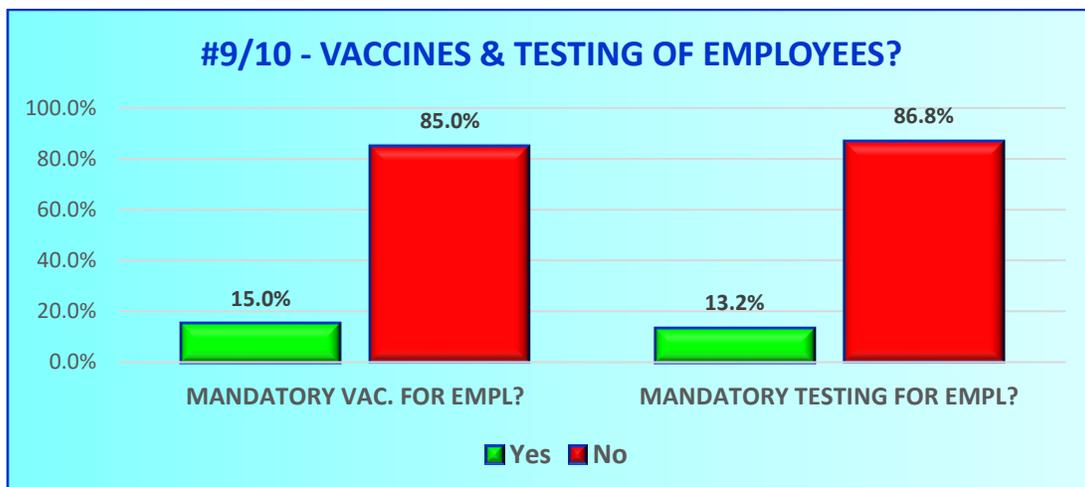
Yes... 15%

No... 85%

#10 Mandatory Covid-19 Testing? - In lieu of mandatory vaccinations, we then asked employers if they were or would be requiring employees to be periodically tested? The answers were almost identical to that for question #9:

Yes... 13%

No... 87%



#11 Percent of Employees Vaccinated? – Please estimate, as accurately as possible, the percent of your full-time employees who are currently vaccinated, or expected to be, within the next 30 days?

Percent Employees Vaccinated (Average)... 75.8%

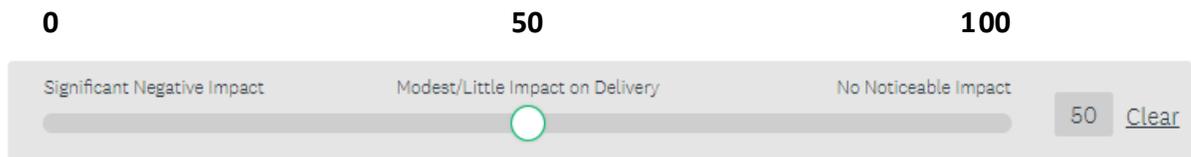
Percent Employees Vaccinated (Median)... 85.0%

#12 2021 Current Operating Hours – Compared to pre-Covid operating hours, how would you characterize your current operating hours? Owners were provided a sliding scale ranging from “0” to “100”, with “50” indicating back to “Normal, and anything higher than than indicating more hours than in the past.

Average Score 45 (meaning employers were operating at slightly below normal hours)

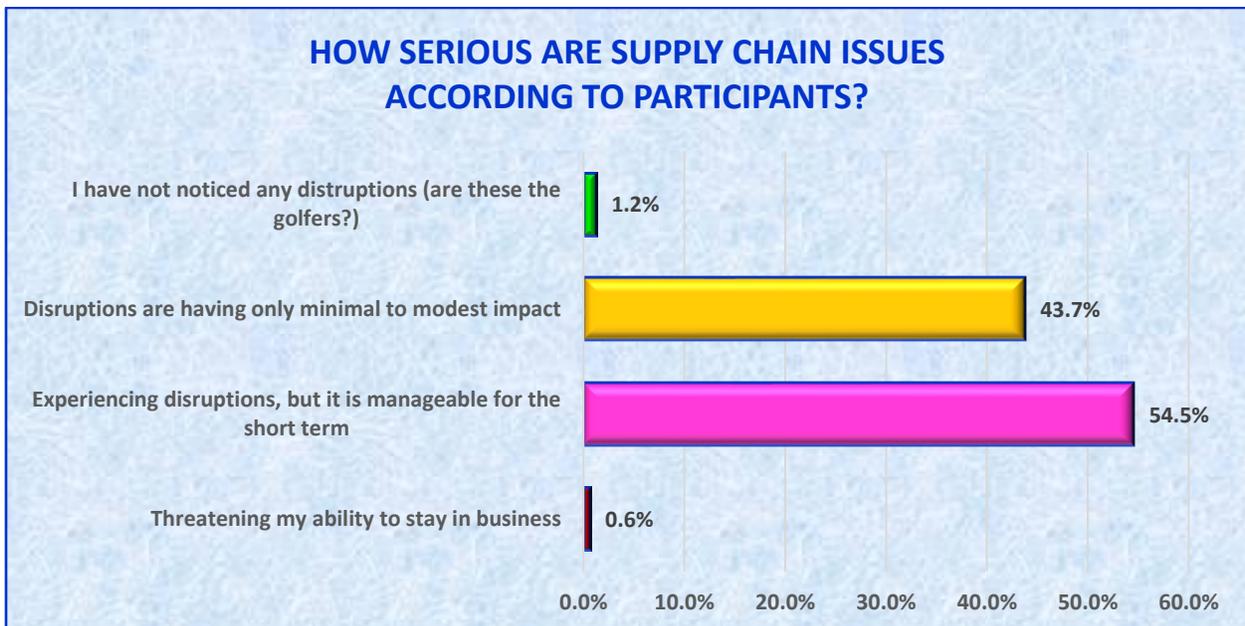
Median Score 50 (meaning employers indicating they are back to normal hours)

#13 Supply Chain Issues? – Owners were asked to what degree, if any, have supply chain issues impacted your ability to deliver products & services to your customers in a timely fashion?



The average and median scores for this question were almost identical at 34/35 respectively, indicating that “Yes” problems with supply chains are impacting business, but not at dramatic or catastrophic levels.

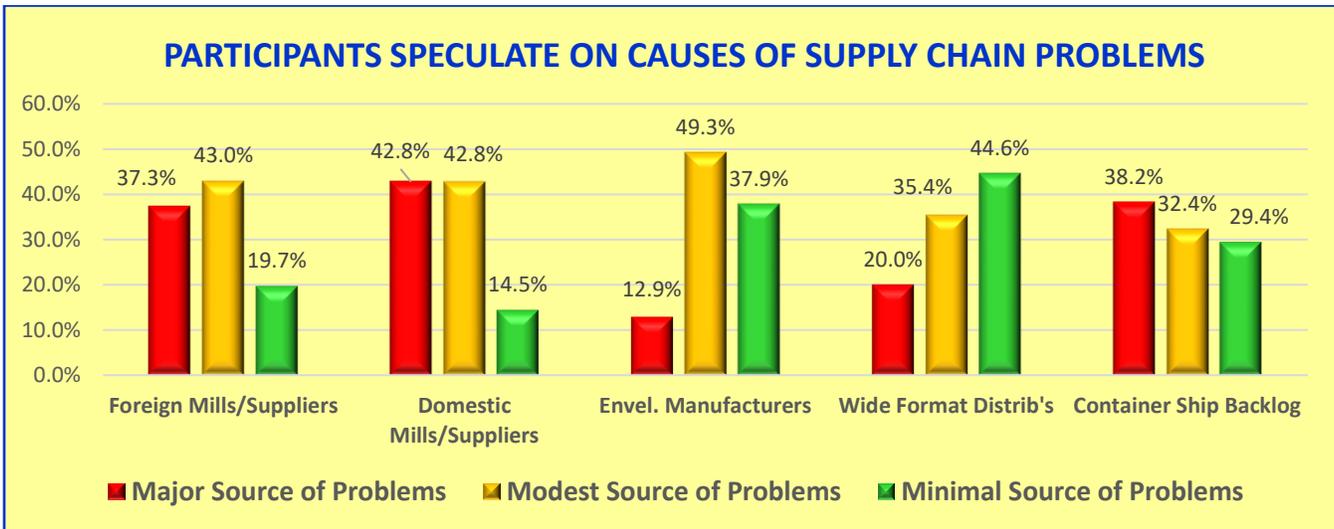
#14 How Serious Are Supply Chain Issues? – According to many business owners, including printers, supply chain issues are more disruptive than every before. How would you characterize these issues/challenges regarding your own business?



Please forgive our modification to the first choice noted above where we indicated or speculated that these folks must be golfers! Considering everything going on in our industry, it is hard to imagine folks indeed not experiencing any disruptions in the industry’s supply chain.

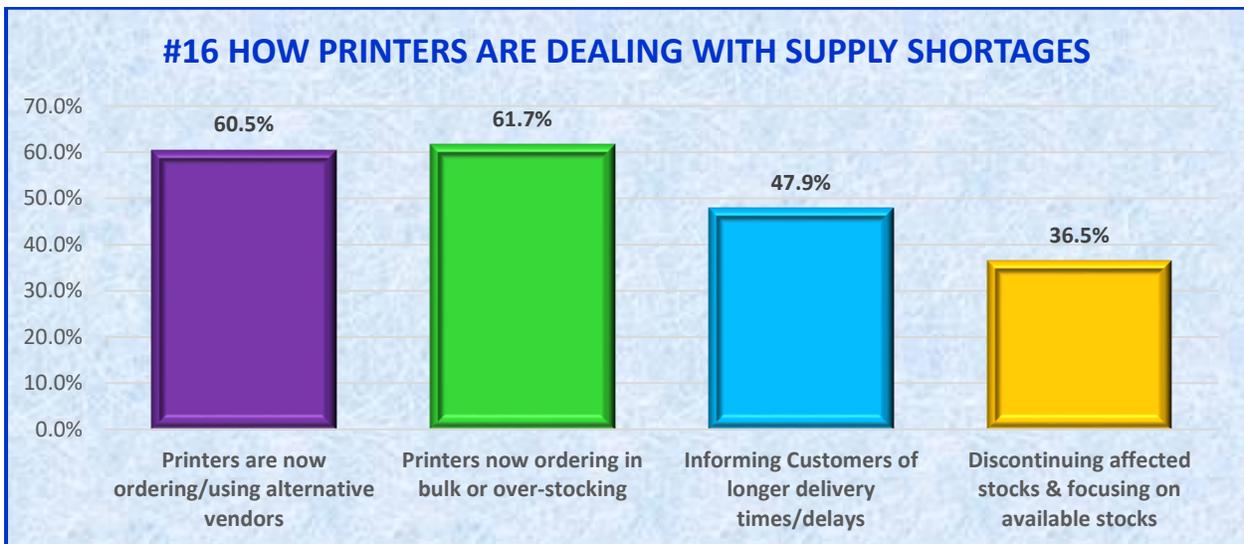
(Continued Next Page)

#15 Where are shortages coming from – We asked participants the following: *As best as you can determine, where do you believe most of the shortages are coming from?* Below is a chart depicting their responses.



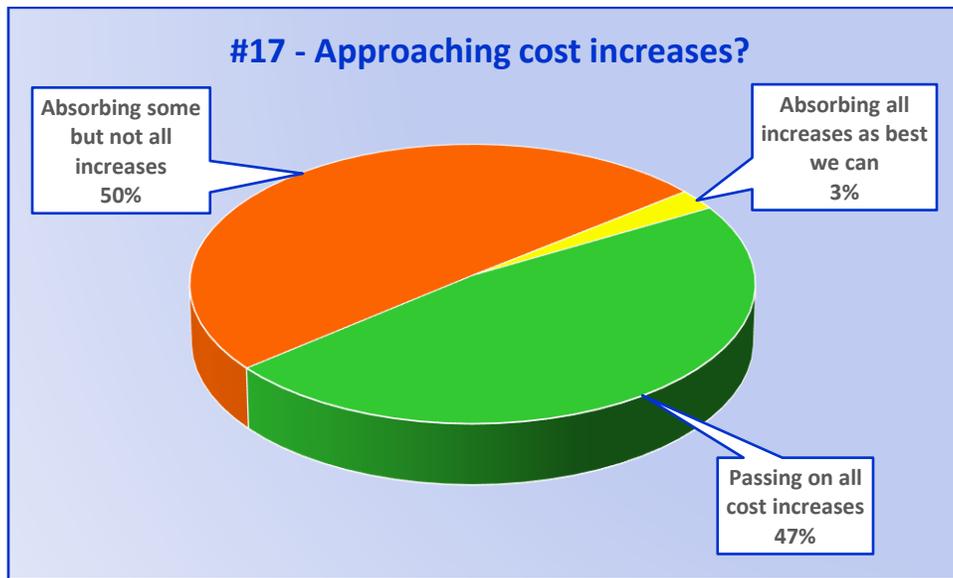
EDITORIAL NOTE – The easiest way to read this chart is look at the five major supply chain sources and then see which ones have the highest combination of “red” and “bronze” bars. This view will provide an idea of where our users see the greatest challenges – in the chart above, it is clear that printers are most concerned with supply chain problems emanating from both foreign and domestic paper mills.

#16 How are printers approaching these shortages? – We asked survey participants to look at the choices below and tell us how they are responding to these challenges. Multiple choices were allowed for this question.



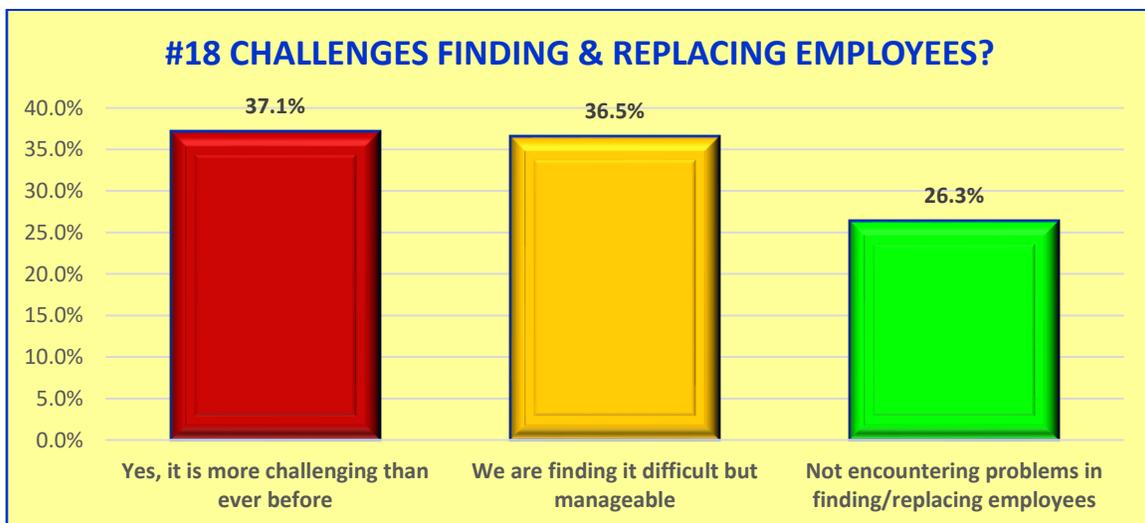
EDITORIAL NOTE – Printers tell us they are scrambling more than ever to find alternative sources for supplies, especially paper. Some report working with other local printers in combining orders and consequently hoping to enhance their purchasing power and influence.

#17 How are printers approaching cost increases? – We asked printers that, “Assuming that your supply costs have increased, how are you responding? We gave them the three most common, logical possibilities and asked them to choose. Below are the answers:



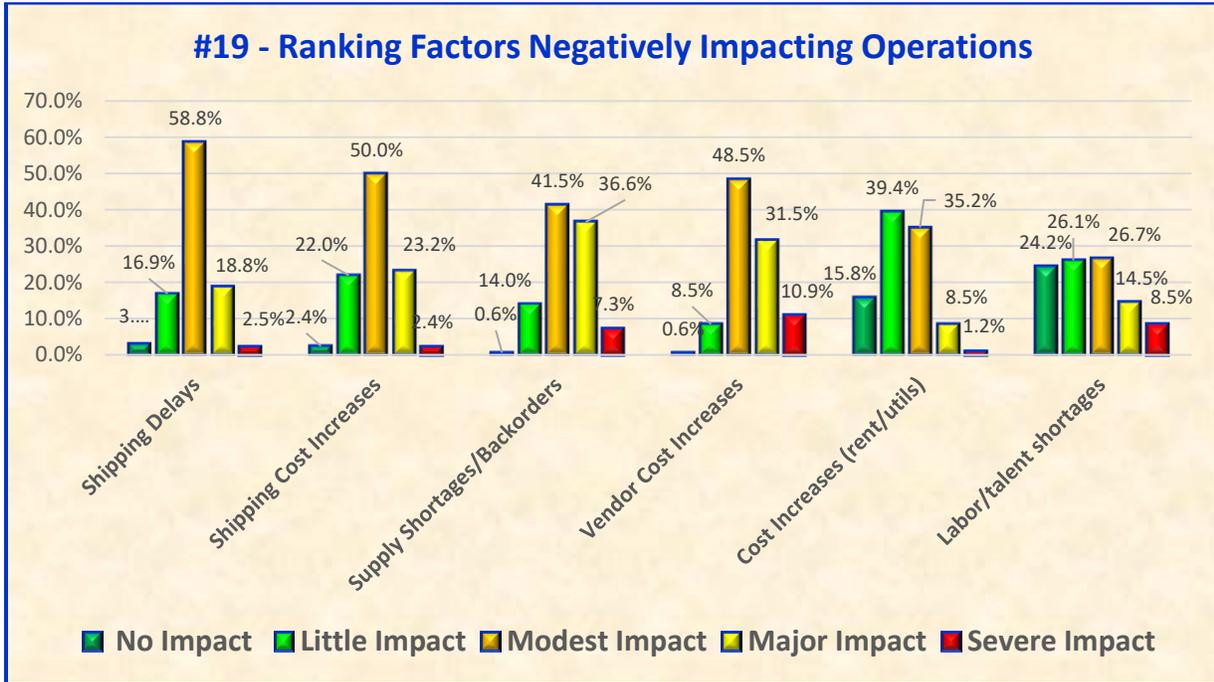
EDITORIAL NOTE – We believe the above data is in sharp contrast with what we might have found had we posed this same question 5-10 years ago. Had we asked this same question in the past, we believe we would have encountered far more printers willing and able (if not compelled) to absorb as many price increases as possible. Many printers feared that raising prices even when dictated by rising costs would negatively impact their sales. Today, the business climate is much harsher and far less forgiving, so printers appear more than willing to pass on some or all costs to the customer.

#18 Finding & Replacing Employees – We asked printers the following: “Have you found yourself challenged in terms of finding and/or retaining employees in the past 12-18 months?”



EDITORIAL COMMENT – Although Covid-19 may be playing a role in this, we believe the industry as a whole has been experiencing transformative changes as never before. You can cite the pros and cons of high tech, changes digital technology, lack of a highly skilled work force as well as a reluctance on the part of many owners to compensate and reward employees fairly for their efforts.

#19 Rank factors having a negative impact on your operations – We provided six possible factors that could impact business and asked participants to rank (*from no or minimal impact to major or severe impact*) the impact on their own business. The chart below depicts their answers. Look at those factors receiving combinations of high “red” and “yellow” to see which factors are having the greatest impact on our business. Check-out ratings for “Supply Shortages/backorders” and “Vendor Cost Increases.”



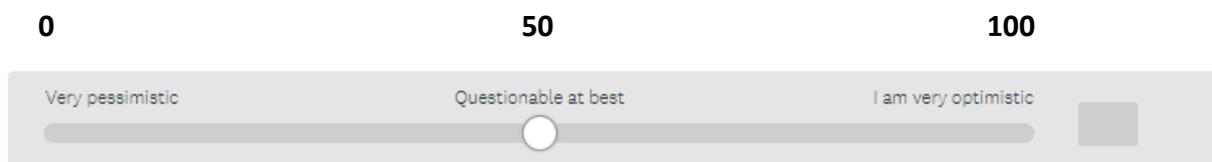
#20 Availability of popular paper types and weights- We asked survey participants, “How would you characterize your firm's ability to currently purchase and receive, in a timely fashion, your standard and most popular inventory items?” As you can see, we used a similar sliding scale that went from -100 on the left side to +100 on the far right.



Although, as you can imagine, the scores we received varied greatly, the vast majority of responses were in the negative range. Less than 10% of our respondents entered a positive number, indicating that most printers indeed are encountering problems in acquiring popular paper types and weights.

The Average Score/Rating: -11
The Median Score/Rating: -5

#21 The future of the printing industry - Based upon your years of experience in this industry, how would you characterize its long-term future (10-15 year outlook), especially if someone approached you asking for advice about the industry's future? Here again we used a scale ranging from “0” on the far left, to “100” on the far right.



Average & Median Score (Identical)... 60

Both the Average and Median Scores were identical, indicating a modest yet positive score for the industry's long-term future. When the respondent scores were ranked from low to high we found the following:

The average score of the bottom 20% of respondents was 30, indicating a relatively high degree of pessimism about the industry's future.

On a much more positive note, the top 20% of our respondents provided an average score of 87, which as you can see, is very optimistic as it applies to our industry's future.

CONCLUSION – This entire survey, from its official launch to the publication of the results took precisely seven days and we consider this quite an accomplishment. Once again, we want to thank all of those who participated and responded in such a timely fashion.

We encourage your feedback as well as suggestions for future surveys. Please send your emails to either of the addresses below:

membership@printingresearch.org or johnstewart@printingresearch.org

We invite you, whether you are a member of NPRC or not, to visit the NPRC website at www.printingresearch.org There you will find the latest news about new publications, reports, surveys as well as a series of useful posts and blog entries.



National Printing Research Council (NPRC)
2110 Dairy Road, #102 – Melbourne, FL 32904 321-727-2442