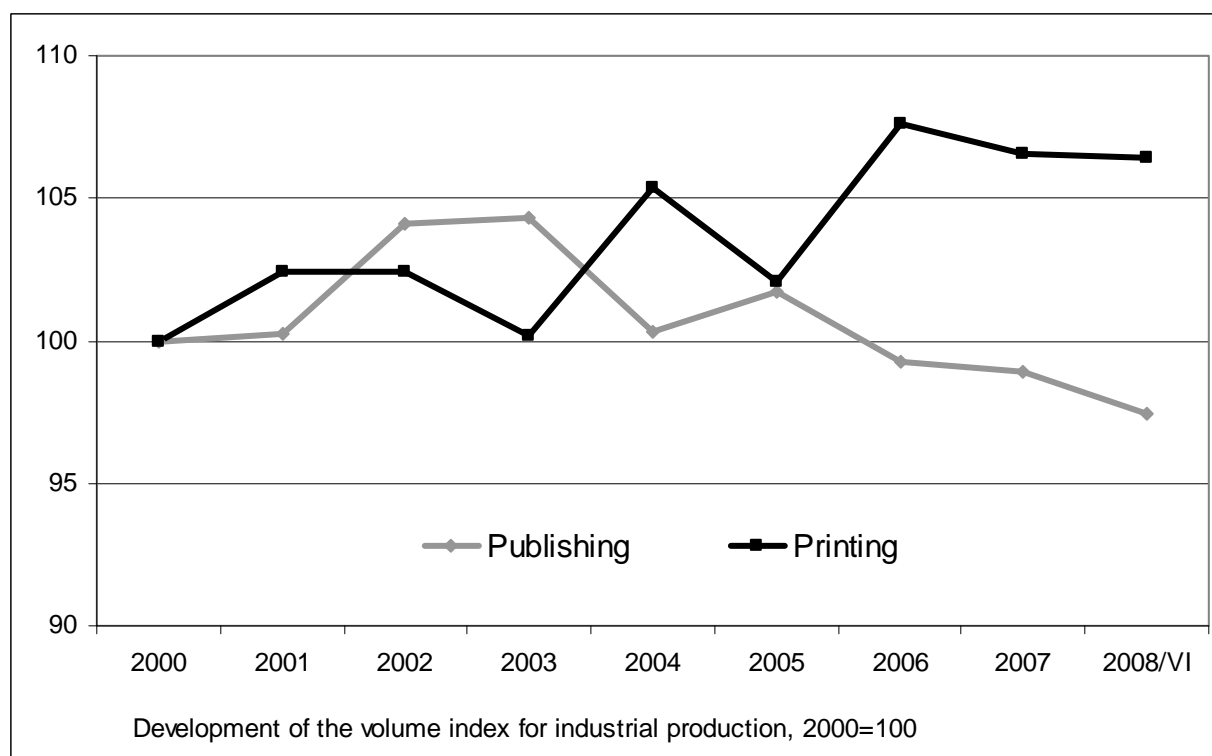


Statistical Facts 2008



Introduction

The 2008 statistical review of the Federation of the Printing Industry in Finland and of Media Employers' Association contains vital figures and time series which illustrate the status and development of the printing industry.

Economic growth has been steady in the past few years (in 2003 1.8 %, in 2004 3.7 %, in 2005 2.8 %, in 2006 4.9 %). The growth in 2007 was 4.5 %. The Research Institute of the Finnish Economy, ETLA, predicts the growth figures at 2.7 per cent for this year and 3.0 per cent for 2009.

The total value and added value of the printing industry were up 3.3 – 3.9 per cent from the year 2006. However, excess capacity and tougher price competition have weakened the profitability of printing especially.

Printing Industry

The printing industry represents both the traditional manufacturing industry and modern communications industry. In addition to the production, duplication and publishing of printed products, the companies in this sector have a strong role as owners and content producers for electronic media and as participants in the development and trial projects of new communication products. The production of printed matter in its various forms continues to be the main activity. The share of printed communications is still almost 70 % of the entire mass media.

According to Statistics Finland, there are more than 2 600 establishments in this sector operating at about 3 000 locations. However, according to the trade register, the number of companies paying salaries regularly is only about 1 600. The majority of the enterprises are small or medium-sized, and two-thirds of them employ less than five persons. On the other hand, the ten largest companies alone provided employment for 43.5 % of the personnel in the entire sector in 2006 and accounted for more than half of the total turnover of the business. Centralisation of ownership during the past few years into large corporate groups has altered the situation. Most of the establishments in the printing industry are situated in urban areas and population centres. Close to one half of the enterprises in the sector are located in the Uusimaa province and these account for more than 50 % of the value of total production in the industry.

According to industrial statistics, more than 27 000 persons are currently employed by the printing industry. The number of employees has slowly declined during the past few years.

The main products of the sector are newspapers, periodicals and books. These account for most of the production value in this sector. Other product groups include printed advertising material, forms, packages, calendars and labels.

The gross production value in the printing industry exceeded 4.4 billion euro in 2007, which shows an increase of 3.3 % from the previous year, according to Statistics Finland. The share of exports of the total turnover was nearly 9 % and of printed production 20 %. The Finnish trade balance in respect of printed products continues to be strongly positive.

Printing industry in figures in 2007

	Number or value	Change from previous year	Share of the entire industry
Approximate number of enterprises	1 600		
Value of deliveries, million €	4 585	3.3	3,8
Added value of production, million €	1 780	3.9	5,3
Number of personnel	26 861	-1.0	6,9
Working hours, 1 000 h	42 354	0.6	6,6
Wages, million €	964	1.4	6,7
Social costs, million €	226	0.6	6,1
Costs for raw materials, million €	679	0.7	1,2
Exports, million €	289	2,1	..
Imports, million €	188	3,3	..
Investments, million €	87	-23,3	3,8

The number of enterprises are taken from the register of enterprises of Statistics Finland, data on foreign trade received from the National Board of Custom, the rest of the data from Industrial Statistics.

Source: Official Statistics. Entire industry does not include mineral excavation, electric, gas and water maintenance and construction industry.

Manpower and enterprises

According to preliminary figures by Statistics Finland, the number of personnel in industry as a whole remained at the same level as before, at 395 739 persons, in 2007. The respective change in the printing industry was – 1.0 % and the number of employees according to industrial statistics was 26 861. This figure has gradually decreased during the past few years.

According to the Ministry of Labour, the number of unemployed jobseekers in Finland was 218 958 at the end of 2007, which is 11.2 % less than the year before. According to the same statistics, there were 1 604 unemployed jobseekers in the printing industry, which is 20.5 % less than the year before. The unemployment figures in Finland continued to decline throughout the country during the first half of 2008.

There are about 1 600 enterprises in the printing industry, more than half of them representing printed production. Most enterprises in the business throughout Europe are small, and in Finland nearly half of the companies employ less than five persons.

In 2007, the number of business bankruptcies decreased from the previous year as 2 254 bankruptcy proceedings were instituted (2 285). The respective number in industry was 238 (252 the year before) and in the printing industry 34 (25), thus going up. Most of these companies were small print shops. During the first half of 2008, this number was 20.

Number of personnel in 2007*				
	Total	%-change from 2006	Of which employees	%-change from 2006
Publishing and printing	26 861	-1,0	10 969	-3,0
Publishing	15 594	-1,0	2 378	-10,8
Printing and related services	11 192	-0,7	8 574	-0,3
Reproduction of sound and picture recording and computer media	75	-31,9	17	-57,0§

* Preliminary information, the figures counted in independently of one another, the totals of the subgroups do not necessarily tally with the figures of the main groups.

Production and profitability

The share of publishing totalled about 61 % of the production value of the sector in 2007; however, some of the value of printed production is included in the value of publishing. The value of separate printed production was about 38 % and that of other activities less than 1 %. The value of deliveries increased in the publishing business (including related printing), by 3.6 % and in printed production by 2.6 %, according to preliminary figures of industrial statistics.

The volume index of Production (2000=100)			
Year	Industry, total	Publishing	Printing
1995	68,9	86,3	87,7
1996	70,8	89,0	88,7
1997	77,2	90,3	94,9
1998	84,9	90,3	101,4
1999	89,9	94,9	96,5
2000	102,2	100,0	100,0
2001	101,4	100,3	102,4
2002	103,5	104,1	102,4
2003	103,9	104,3	100,2
2004	109,7	100,3	105,4
2005	111,2	101,7	102,1
2006	121,3	99,3	107,6
2007	127,7	98,9	106,6
2008/VI	127,9	97,5	106,4

Source: Statistics Finland

Gross value of deliveries and added value in 2007

	Deliveries million €	Change %	Added value Million €	Change %
Publishing, total	2 789	4,1	1 109	8,4
Printing and related services	1 779	2,4	665	-2,6
Reproduction of sound and picture recordings and computer media	18	-23,3	5	-17,1
Total	4 585	3,3	1 780	3,9

Source: Industrial Statistics, preliminary industrial data 2005

Circulation of newspapers and periodicals and sales of books 2006-2007

Media	Circulation/sales (1 000)		
	2006	2007	Change, %
Journals and periodicals for general public	7 012	6 695	-4,5
Professional and organisational journals	2 937	2 306	-21,5
Customer magazines	4 181	4 529	8,3
Journals and periodicals, total	14 130	13 530	-4,2
Daily newspapers	2 225	2 203	-1,0
Newspapers appearing more seldom	923	914	-1,0
Newspapers, total	3 148	3 117	-1,0
Fiction	4 719	4 719	0,0
Books for children and young people	9 197	7 914	-14,0
Other non-fiction (inc. encyclopedias)	7 536	7 623	1,2
Textbooks for comprehensive schools	4 462	4 237	-5,0
Other textbooks	2 668	2 438	-8,6
Books, total	28 582	27 003	-5,5
of which pocketbooks	1 475	1 823	23,6

Source: Finnish Periodical Publishers' Association, Finnish Newspaper Publishers' Association, Finnish Book Publishers' Association

Of periodicals, the ones with circulation survey figures from both years have been included.

Net investments of tangible fixed assets 2002-2007* Million €						
	2002	2003	2004	2005	2006	2007*
Publishing	-65	40	36	49	28	18
Printing and related services	89	132	84	70	86	69
Total Million €	25	173	120	119	114	87
-of which machines and equipment	28	159	94	92	104	75

Source: Statistics Finland. Minor fields have been combined or no data available. The totals of the different columns do not necessarily tally with the figures for the entire sector.
* preliminary data

Profitability and financial status						
Entire sector	2002	2003	2004	2005	2006	2007
Growth of turnover, %	1,2	-0,5	1,6	1,2	1,4	3,7
Turnover/person € 1 000	89,1	96,8	100,9	100,6	102,2	98,8
Gross margin, %	9,7	10,4	10,6	9,8	10,1	9,9
Net result, %	2,9	3,1	3,7	3,2	4,0	3,5
Return on investment, %	11,4	10,1	10,9	11,0	11,6	11,0
Printing houses	2002	2003	2004	2005	2006	2007
Growth of turnover, %	1,1	-4,4	-2,4	0,3	1,3	3,0
Turnover/person € 1 000	85,3	89,8	92,3	93,2	100,1	94,0
Gross margin, %	9,9	10,0	10,1	10,1	10,5	10,4
Net result, %	2,0	1,4	1,4	1,6	2,5	2,5
Return on investment, %	9,5	7,4	5,8	5,6	8,9	9,7

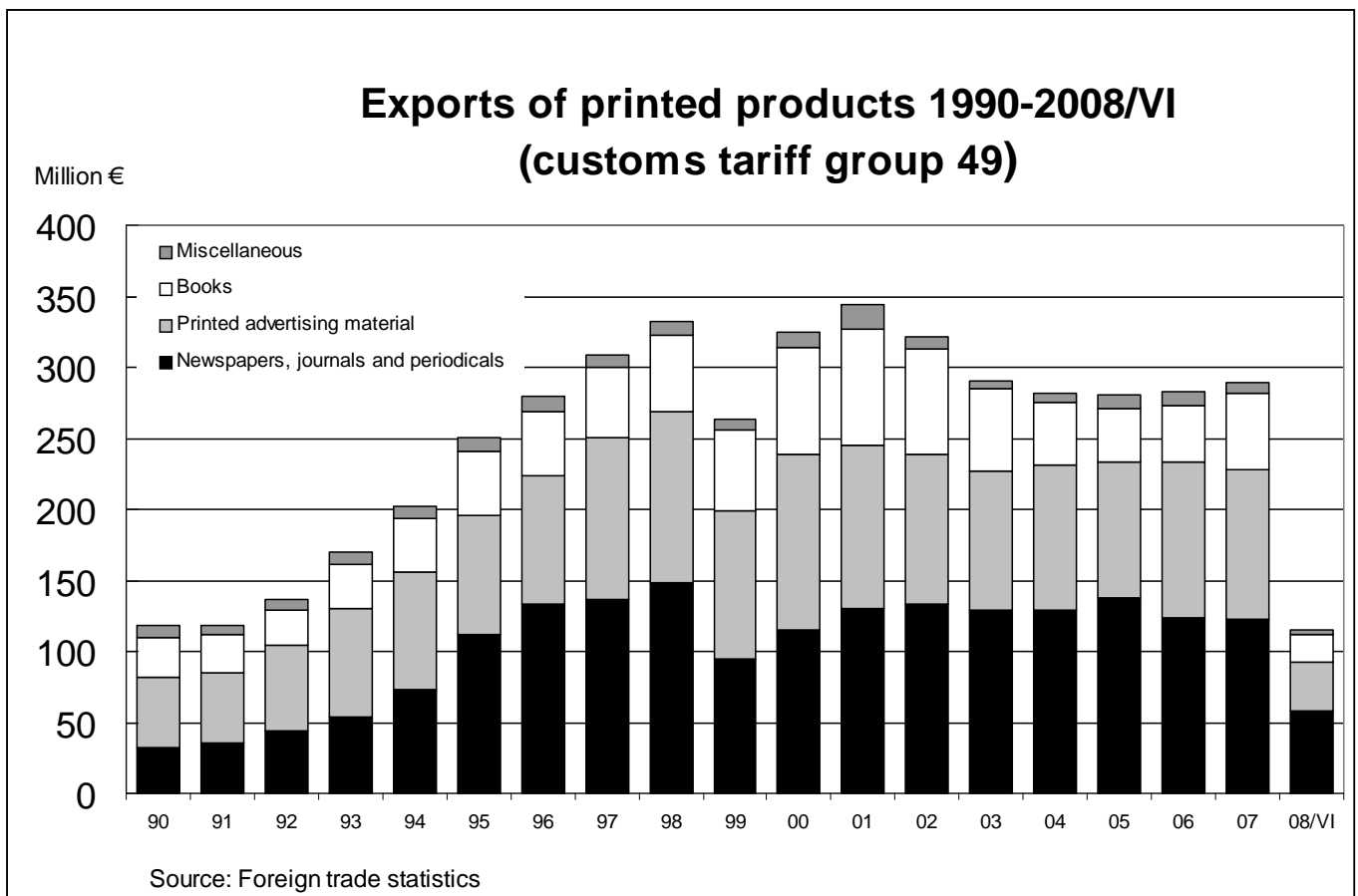
Source: Economic statistics of the Federation of the Printing Industry in Finland

Consumer and wholesale prices (2000=100)						
	2003	2004	2005	2006	2007	2008/VIII
Consumer price index	104,8	105,3	106,3	108,4	110,9	116,1
Industrial producer's price index						
- Total index	90,2	91,0	93,6	97,2	99,8	103,8
- Publishing and printing	104,5	107,8	111,1	113,3	116,5	121,8
- Production of mass, paper and cardboard	86,0	85,7	86,9	87,1	88,5	89,0
- Manufacture of paper and cardboard products	96,9	93,0	92,5	92,0	97,4	98,5
<i>Source: Statistics Finland</i>						

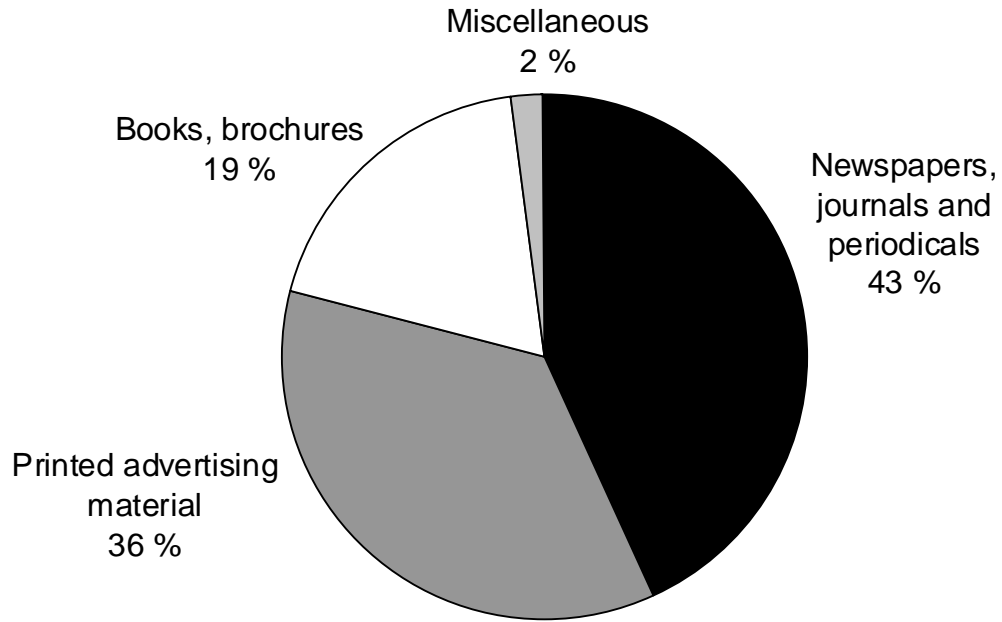
Foreign trade

In 2007 the value of exported printed products amounted to nearly 290 million euro. The value of total exports grew by 2.1 %. The main export countries by rank of importance were Russia, Sweden, Norway, Great Britain and Denmark. These countries accounted for nearly 90 % of our total exports of printed products. The main export articles were newspapers, journals and periodicals, printed advertising material and books. Printed products purchased from Germany, Sweden, Great Britain, Denmark, Estonia and USA accounted for about 70 % of the imports in the sector in 2007, the total value of which reached 188 million euro showing a growth of 3.3%.

The imports of machinery and equipment for the printing industry totalled more than 40 million euro in 2007. This is one third less than the year before. The export value of second-hand machines and equipment was slightly more than 17 million euro.

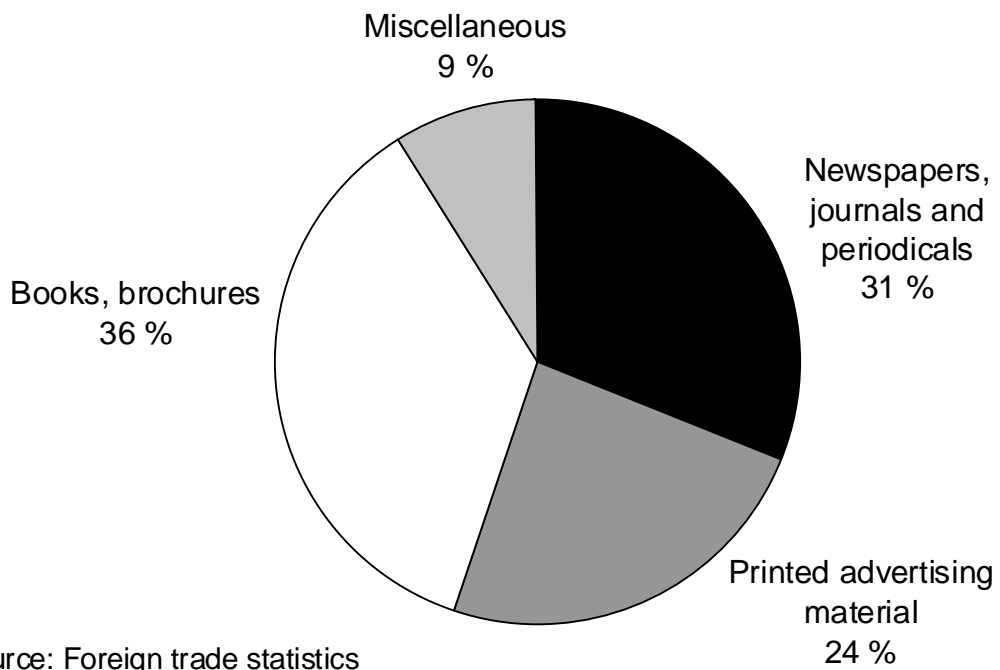


Exports of printed products in 2007



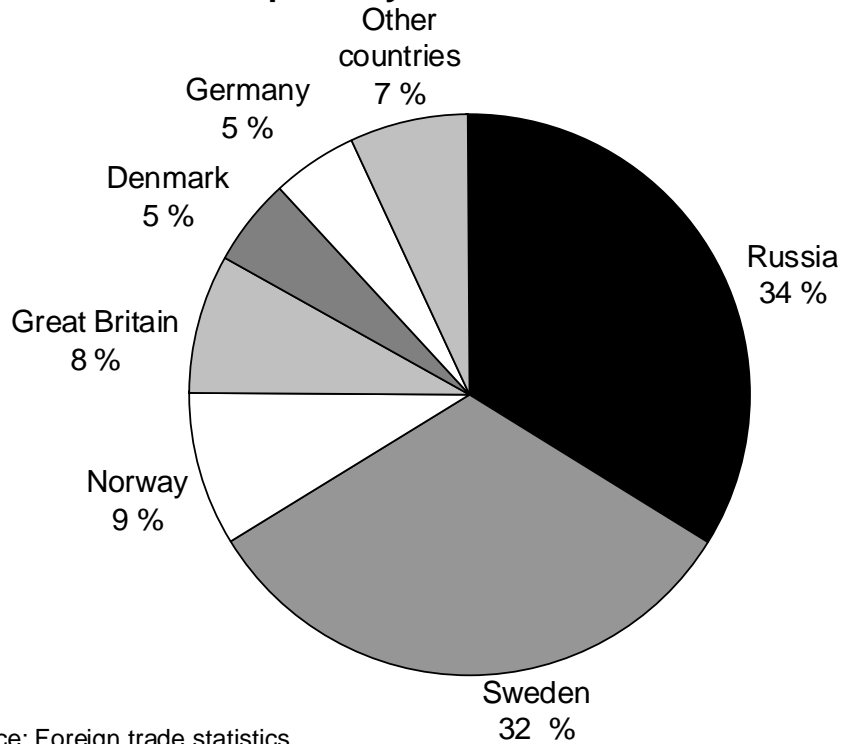
Source: Foreign trade statistics

Imports of printed products in 2007



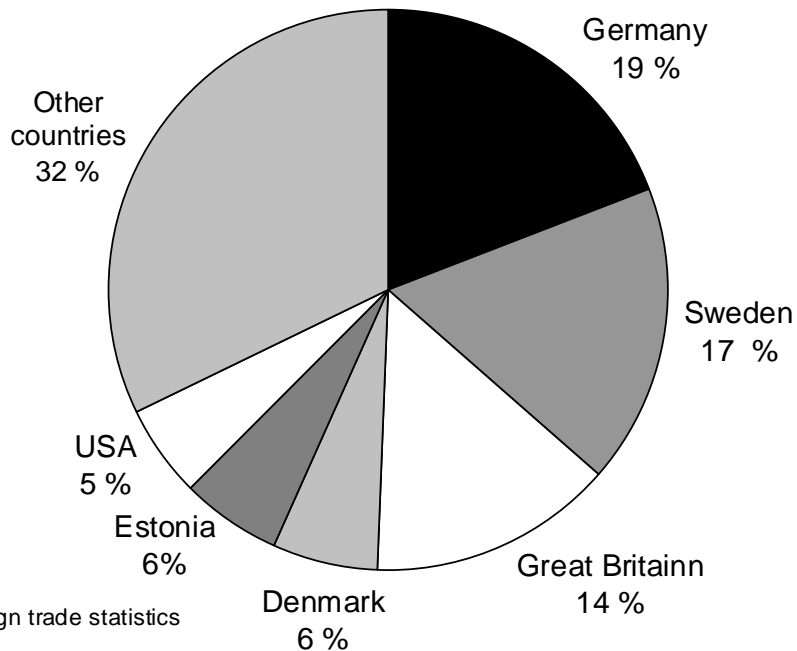
Source: Foreign trade statistics

Exports by countries in 2007



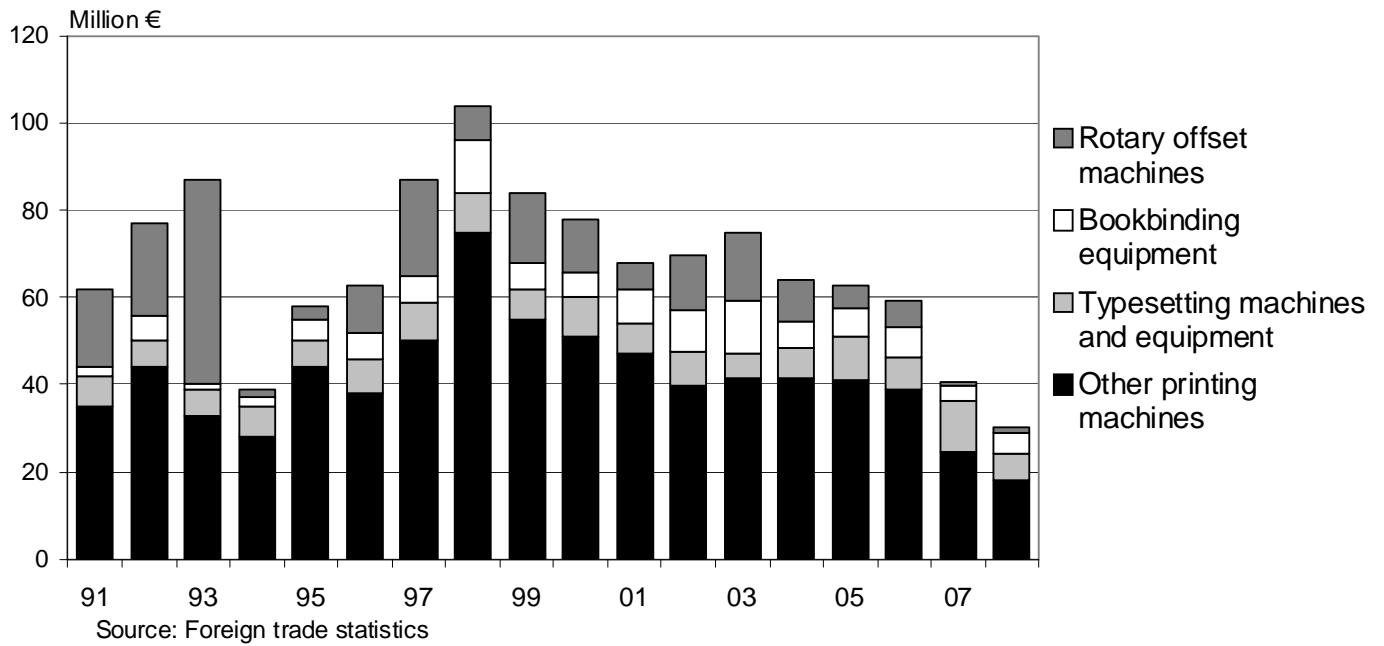
Source: Foreign trade statistics

Imports by countries in 2007



Source: Foreign trade statistics

Imports of machines and equipment 1991-2008/VI



Working environment

The printing industry plays a significant role in communications. According to the TNT Atlas survey published in 2007, Finns spend an average of 7 hours and 46 minutes a day with the mass media. The share of printed products of this time is about 18 %, or 1 hour and 24 minutes. Television, radio and the Internet are the media with the widest coverage in Finland.

The share of mass media of GDP has declined by half a percentage point to 2.5 % during the past decade. The share of printed mass media of the total turnover of the mass media is still about 70 %, although its relative share has slowly decreased due to the rise of electronic communication media.

The number of applicants for vocational training in the printing industry has grown significantly in the past two years. This is the result of the "Imago" project in 2006-2007 and the general rise in the popularity of vocational training.

Seven localities provide basic vocational training in graphic arts technology. Altogether there are some 350 starting places in these vocational institutes. Some of the education is planned to be rotational in the future, as two additional localities will offer starting places in alternative years. The degree offers two alternative study programmes: study programme in layout design and study programme in printing technology. In the culture sector, vocational qualification in audiovisual communication has become a very popular target for applications.

After the general degree many students opt for a vocational degree in the field. These include degrees for printer, digital printer, preparation of printing surfaces, book binding and operation of post-printing machines. After gaining work experience (3-5 years) the student may proceed to an advanced vocational degree. Both the vocational and advanced vocational degree may also be completed alongside work.

Turnover of mass media							
Media	1980 Share, %	1990 Share, %	2000 Share, %	2005 Share, %	2006 Share, %	2007 Share, %	Turnover million €
Daily newspapers	26,5	27,7	27,5	25,0	25,3	25,0	1 061
Other newspapers	4,1	4,2	3,2	3,1	3,0	3,0	127
Free papers	1,5	2,0	2,5	2,6	2,6	2,4	103
Journals and periodicals	21,8	18,5	18,0	18,1	17,7	17,7	752
Books	15,7	13,8	12,7	13,3	13,1	12,5	530
Printed advertising material	9,9	9,8	8,7	8,3	8,3	8,2	350
Printed mass media, total	79,6	76,1	72,6	70,4	70,0	68,8	2 923
Electronic media, total	13,4	16,7	19,1	21,6	22,4	24,0	1 019
Recorded media, total	7,1	7,2	8,3	8,0	7,6	7,2	308
Entire mass media, total	100,0 930	100,0 2 708	100,0 3 512	100,0 3 925	100,0 4 060	100,0 4 250	4 250
Index 1980 = 100	100	291	379	422	437	457	
Share of GNP, %	3,1	3,1	2,7	2,5	2,4	2,4	
<i>Source: Statistics Finland</i>							

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