



BPiF

PRIORITIES

FOR PRINT

2017-2020

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PRINTING IS ONE OF THE UK'S LEADING
MANUFACTURING SECTORS. ITS SUCCESS
DEPENDS ON YOUR SUPPORT.

THE

POW-
ER

OF PRINT



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IT IS ALMOST IMPOSSIBLE TO IMAGINE A WORLD WITHOUT PRINT. IT'S ALL AROUND US AND PLAYS A HUGE ROLE IN OUR DAILY LIVES.



ADVERTISING



EDUCATION



ENTERTAINMENT



INFORMATION

.....

Print is a vital part of the UK's infrastructure, serving all parts of the UK economy – including central and local government, publishing, financial services, retailing, distribution, travel and tourism, manufacturing industries, food and drink and pharmaceuticals. That's why print is often considered a bellwether industry for the UK economy.

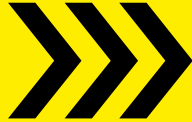
- **84%** of people believe that they understand and can retain or use information much better when they read print on paper.
 - **10.2%** of adults in the UK have never used the internet.
 - E-book sales fell by **1.6%** in 2015, while sales of printed books grew by **0.4%**.
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“ IT'S IMPOSSIBLE TO IMAGINE FIGHTING AN ELECTION CAMPAIGN WITHOUT PRINTED MATERIALS. THE TRADITIONAL ELECTION ADDRESS LEAFLET, WHICH DROPS THROUGH EVERY SINGLE DOOR BEFORE A GENERAL ELECTION, IS VITAL TO HELP VOTERS MAKE AN INFORMED CHOICE. SOCIAL MEDIA IS A USEFUL TOOL, BUT WHEN IT COMES TO BIG DECISIONS, MY CONSTITUENTS WANT MORE THAN EVER TO RECEIVE A PRINTED PRODUCT TO TAKE THEIR TIME OVER. ”

STEPHEN METCALFE MP – CHAIR, ALL PARTY PARLIAMENTARY GROUP ON PRINT



PRIORITY 1 PRODUCTIVITY



In relative terms, printing adds more value to the UK economy than any other manufacturing industry apart from pharmaceuticals. It generated £5.8bn in Gross Value Added for the UK economy in 2016.

In fact, the UK is the fifth largest producer of printed products in the world.

Sustaining a high level of productivity requires Government to support businesses to invest in both people and assets.

Developing Skills

A skilled, trained workforce can dramatically improve bottom line performance, adding value to products and services and making it easier to compete internationally.

HOW GOVERNMENT CAN HELP

The recruitment of young employees is essential to maintain productivity in the future.

→ Single standard apprenticeships – requiring mastery of pre-press, press and post-press skills before an apprenticeship can be completed – will reduce levels of expertise in our industry. Instead, allowing apprentices to specialise in a single aspect of the process will ensure that print apprenticeships continue to be appealing. Attracting good quality apprentices ranked 3rd in our members' priorities for UK print.

→ Amend current age discrimination legislation to allow companies to retire employees in circumstances where this would increase the recruitment of apprentices.

→ Promote manufacturing to young people as a worthwhile and satisfying career option.

→ Provide increased skills funding to enable print companies to adapt to change. Being able to access funding for skills and training ranked 5th in our members' priorities for UK print.

Print needs flexible workforces with specialist skills in Science, Technology, Engineering and Mathematics (STEM), and design. Many of our members rely on EU workers as part of their teams, across all skill levels.

HOW GOVERNMENT CAN HELP

→ As an outcome of the Brexit negotiations, the Government must ensure that EU workers already in the UK are allowed to stay here, and that continued, uncomplicated access to EU workers is guaranteed in the future. Retaining EU workers already in the UK and being able to hire EU workers in future ranked 7th and 8th in our members' priorities for Brexit.

Capital Investment

For many print businesses across the UK, plant and machinery requirements will include expensive lithograph, digital and large format printers, finishers and folders as well as state-of-the-art pre-press equipment. Enhancements needed to support this machinery can increase the premises' rateable value, so taxing them is a clear brake on investment and expansion, limiting productivity.

HOW GOVERNMENT CAN HELP

- Plant and machinery should no longer be included in site rateable value assessments, calculated for business rate purposes. Reasonable business rates ranked 2nd in our members' priorities for UK print.

Research and Development (R&D)

The Government has made significant steps to ensure that industries are rewarded for their innovation, but more could be done to ensure that the R&D Tax Relief scheme encourages businesses to try new and innovative ways of production.

While the print industry is constantly evolving its products and processes to meet customer demands, it is often unaware that the work it is doing constitutes as R&D.

HOW GOVERNMENT CAN HELP

- HMRC's communications to businesses regarding R&D tax relief, particularly those on the HMRC website, could be enhanced by case studies and industry-specific guidance, to better engage with key industries, including printing.

R&D tax relief only applies to revenue expenditure (costs incurred in the day-to-day running of the business) not to money spent on capital assets. The printing industry is capital intensive, often investing profits into plant and machinery assets which generally fall outside of eligibility for R&D tax relief.

HOW GOVERNMENT CAN HELP

- We would like to see HMRC make it easier for businesses to claim enhanced capital allowances on their investment into machinery. The ability to access funding for capital investment ranked 6th in our members' priorities for UK print.

“IF A COMPANY IS INVESTING IN THE FUTURE THEN THEY SHOULD GET BETTER FUNDING FOR TRAINING.” BPIF MEMBER





PRIORITY 2 PROFITABILITY



With annual sales of £13.5bn and a yearly capital investment of £700m, the printing industry has continued to invest in training, technology and process improvements, driving above average efficiency gains.

Supporting an industry to thrive requires Government to foster a business environment that promotes competitiveness.

Tackling Late Payment

Late payment is always a blow to the cash flow of any business, particularly to SMEs. Being certain that payments will be made, and on time, is critical to enable businesses to plan for the future. Yet two-fifths (44%) of our members told us that they had been obliged to accept longer payment terms from customers in the past 12 months in order to help retain or secure business.

Of these, 33% were for terms up to 60 days and 37% for up to 90 days. A staggering 25% felt obliged to accept payment terms of up to 120 days.

While the Prompt Payment Code established in 2015 is a step in the right direction, much more can be done to safeguard small businesses. Receiving payment promptly ranked as No.1 in our members' priorities for UK print.

HOW GOVERNMENT CAN HELP

- Make all public agencies pay all SME invoices within 30 days, and enforce compliance.
- Require that contractors used by the public sector pay their sub-contractors within the same period as the main contractor is paid.
- Require that all suppliers to the public sector sign up to the Prompt Payment Code.
- Ensure that the newly appointed Small Business Commissioner tackles late payment culture as a priority, and provides practical support for businesses to be able to challenge late-paying customers.

Curbing Abuse of Pre-Packs

Pre-packaged sales (pre-packs) for companies heading towards administration can provide a clear opportunity for business owners to salvage some value from the company rather than simply going out of business.

The pre-pack process is currently run on the basis of voluntary measures, with deals scrutinised by the independent 'pre-pack pool'. Our members remain concerned that regulation is not effective. A well-regulated pre-pack process ranked 7th in our members' priorities for UK print.

HOW GOVERNMENT CAN HELP

- Preclude any person advising on a pre-pack from becoming the administrator in any subsequent pre-pack sale.
- Require that any administrator undertaking a proposed pre-pack sale to connected parties must declare that the prospective sale price represents the best value for creditors.
- Prove that at least three days' notice must be given to creditors of the terms of any such proposed sale if there has been no open marketing of the assets.
- Require court or creditor sanction for any pre-pack sale to a connected party.

Ability to Trade

With 90% of UK printers importing supplies from the EU, the impact of unfavourable exchange rates and rising cost of supplies – not least of paper – has already hit our members hard.

67% of our members have seen rising consumable input costs. Germany, France, Finland and Sweden are key countries our members rely on to supply materials and equipment needed to run their businesses.

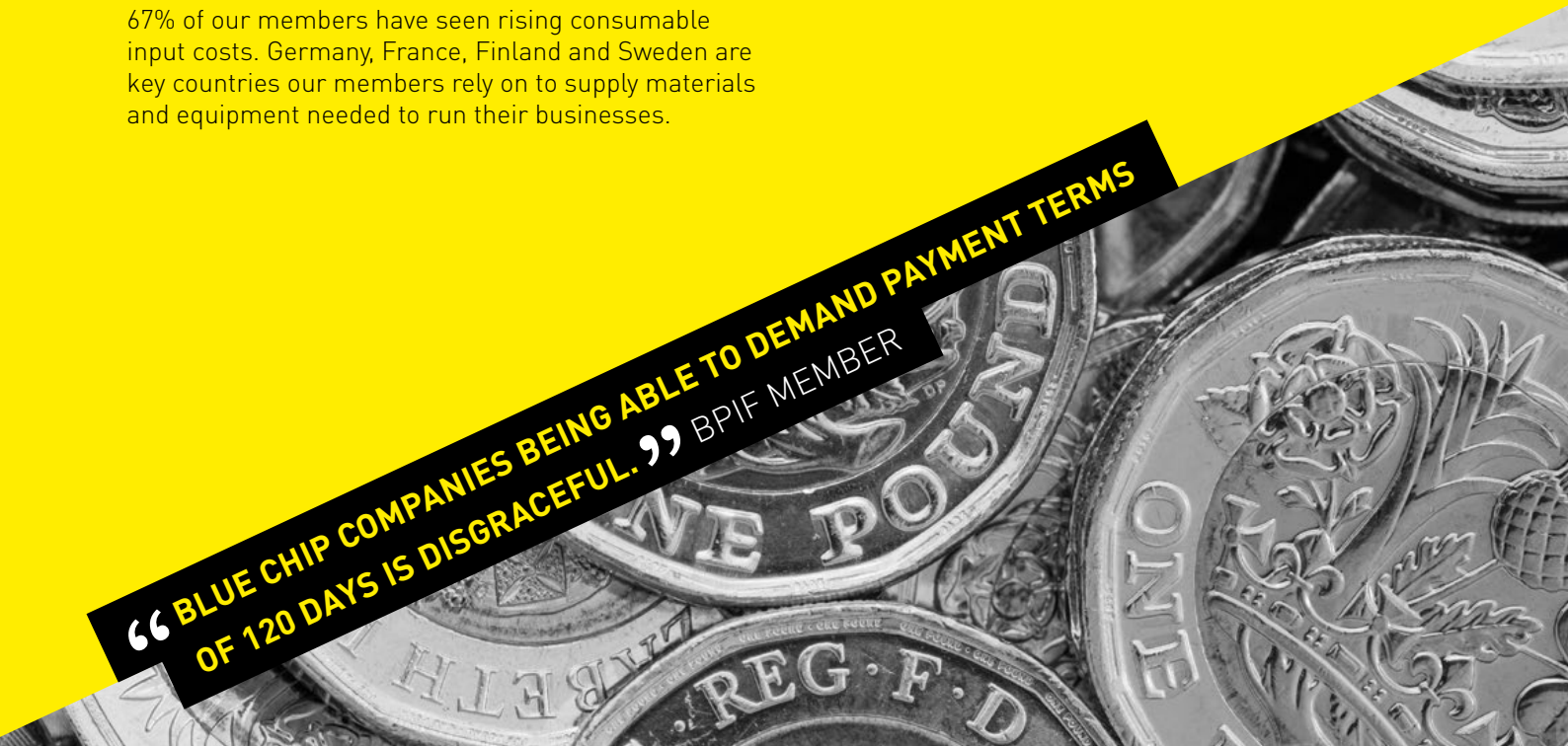
Although 62% of UK printers export to Europe, it is often indirectly – in other words, it is their customers doing the exporting and benefitting from the currently weak pound.

It is imperative then, that UK printers can keep their access to export markets without coming up against steep tariff barriers.

HOW GOVERNMENT CAN HELP

- Retain the ease of UK-EU trade and develop a clear strategy for international trade and economic agreements. Access to the EU single market, access to the customs union and action to mitigate the impact of unfavourable exchange rates ranked 2nd, 5th and 3rd in our members' priorities.

“BLUE CHIP COMPANIES BEING ABLE TO DEMAND PAYMENT TERMS OF 120 DAYS IS DISGRACEFUL.” BPIF MEMBER





PRIORITY 3 PROMOTION



Print is an important vehicle for advertising, education and entertainment. It is crucial to maintaining high standards of literacy. With over 10% of adults in the UK never having used the internet, it plays a vital role in disseminating information to all citizens.

Encouraging a society which upholds literacy and democracy requires Government to promote and celebrate the power of print.

Making Fair Public Sector Procurement Decisions

As a major supplier to the public sector, the printing industry looks to Government to ensure simplicity and fairness in public sector procurement.

Procurement decisions should not be made solely on price but should also consider the value for money, product effectiveness and sustainability offered by financially viable UK print suppliers, as well as the social consequences of any decision to source printed products overseas. It's also crucial the tenders for public sector contracts do not unnecessarily exclude SMEs from the bidding process.

HOW GOVERNMENT CAN HELP

- Adopt fair, charge-free and transparent procurement policies and procedures, requiring public bodies to seek optimum value for money from viable UK print manufacturers that use efficient and sustainable production processes.
- Simplify and standardise pre-qualification tender requirements and ensure these are applied by all public sector print buyers.
- Ensure that public sector organisations competing with the private sector in offering commercial printing services do so on a 'level playing field' basis.

Promoting Print

More than half of our members felt that the reputation of the printing industry was under threat – believing it to be fair, poor or very poor. Many were concerned that the industry was viewed by outsiders to be old-fashioned, unattractive and even dying in the face of digital communications.

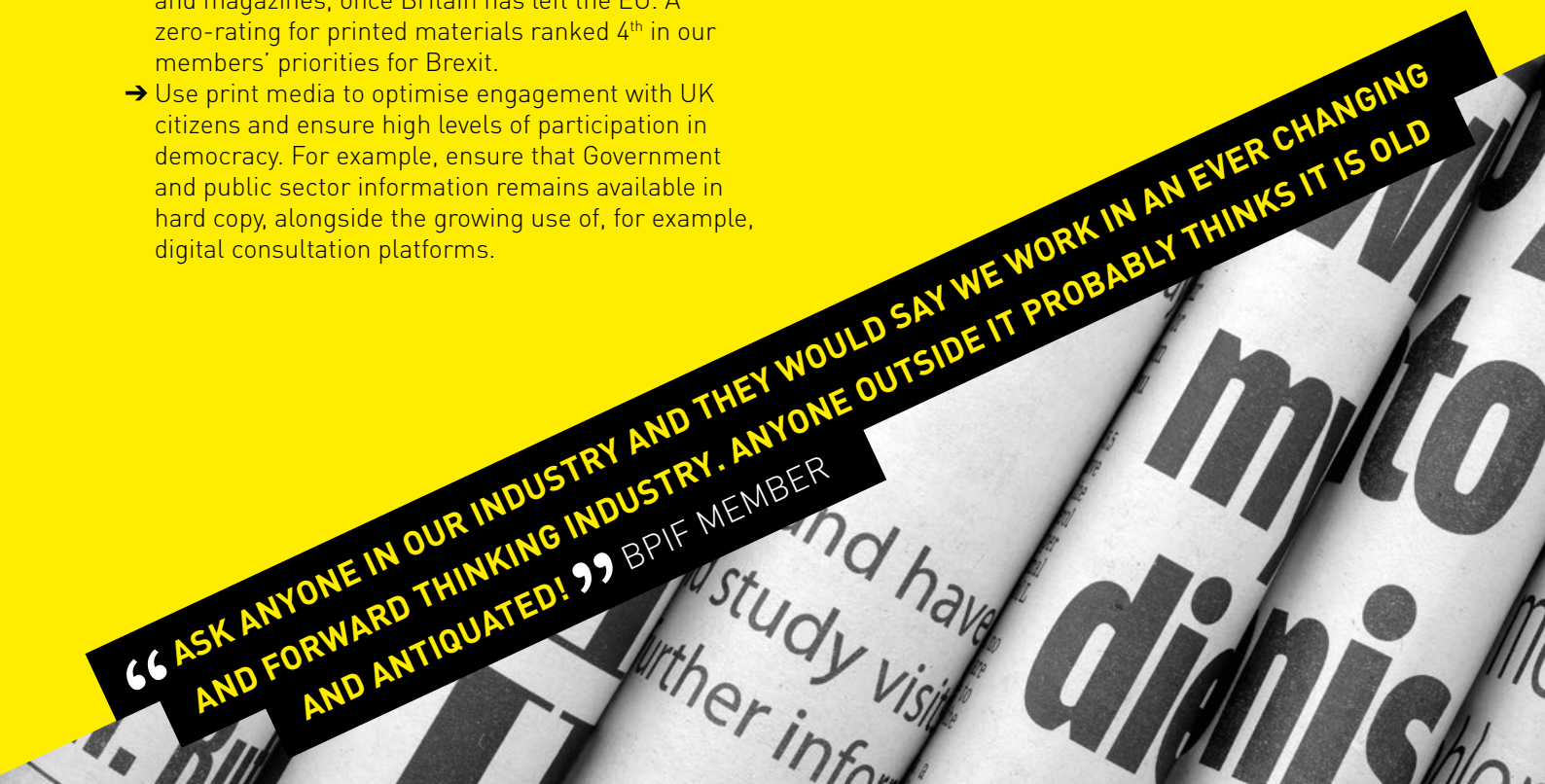
Others were concerned that the perception of print as un-environmentally friendly – particularly when compared to digital communications – still seemed to be common among both decision-makers and the public. In fact, print and paper is a uniquely sustainable medium that uses a renewable and recyclable raw material sourced primarily in Europe.

- Understand that print is an inherently sustainable communications medium and that electronic alternatives do not come with a zero carbon footprint.
- Provide incentives for companies to improve energy efficiency.
- Retain a Climate Change Agreement for the print sector.

HOW GOVERNMENT CAN HELP

- Retain VAT zero-rating of printed books, newspapers and magazines, once Britain has left the EU. A zero-rating for printed materials ranked 4th in our members' priorities for Brexit.
- Use print media to optimise engagement with UK citizens and ensure high levels of participation in democracy. For example, ensure that Government and public sector information remains available in hard copy, alongside the growing use of, for example, digital consultation platforms.

“ASK ANYONE IN OUR INDUSTRY AND THEY WOULD SAY WE WORK IN AN EVER CHANGING AND FORWARD THINKING INDUSTRY. ANYONE OUTSIDE IT PROBABLY THINKS IT IS OLD AND ANTIQUATED!” BPIF MEMBER



WHAT YOU CAN DO...



Visit a BPIF member company in your constituency



Join the All Party Parliamentary Group on Print



Join us at our annual Parliamentary reception, every July



Visit our website www.britishprint.com to find out more

OUR PRIORITIES PROCESS



The BPIF truly **speaks on behalf of the UK printing industry**. Our 1300 members are printing companies of all shapes and sizes – in print, printed packaging and graphic communications. **It's key to our success that our lobbying activity reflects the diversity of voices within our industry.**

To determine our lobbying priorities for 2017 onwards, the **BPIF's Regional Boards – made up of member companies** – were key in identifying problems and suggesting solutions. These were tested against the wider membership, in a series of online surveys covering both **Brexit-related and domestic priorities**. The Federation's Government & Industry Committee, made up of Regional Board representatives and Federation executives, had the final say in choosing the priorities put forward by the membership.

FULL SURVEY RESULTS DOMESTIC PRIORITIES

1. PROMPT PAYMENT



2. REASONABLE BUSINESS RATES



3. ABILITY TO ATTRACT GOOD QUALITY APPRENTICES



4. REASONABLE RATE OF CORPORATION TAX, AND GOVERNMENT'S COMMITMENT TO REDUCE TO 17% OR LOWER BY 2020



5. ABILITY TO ACCESS FUNDING FOR SKILLS AND TRAINING



6. ABILITY TO ACCESS FUNDING FOR CAPITAL INVESTMENT



7. A WELL-REGULATED PRE-PACK POOL



8. REASONABLE POSTAGE COSTS




9. ABILITY TO ACCESS PUBLIC SECTOR PRINT CONTRACTS



10. ABILITY TO ACCESS R&D TAX RELIEF





“BUSINESSES LIKE THE RYEDALE GROUP ARE THE BACKBONE OF OUR LOCAL AND NATIONAL ECONOMY. A THIRD GENERATION FAMILY BUSINESS THAT EMPLOYS SO MANY LOCAL PEOPLE IN GOOD, PERMANENT JOBS AND IS LEADING THE WAY IN UK PRODUCT INNOVATION AND MANUFACTURING. THE GOVERNMENT NEEDS TO DO EVERYTHING WITHIN ITS POWER TO MAKE IT EASIER FOR BUSINESSES TO START, GROW AND PROSPER AND I WILL ALWAYS BE A STRONG ADVOCATE FOR THE INTERESTS OF SMALL AND MEDIUM SIZED BUSINESSES. ”

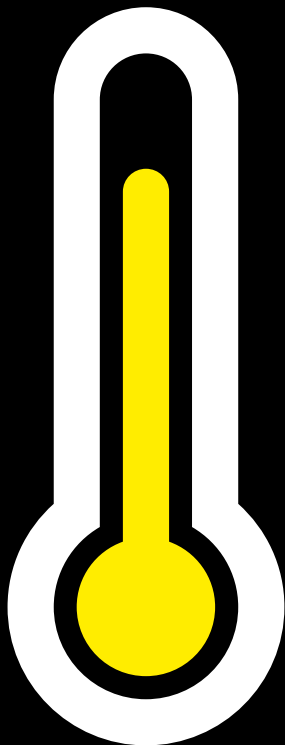
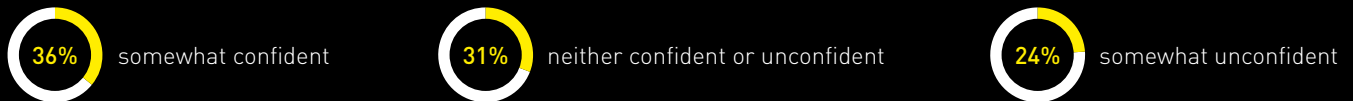
KEVIN HOLLINRAKE MP

↘ FULL SURVEY RESULTS BREXIT PRIORITIES

Our Brexit Barometer

In autumn 2016, almost 60% of our members felt that leaving the EU would have a generally negative impact on business. However, a further survey in January 2017 found that confidence is again growing.

Regarding the outlook for the UK economy...



BREXIT PRIORITIES

- **Certainty** about Brexit plans
- Maintain **access** to the EU Single Market
- Mitigate the **impact** of unfavourable exchange rates
- Retain **VAT-zero** rating of printed books, newspapers and magazines
- Maintain access to the **EU** Customs Union
- A post-**Brexit** adaptation period
- Retain EU **workers** already in employment
- **Retain** ability to hire EU workers in the future
- Regulatory **equivalence**



Tracey Crouch MP @tracey_crouch March 10 2017
Great visit to start day at local firm Offset Print & Packaging
[#manufacturing](#) [#highvisfriday](#) [#hairnetnothardhat](#)



ABOUT THE BPIF

The BPIF is the principal business support organisation representing the UK print, printed packaging and graphic communication industry. It is one of the country's leading trade associations.

Our members are approximately 1300 companies operating in the £13.5bn UK printing industry. We provide the highest standard of support for printers to grow and develop healthy, sustainable and profitable businesses, aiming to provide an environment geared towards their success.

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