



Brexit and the UK printing industry



December 2018



The UK is the world's fifth largest producer of printed products.

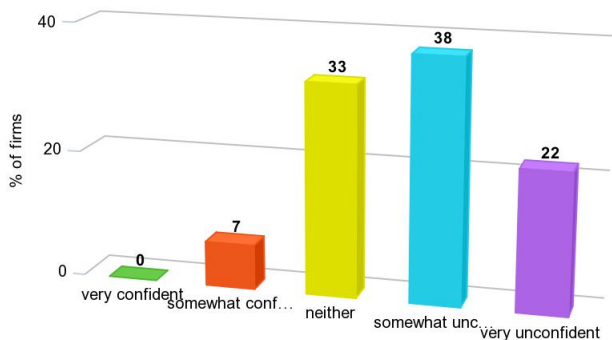


The printing industry added £5.8bn of Gross Value to the UK economy in 2016.



Demand for print is derived from overall levels of economic activity, so it's often viewed as a bellwether for the economy as a whole.

Brexit - current confidence regarding outlook for UK economy
Printing Outlook industry survey Q4 2018



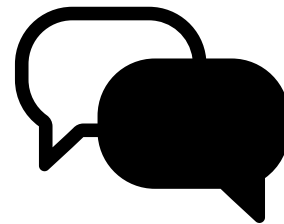
Brexit is now the clear number 3 business concern in the printing industry, following paper/board prices and competitor pricing.

17% of the industry are currently stockpiling some supplies.

A further 25% have plans to stockpile over the next six months.

Top 3 Brexit concerns

1. General cost inflation
2. Tariff barriers
3. Non-tariff barriers



"The impact of downward exchange rates and inability to recover cost from customers has resulted in a 4% loss from gross margin."

"European companies are already capitalising on the Brexit situation by increasing prices and poor supply."

"Too many suppliers are using it to proffer the need to increase cost, it's very much a band wagon effect!"

"Business does not like uncertainty! We are refusing to make any capital investment plans until the dust settles."

"The possible 'no deal' scenario is seeing us put resources (time, capital, cash) in to trying to reassure customers, build up stocks and sense check implications."

"Am preparing for a no deal."

"Now seriously adversely affecting business. Business decisions aren't short-term, even if political ones are!"