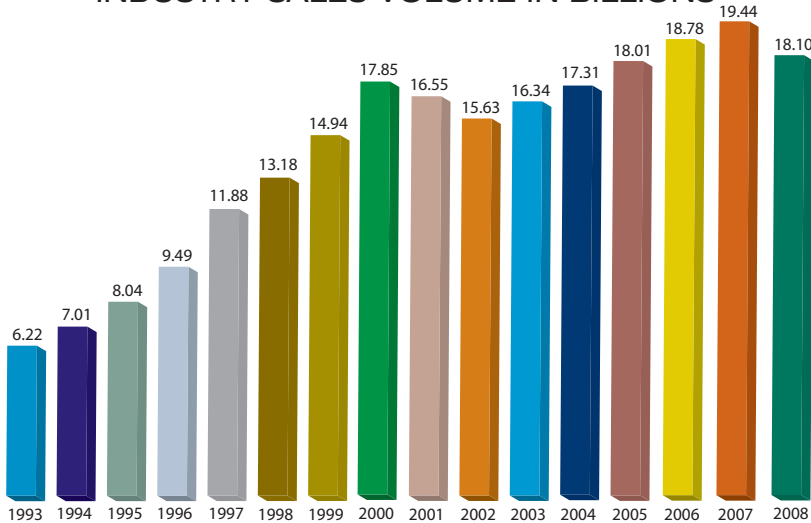


# PPAI The 2008 Estimate Of Promotional Products Distributor Sales

The 2008 sales volume figures reflect a decrease of 6.89 percent in distributor revenues. With this decrease, sales for the industry for 2008 is at \$18,101,298,808. 2008 saw decreases in revenue for both large and small distributor companies. Larger companies with sales of \$2.5 million or more experienced a greater decrease of 13.82% over 2007 and smaller companies saw a decrease of 0.48%. There was an increase in the number of small companies from 20,500 to 21,500 this year. The number of large companies with sales of \$2.5 million or more decreased from 942 to 830. The total number of distributor companies this year rose to 22,330 from 21,442 last year.

This annual estimate of distributor sales is sponsored by Promotional Products Association International and conducted by researchers at Louisiana State University and Glenrich Business Studies.

## INDUSTRY SALES VOLUME IN BILLIONS

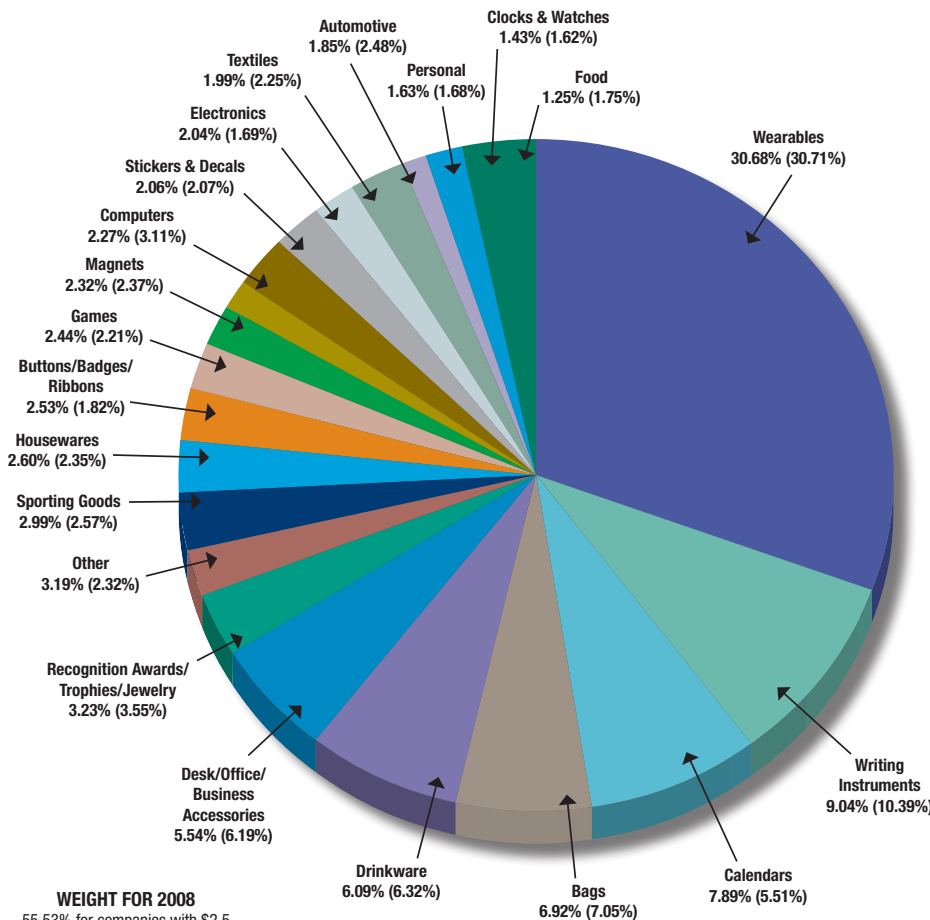


## GROWTH OF DISTRIBUTOR SALES VOLUME

Distributor Company Size	Number Of Distributor Companies	Sales Volume	% Increase/Decrease In Sales Volume Over 2007
Less than \$2.5 million	21,500	\$ 10,052,389,500	-0.48%
\$2.5 million or more	830	\$ 8,048,909,308	-13.82%
<b>INDUSTRY TOTAL</b>	<b>22,330</b>	<b>\$ 18,101,298,808</b>	<b>-6.89%</b>

**How the estimate of distributor sales is obtained:** Approximately 15,500 promotional products distributors companies are surveyed by researchers at Louisiana State University and Glenrich Business Studies. A point estimate (mean) is derived and multiplied by the number of small distributor companies (21,500). To prevent distortion, a census of the larger distributor companies is conducted and the sum of their sales is added to the sales volume of the smaller distributor companies to arrive at the sales estimate for the entire industry.

## 2008 SALES BY PRODUCT CATEGORY (2007 FIGURES IN PARENTHESES)



### WEIGHT FOR 2008

55.53% for companies with \$2.5 million or more in sales  
44.47% for companies with less than \$2.5 million in sales

Note: Percentages may not add up to 100% due to rounding error.

### PRODUCT CATEGORY (Includes the following:)

**Wearables:** T-shirts, golf-shirts, aprons, uniforms, blazers, caps, hats, headbands, jackets, neckwear, footwear, etc.

**Writing Instruments:** Pens, pencils, markers, highlighters, etc.

**Calendars:** Wall and wallet calendars, desk diaries, pocket secretaries, etc.

**Bags:** Tote bags, shopping bags, satchels, gift bags, drawstring bags, cosmetic bags, paper bags, duffel bags, briefcases, etc.

**Drinkware:** All-glass, china, ceramic, crystal, plastic and stainless steel drinkware

**Desk/Office/Business Accessories:** Folders, desk pen sets, calculators, non-dated paper products, cubed paper, scratch pads, adhesive notes, stationery, etc.

**Recognition Awards/Trophies/Jewelry:** Awards, trophies, plaques, certificates, figurines, jewelry, etc.

**Other:** No examples reported

**Sporting Goods/Leisure Products/Travel Accessories:** Picnic/party products, camping equipment, barbecue items, bar products, binoculars, luggage, passport cases, etc.

**Housewares/Tools:** Measuring devices, kitchen products, picture frames, household decorations, ornaments, tool kits, first aid kits, furniture, flashlights, cutlery, weather instruments, etc.

**Buttons/Badges/Ribbons:** Buttons, badges, ribbons, signs, banners, etc.  
**Games/Toys/Playing Cards/Inflatables:** Kites, balls, puzzles, stuffed animals, etc.

**Magnets:** Magnets and magnetic products

**Computer Products and Accessories:** Mouse pads, monitor frames, disk carriers, wrist pads, software, etc.

**Stickers and Decals:** Stickers, decals, etc.

**Electronic Devices & Accessories:** Radios, TVs, videotapes, music CDs, phone cards, etc.

**Textiles:** Flags, towels, umbrellas, pennants, throws, blankets, etc.

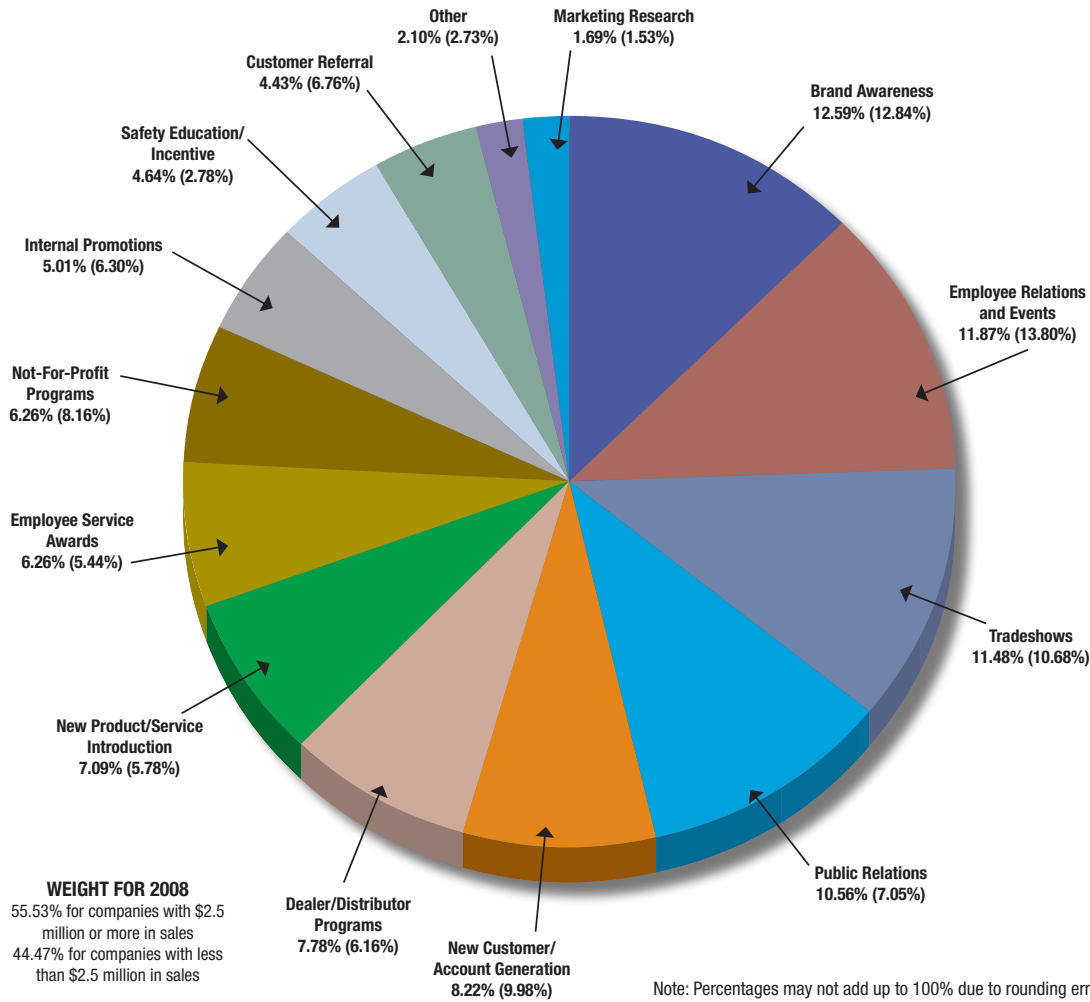
**Automotive Accessories:** Key tags, bumper strips, road maps, floor mats, window shades, etc.

**Personal/Pocket-Purse Products:** Pocket knives, grooming aids, lighters, matches, sunglasses, wallets, etc.

**Clocks and Watches:** Clocks, watches, etc.

**Food Gifts:** Candy, nuts, gourmet, meat, spices, etc.

## 2008 SALES BY PROGRAM CATEGORY (2007 FIGURES IN PARENTHESES)



### PROGRAM TYPE (Includes the following:)

**Brand Awareness:** Promotion of brand awareness and brand loyalty

**Employee Relations & Events:** Morale and motivation, corporate/employee events, employee orientation, organizational commitment/corporate identity, corporate communication, employee training (other than safety), employee referral programs

**Tradeshows:** Tradeshow traffic generation

**Public Relations:** Corporate involvement with community, fundraising, sponsorship, school programs, media relations, corporate image

**New Customer/Account Generation:** New customer or new account generation

**Dealer/Distributor Programs:** Dealer incentives, co-op programs, company stores

**New Product/Service Introduction:** New product or service introduction

**Employee Service Awards:** Anniversary recognition, service awards, etc.

**Not-For-Profit Programs:** Not-for-profit use for fundraising, public awareness campaigns (health, environment, public safety, etc.)

**Internal Promotions (Incentive; Non-Safety):** Sales incentive, TQM/quality programs, productivity, inventory reduction, error reduction, attendance improvement

**Safety Education/Incentive:** Employee safety and education

**Customer Referrals:** Customer referral incentive programs

**Other:** No examples reported

**Marketing Research:** Marketing research, survey and focus group participation programs

## ONLINE SALES OF PROMOTIONAL PRODUCTS – A LOOK BACK

\* ONLINE SALES ARE DEFINED AS SALES RESULTING FROM ORDERS PLACED THROUGH AN ONLINE STORE OR WEBSITE.

	2006	2007	2008
Total online sales of promotional products for companies with less than \$2,500,000 in sales	\$1,305,512,555	\$1,332,303,963	<b>\$1,500,877,922</b>
Total online sales of promotional products for companies with sales of \$2,500,000 or more	\$1,407,396,364	\$1,604,607,453	<b>\$1,377,168,383</b>
<b>TOTAL</b>	<b>\$2,712,908,919</b>	<b>\$2,936,911,416</b>	<b>\$2,878,046,305</b>

## SEGMENTING INDUSTRY SALES BY SIZE OF COMPANY

Size Of Company	2006	2007	2008
Less than \$250,000	\$1,545,182,780	\$1,334,940,007	<b>\$1,614,791,538</b>
\$250,001-\$500,000	\$1,708,237,771	\$1,679,156,396	<b>\$1,424,289,012</b>
\$500,001-\$1,000,000	\$2,309,470,772	\$2,359,786,050	<b>\$2,480,709,538</b>
\$1,000,001-\$2,500,000	\$4,071,887,677	\$4,726,981,561	<b>\$4,532,599,412</b>
\$2,500,001 or more	\$9,144,875,661	\$9,339,973,533	<b>\$8,048,909,308</b>
<b>TOTAL</b>	<b>\$18,779,654,661</b>	<b>\$19,440,837,547</b>	<b>\$18,101,298,808</b>