

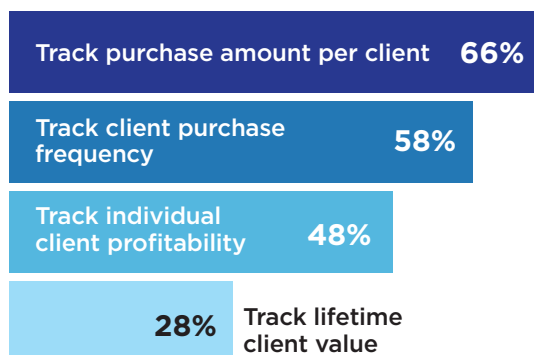
## COMPANY OPERATIONS

## Be Prepared

Yes, it's the motto of the Boy Scouts – but industry companies appear to be heeding the same advice.

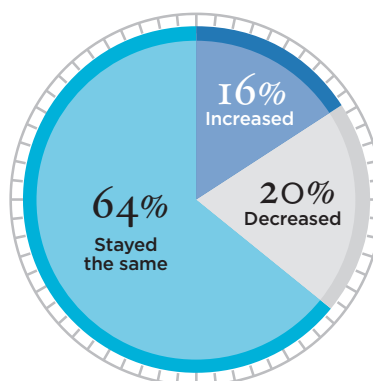
## CUSTOMER ANALYTICS

The ways distributors gauge the impact of individual clients on their businesses:



## EMPLOYEE SHIFTS

About one-fifth of distributors say they cut jobs in 2008.



HOW DID THE NUMBER OF EMPLOYEES AT YOUR COMPANY CHANGE IN 2008?

## MARKET DIVERSITY

77% TO 70%

Distributors are diversifying their offerings to clients.

**Promotional products accounted for 77% of overall distributor revenue in 2001. That has steadily declined to 70% in 2008.**

## BRANCHING OUT

The top eight adjacent businesses that distributors say they operate in.

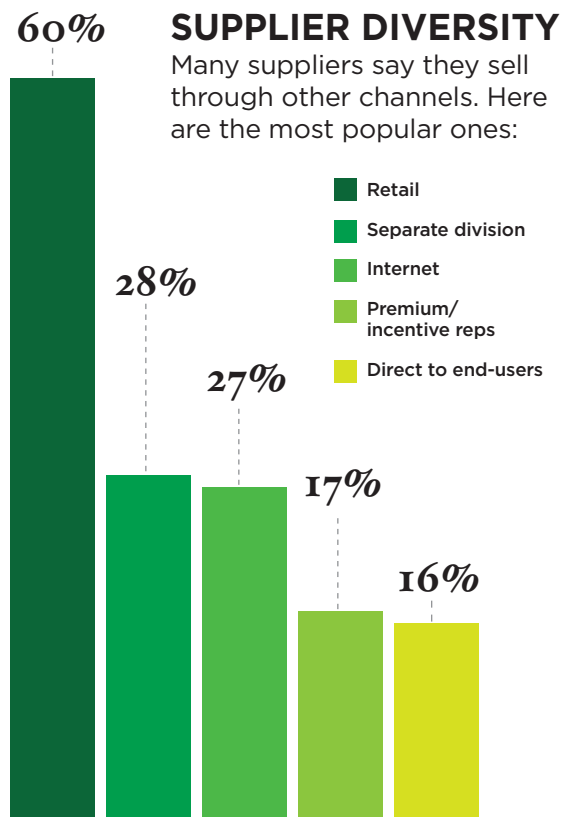
- 1 Embroidery
- 2 Screen Printing
- 3 Awards/Recognition
- 4 Graphic Design
- 5 Printing
- 6 Signs
- 7 Business Forms
- 8 Uniforms

## PRICE PRESSURES

31%

The number of suppliers who say that **remaining profitable under pressure to cut prices** was one of their most difficult challenges in 2008.

## COMPANY OPERATIONS

BUSINESS INVESTMENTS  
FALL IN 2008

the  
percentage  
decrease  
**suppliers  
spent  
on sales  
training**

45%



the  
percentage  
decrease  
**suppliers  
spent on  
capital  
improvements**

21%

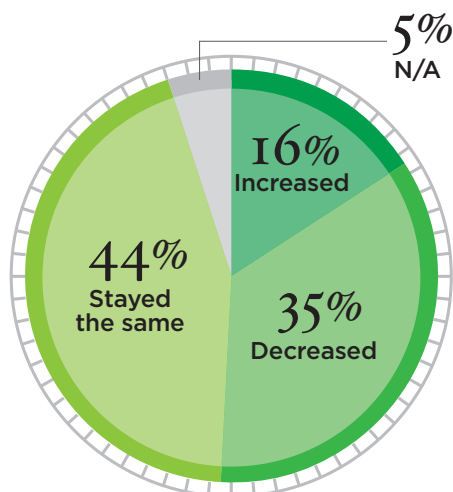


the  
percentage  
decrease  
**suppliers  
spent on  
advertising**

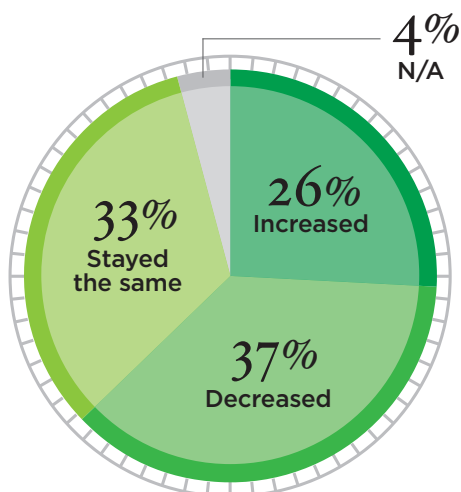
5%



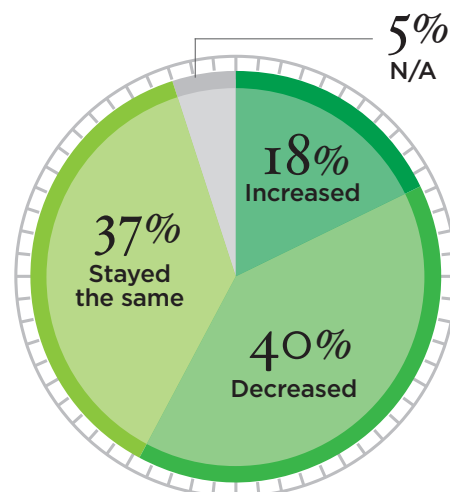
## SUPPLIER CHANGES FOR 2009



NUMBER OF PERSONNEL



SPENDING ON ADVERTISING



NUMBER OF SHOWS WILL ATTEND