



The U.S. Graphic Design Business 1997-2009

**A Demographic & Analytical Examination
of this \$5.8 Billion Business Sector**

A Sponsored Research Initiative from



Graphic Design Businesses in the U.S.

- Preliminary estimates in round numbers for 2004
 - \$5.8 billion in billings
 - \$400+ million in capex
 - 150,000 practitioners
 - 16,000+ businesses
 - 80,000+ freelancers

Where the graphic design business is headed...

■ Major issues

- technology, employees, communications, client needs

■ Changing dynamics

- vision of owners, relations with clients, new media

Historical baseline and forecasts: 1997 to 2009

- Demographic data in three perspectives:
 - Historical: 1997 to 2002
 - built on firm foundation of Census and other verified data
 - Estimated: 2003 and 2004
 - developed by quantitative SFM analysis
 - Forecast: 2005 to 2009
 - by SFM proprietary models and experienced consultants

Hard demographic facts 1997-2009

- Number of design businesses
- Number of employees
- Number of freelance designers
- Size of businesses by number of employees
- Largest establishments share of billings
- Birth/death establishment turnover
("industry churn")
- Capital expenditures

Other key demographics

- Where do designers get their revenues?
 - Receipts/Establishment
 - Size of businesses by dollars billed
 - Services offered on an establishment basis and on a billings basis
- How many workers are in design businesses?
 - Payroll per Establishment
 - Receipts per Employee
 - Payroll per Employee

What is the role of freelancers?

- Number of freelancers
- Freelancers receipts
- Freelancers' role in total industry receipts and the “flow” of the design business
 - from “moonlighters” ...
 - ...to subcontractors...
 - ...to sole practitioners

Why are designers important?

- Communications starts with ideas, and then design
 - graphic designers drive practical media implementation
 - print, Internet, and other media rely on skilled design practitioners
 - designers enhance and increase the effectiveness of media
 - designers select or specify media providers such as printers and other services

- Designers invest in technologies
 - desktop publishing
 - computers & workstations
 - image acquisition
 - data storage
 - image output
 - workflow
 - telecommunications

Report cost

- *Report price upon publication*
 - \$2,875
- *Special pre-publication price*
 - \$1,975
 - *more than 30% savings (\$900)*
 - *full payment by October 18, 2004 to qualify*

Deliverables

- *During the field research*
 - *password access to data and links to secondary research on a private website*
- *Upon publication*
 - *printed copy of the final report*
- *Post publication release*
 - *60 day access to researchers for questions and discussions about the report, its conduct, and findings*

Information resources for sponsors

- “Live link” directories of...
 - associations
 - publications
 - data sources
 - government data
- ... giving your company direct access to the latest data and news about the graphic design business

Report publication schedule

- *Project is now underway*
- *Planned report release*
 - *on or about October 28, 2004*

Ordering Information

- For more information
 - call Vince Naselli 1-732-568-0316
 - e-mail designstudy@sfminc.com
- Pay by credit card
 - go to <http://store.yahoo.com/drjoe/graphicdesign.html>
- Pay by check
 - Mail to: Strategies for Management, Inc.,
P.O. Box 483, Harrisville, RI 02830
- To request an invoice
 - Send your billing and shipping information to
designstudy@sfminc.com

Joseph W. Webb, Ph.D.

- Internationally known industry consultant, commentator, and forecaster
 - “Fridays with Dr. Joe” column at WhatTheyThink.com
 - numerous industry presentations, association projects
- 26+ years industry experience
 - proprietary and multiclient projects with major industry suppliers (1987 – 2004)
 - former marketing executive with prepress suppliers (1978-1987)
- Founder, the TrendWatch surveys (1995); sold TrendWatch Graphic Arts business to Reed Elsevier in 2000
- Ph.D., NYU Center for Graphic Communications Management & Technology
- MBA, Management Information Systems

Vincent Naselli

- 20+ years in graphic arts marketing
- Most recently Director of TrendWatch Graphic Arts for Reed Business Information
- Frequent contributor to WhatTheyThink.com and other leading industry publications
- Past committee chairman of Imaging & Prepress and Market Research subcommittees for NPES
- Former president and board of directors member of GAMIS
- Dealer Relations and Regional Sales Manager for Screen USA
- Senior US Marketing Manager for Agfa of market research and competitive analysis
- Bachelor of Science degree in marketing and management from Kean University, New Jersey.

Joseph LiPetri

- Writer and reporter in graphic communications industry for 15+ years, known for case studies and technology adoption analysis in many publications
 - former full-time editor for MacWEEK. com
 - previously East Coast editor for *Micro Publishing News*
 - articles and case studies have appeared in *The Seybold Report on Publishing Systems*, *Electronic Publishing*, *American Printer*, *Printing News*, *Digital Imaging*, *Print-On-Demand*, *Print & Graphics*, *Modern Reprographics*, and *Quick Printing*
- Technology writer for the National Association for Printing Leadership (NAPL) magazines and special reports including digital asset management, digital photography, and others