



PRESS RELEASE

25/01/22

LACK OF PAPER ENDANGERS REBOUND OF GRAPHIC INDUSTRY

Intergraf warns that the current paper crisis will have severe repercussions in the supply of print products for all economic markets and endangers the rebound of our industry.

The graphic industry supports all economic activities with their products, be it for information, news, entertainment, education, advertising or packaging. Print plays a huge role in everyday life – so much so that it is frequently overlooked. Our sector supplies the packaging for goods at the supermarket, the books, newspapers and magazines we read as well as the boxes our digitally ordered food, clothing, gadgets and much more are packaged in. These products are produced by 120,000 printing companies all over Europe that employ 600,000 people and generate a turnover of 80 billion EUR.

While during the past two years graphic products have clearly witnessed a decline, demand is now almost back to pre-pandemic levels. In 2020 customers were forced to reduce print advertising and many switched to electronic means for their communication. In mid-2021, this market has come back to print, but customers are now facing surging prices and uncertainty about the supply of raw materials.

The ongoing strike in some Nordic paper mills aggravates the situation particularly for paper grades such as LWC (Lightweight coated) and MWC (medium weight coated) paper. It is estimated that in some countries close to 50% of this paper for heatset printing comes from one supplier. The stocks of printing companies will not last until the strike has been settled and printers will be forced to announce to their customers their incapacity to fulfil the orders. This means that publishers will be forced to abandon print editions due to a lack of paper. The shortage affects all types of print products but is particularly detrimental to time sensitive printed matter such as the publication of newspapers, magazines, books and advertising.

Intergraf has terrifying feedback from members that 40% of the paper needed from mid-February onwards cannot be obtained. The inability to print will cause large financial losses not only to the printing company, but also to the final customer. This will entail foreseeable shortages of many printed consumer goods and some products including food and medical supplies that cannot be put on the market due to a lack of packaging.

Beatrice Klose, Secretary General of Intergraf states: "Print is an essential and important part of our daily life. Many citizens rely on printed information. Apart from being a large sector of our own, our industry and our products support citizens, culture and all other economic branches in one way or the other. This support is endangered by the current tensions in the supply chain."

Intergraf calls on the paper industry to ensure a collaborative approach and transparent discussion of the current and future development of graphic paper supply in Europe.





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Intergraf calls on European as well as national authorities to take the current situation seriously and ensure sufficient supply of raw material (fresh and recycled fibres) to allow a continuous production of essential goods such as packaging, newspapers, magazines, books, and other print products that serve European citizens in their daily life.

Voices from the industry

"We have real bottlenecks in our paper supplies. We can see that this shortage will increase in the upcoming months." Larger Sheetfed Printer

"The situation about paper supplies is critical to the point that some print customers are forced to go digital."

A large heatset printer

"We have financial pressure both from customers and now also from our suppliers. I am afraid that the present situation drives our customers even more towards the digital market and in the long run both we and our suppliers will suffer more. This is not a healthy development."

A printer

"We are losing loyal print buyers, catalogue users, due to production costs and shortage of paper. There is a big risk that those print buyers are not coming back. This jeopardizes our industry and we will suffer irretrievable damage."

Large format offset printer

- ENDS -

The European printing industry is made up of some 112,000 printing companies (95% SMEs), which employ 640,000 people and generate a combined turnover of €82 billion (EU27 + UK, Switzerland, and Norway).

Intergraf (www.intergraf.eu) is the European printing industry association, representing employers in this sector. We are a Brussels-based umbrella organisation with 20 members from 19 countries and 5 Associate Members from 4 countries. Our primary task is to represent and advocate for the printing industry in Europe, working with European Union to support the sector's competitiveness through advocacy, information-sharing, networking, social dialogue, and European projects.

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