

EMA Foundation's
Institute of Postal Studies Presents:

2012 EMA Mailing Industry Job Study

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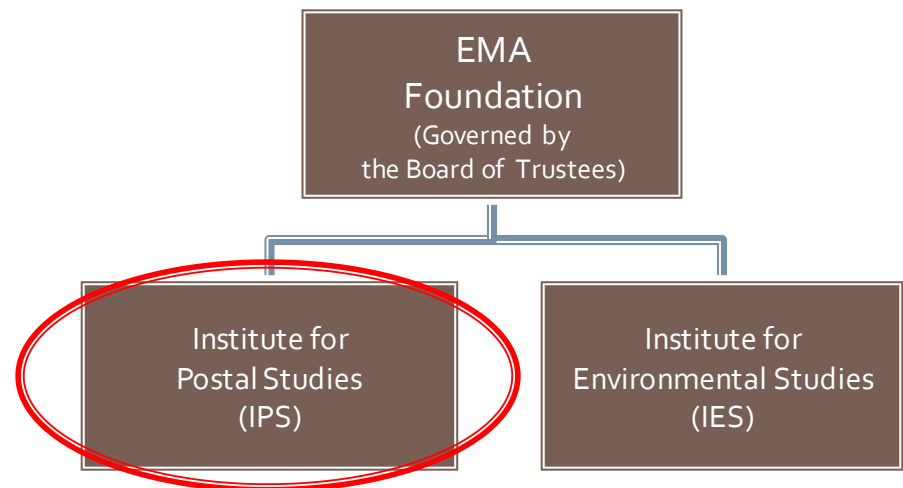
EMA Foundation's IPS Team

■ Mission

- The mission of the institute is to create educational tools and information that can be used to educate the paper-based communication industry and external constituencies on postal matters.
- The key study provided by this team is the EMA Mailing Industry Job Study.

■ Current IPS team members include:

- Cheryl Chapman, International Paper
- Bill Berkley, Tension Envelope
- Dan Bower, Papercone
- Jim Beard, Papercone
- Patrick Deck, IWCO-Direct
- Scott Evans, Kenmore Envelope
- Susan Lloyd, Boise Paper
- John Nolan, former USPS
- John Parsio, Jr, Multi-plastics
- Thomas Marshall, EMA
- Maynard Benjamin, EMA



The Results - # of Jobs and Sales Revenue

The mailing industry provided:

- 8.4 million jobs in 2011 vs. 8.8 million jobs in 2009
- \$1.3 trillion in sales revenue in 2011 vs. \$1.2 trillion in sales revenue 2009



8.4 Million Mailing Industry Jobs



4.5%
from
2009

Mailing Industry Job Categories

Jobs decreased by 4.5% totaling nearly 400,000 jobs due to losses of jobs in all major categories with the greatest loss in manufacturing jobs.

Categories	2009 # of Jobs	2011 # of Jobs	% Change	# of Jobs
Manufacturing - Mail Production, Distribution and Handling	2,186,216	2,013,070	-7.9%	-173,146
Management of Mail in all Industries	2,633,694	2,515,679	-4.5%	-118,015
Sales of Mail Delivered Products & Services	4,004,194	3,901,002	-2.6%	-103,192
Total	8,824,104	8,429,751	-4.5%	-394,353

Overall Comparison - 2012 vs. 2010 Results

■ Decline in Jobs

- ↓ Postal Service
- ↓ Paper and Paper Industry Suppliers
- ↓ Printing and Printing Industry Suppliers
- ↓ Mail Management in Business to Business Transactions
- ↓ Traditional Direct Mail, Catalog, and Magazine

■ Growth in Jobs

- ↑ Private Mail Centers (i.e. Fed-ex, UPS)
- ↑ Electronic Shopping and Mail Order Houses (i.e. Amazon)
- ↑ Retail Sales Jobs at Retailers of Products Delivered through the Mail Stream

Mail Production, Distribution and Handling

With the loss of overall mail volume, mail production, distribution, and handling jobs have also been reduced.

- **Jobs with Mail Production, Distribution & Handling dropped 7.9% with a 173M job loss.**
- **Some of the major job losses included:**
 - Postal Service with 72M jobs at a loss of 9.9%
 - From 720,200 jobs in 2009 to 648,350 jobs in 2011
 - Private Sector Delivery with 31M jobs at a loss of 5.2%
 - Paper, Printing, Printing Industry Suppliers, & Direct Mail Converting & Management with 80M jobs at a loss of 11.4%

Management of Mail (Business to Business Interaction)

As businesses have moved to email interaction, there are less business to business jobs associated with mailing letters and packages.

- **Management of Mail in all Industries dropped 4.5% with a 118M job loss.**
 - This trend is expected to continue as businesses move to more email interaction as opposed to traditional mail.

Sales of Mail Delivered Products

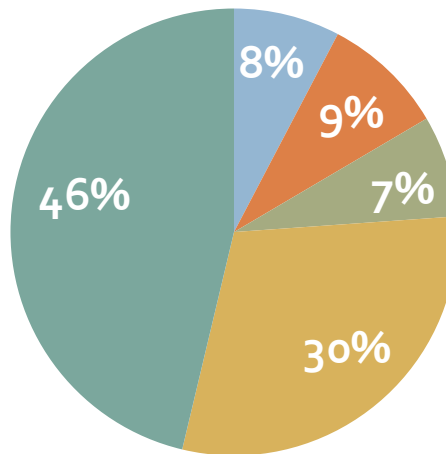
Delivered product sales are not only originating from printed catalogs, magazines, and direct mail but are now also originating through the internet (on-line sales) which are still delivered through the mail stream

- **Jobs with Mail Delivered Products dropped 2.9% with a 103M job loss.**
 - Some of the major job losses included:
 - Catalog direct mail generated sales at a loss of 5.4%
 - Direct response magazine ad sales at a loss of 13.7%
 - As expected, some of the job gains included products that are shipped to homes and businesses due to ordering through the internet; however, these categories are still considerably smaller:
 - Electronic shopping & mail order houses at a gain of 3.9%
 - Internet retail sales from traditional stores at a large gain of 26.5%

Mailing Industry Job Summary Distribution

- Postal Service at 8%
- Private Sector Delivery (FedEx, UPS) & suppliers at 9%
- Paper, Printing, Printing & Paper Industry Suppliers, & Direct Mail Design at 7%
- Management of Mail in all Industries at 30%
- Sales of Products and Services through Mail-Stream at 46%

76% of the 8.4 million jobs are in firms dependent upon the delivery infrastructure



Private industry accounts for 92% of the jobs. Postal service accounts for 8% of the jobs.

**\$1.3 Trillion
in Sales Revenue**



Sales Revenue Categories

Sales revenue increased by 9% due to more packaged products being delivered through the mail stream.

Categories	Description	2009 Sales (\$ Billions)	2011 Sales (\$ Billions)	% Change	Sales (\$ Billions)
Mail Production, Distribution and Handling	Producing the Mail	\$117.10	\$113.05	-3.6%	-\$4.05
	Delivering the Mail and Parcels	\$143.96	\$145.08	0.8%	\$1.12
Sales of Mail Delivered Products & Services	Sales of Products / Services Delivered by the Mailing Industry	\$908.21	\$1,032.27	12.0%	\$124.05
Total		\$1,169.27	\$1,290.39	9%	\$121.12

Mail Production, Distribution & Handling

- **Mail Production, Distribution & Handling**
 - Producing the Mail had a sales revenue drop of 3.6%.
 - Delivering the Mail had a sales revenue gain of +0.8%.
 - Some of this small gain may be attributed to the higher price of delivering packages.



Sales of Mail Delivered Products & Services

- **Sales of Mail Delivered Products & Services had an overall sales revenue increase of 12.0%.**
 - Significant gains were observed with:
 - Direct mail at 12% with total sales revenue generated of \$506 billion
 - Catalogs at 12% with total sales revenue generated of \$126 billion
 - Electronic Shopping and mail-order at 29% with total sales revenue generated of \$221 billion



Overall Summary

- **The U.S. mailing industry supports:**
 - 8.4 million mailing industry jobs
 - \$1.3T in sales revenue, over 7% of U.S. GDP
- **Policies that have a dramatic influence on the mailing industry impact many workers**
 - Over 10 times as many jobs in the mailing industry private sector compared to the USPS
 - Over 76% of mailing industry jobs depend upon the delivery infrastructure of the USPS.
- **A viable postal service results in a healthier economy**



Appendix

Number of Mailing Industry Jobs and Sales Revenue Generated by State



2012 Mailing Industry Job Study

Distribution of Jobs By State

State	Jobs	State	Jobs	State	Jobs	State	Jobs
Alabama	112,463	Illinois	380,439	Montana	26,879	Rhode Island	32,027
Alaska	21,864	Indiana	170,731	Nebraska	56,239	South Carolina	98,838
Arizona	136,987	Iowa	92,980	Nevada	60,161	South Dakota	32,467
Arkansas	66,884	Kansas	84,957	New Hampshire	63,689	Tennessee	226,075
California	966,901	Kentucky	114,212	New Jersey	265,193	Texas	551,988
Colorado	134,926	Louisiana	93,218	New Mexico	84,825	Utah	68,904
Connecticut	117,319	Maine	49,060	New York	539,539	Vermont	36,140
Delaware	26,201	Maryland	175,052	North Carolina	211,707	Virginia	226,743
Dist. of Columbia	71,359	Massachusetts	217,080	North Dakota	43,168	Washington	157,442
Florida	480,104	Michigan	266,223	Ohio	343,200	West Virginia	48,425
Georgia	229,191	Minnesota	171,077	Oklahoma	84,154	Wisconsin	180,238
Hawaii	34,760	Mississippi	73,883	Oregon	121,763	Wyoming	15,660
Idaho	62,923	Missouri	165,343	Pennsylvania	338,152		

Grand Total: 8,429,751 Mailing Industry Jobs

2012 Mailing Industry Job Study

Distribution of Sales Revenue By State

State	Sales Revenue (\$ Billions)	State	Sales Revenue (\$ Billions)	State	Sales Revenue (\$ Billions)	State	Sales Revenue (\$ Billions)
Alabama	\$14.1	Illinois	\$62.1	Montana	\$2.5	Rhode Island	\$3.4
Alaska	\$3.1	Indiana	\$24.6	Nebraska	\$9.4	South Carolina	\$12.8
Arizona	\$19.4	Iowa	\$11.3	Nevada	\$9.3	South Dakota	\$2.6
Arkansas	\$7.6	Kansas	\$11.2	New Hampshire	\$6.6	Tennessee	\$29.2
California	\$182.1	Kentucky	\$14.9	New Jersey	\$45.1	Texas	\$95.9
Colorado	\$20.5	Louisiana	\$14.4	New Mexico	\$5.3	Utah	\$10.8
Connecticut	\$24.9	Maine	\$5.4	New York	\$102.8	Vermont	\$3.7
Delaware	\$4.0	Maryland	\$23.6	North Carolina	\$32.9	Virginia	\$32.5
Dist. of Columbia	\$7.0	Massachusetts	\$35.2	North Dakota	\$2.5	Washington	\$29.5
Florida	\$72.0	Michigan	\$32.6	Ohio	\$56.4	West Virginia	\$4.6
Georgia	\$31.7	Minnesota	\$26.2	Oklahoma	\$9.4	Wisconsin	\$26.1
Hawaii	\$4.2	Mississippi	\$6.9	Oregon	\$13.6	Wyoming	\$2.2
Idaho	\$4.7	Missouri	\$23.0	Pennsylvania	\$55.1		

Grand Total: \$1.290 Trillion of Sales Revenue