



Web Consulting Inc

Americas Office
398 Columbus Ave. #331
Boston, MA 02116
UNITED STATES

Tel: +1 617 536 5925
Fax: +1 617 536 5926
Email: info@web-na.com
Web: www.web-na.com

PVC Scrim Banner Material Quite Possibly the Graphics Industry's Perfect Media

As published in *Wide Format Imaging*, March 2006

Written by: Lisa Onesto, Web Consulting

According to Web Consulting's ongoing market research, PVC scrim banner media is often in the top three positions for media types used by print-for-pay shops – especially in sign, screen print and digital printer segments. Its popularity and ability to cross market segments is largely due the array of applications that can be created and the variety of decoration methods that can be utilized on this one seemingly (no pun intended) simple type of material.

First things first and before I get ahead of myself with excitement, let me mention that Web Consulting released its first comprehensive report and analysis of the PVC banner and flexible substrate market in 2005. We also offer an apology to any of the other wonderful and varied media types currently used for signage and graphics. So to paper, PSA vinyl, backlit materials, canvas, fabrics and films we need to say that today is PVC banner's day.

What is this Stuff?

Polyvinylchloride (PVC) material is manufactured using one of two techniques: lamination or extrusion. In both cases, the PVC is attached to a scrim of woven nylon or polyester. Scrim of course being an open weave fabric.

In the lamination process one or more layers of PVC facestock is bonded to the scrim by applying pressure and heat between large rollers. An additional layer – or perhaps layers – of block out materials may be incorporated for added or specific benefits. Calendered or cast PVC facestock may also be used, but calendered is most frequently used for cost savings advantages.

During the extrusion process, liquid PVC is forced through a measured orifice (i.e. extruded) onto the scrim material. This is typically a more expensive manufacturing process yielding higher quality and smoother substrates. Most European PVC flexible substrate is manufactured using this technique.

Web Consulting Asia Pacific
Room 322, Apollo Building
1440 Yan'an Road Central
Shanghai 200040 CHINA

Tel: +86 216 249 8378
Fax: +86 216 249 8078

Web Consulting (EMEA)
EMEA Representative Office
Oxfordshire
United Kingdom

Tel: +44 1993 898 609

So, what exactly makes it perfect?

The varied applications and variety of decoration methods are really the key benefits of PVC banner materials. Below is a table that highlights the most common applications and indicates which market segments most commonly produce them:

	Sign Shops	Screen Printers	Digital Print Shops	Repro Houses	Photo Labs	Quick Printers	Billboard Print Shops
Significant PVC Substrate Applications							
Event Banners	X	X	X	X	X	X	
Street Pole Banners		X	X	X	X		
Exhibit and Tradeshow Banners			X	X	X	X	
Retail and Store Décor Banners		X	X	X	X		
Indoor Wall Murals and Backdrops		X	X	X	X		
Construction and Project Fencing							X
Traditional Billboards							X
Spectaculars and Building Wraps							X
Arenas and Stadiums							X

Let’s look at a few of the more popular applications in more detail, including event banners, street pole banners and retail and store décor banners.

Event Banners

This type of banner is usually found outdoors at community events, decorating a sponsor tent, advertising a business sale, or communicating short term outdoor message. Event banners are intended for medium distance viewing and typically incorporate two or three colors. These banners are more text driven but may also include a company logo. Event banners are commonly decorated by several methods. Web Consulting’s estimates that the decoration methods (by square foot volume) used in the U.S. break down as follows:

- ❑ Cut vinyl 60%-70% of volume
- ❑ Painted <5%
- ❑ Screen print <5%
- ❑ Digital ~25%-30%

Please note that digitally printed event banners require medium to low resolution and are most typically printed using solvent printers. Aqueous inkjet printers can also be used with an over laminate.

Several end user market segments produce event banners but the majority of vinyl-cut decorated banners made by sign shops and screen printers. However, as these shops continue to add and expand their digital printing capabilities more and more event banners have and will be transitioned to inkjet. Web Consulting estimates that currently digitally printed banners represent 25% of total banner production within sign shops. This percentage will continue to increase in the future as digitally printed banners replace cut-vinyl decorated banners. Digital print shops, repro houses, photo labs, and quick printers also produce and sell event banners to their clients.

Street Pole Banners

These banners are also called lamp post or boulevard banners. They are outdoor graphics used in community beatification campaigns, special events and holiday decorations. Street pole banners will typically incorporate multiple colors and graphics and are designed to be viewed from both directions and thus display graphics on both sides. Like event banners, the street pole banners are also decorated via several methods - cut vinyl, screen printed and digitally printed. In this case, digital output requires medium resolution and most commonly use solvent inkjet printers. The most

common end user market segments producing this application are digital print shops and screen printers who have banner finishing equipment.

Retail and Store Décor Banners

Retail and store décor banners are deployed indoors to communicate a retailer's advertising or marketing message. They may promote specific products, communicate advertising campaigns, and to provide value and brand messaging. These banners are intended for close to medium viewing distance by customers as they walk throughout the retail establishment. They will typically incorporate 4-color process and/or photographic images. Retail banners are commonly deployed for shorter 1-3 month campaigns, however in some environments, such as car dealerships, may be displayed for 6-12 months. Retail banners are most often produced by screen printing or by inkjet. Web Consulting estimates that about 65% of volume is screen printed with the balance produced by inkjet. Inkjet-printed banners require medium to high print resolution and may be printed on either solvent or aqueous inkjet printers

The majority of retail banners are produced by screen printers - either by screen printing or by inkjet printing. Larger digital print shops, repro houses, and photo labs also service the type of customers seeking these banners (national and large regional franchises and retail chains with structured in-store advertising campaigns).

How much is used and what are 2006 growth predictions?

Web Consulting estimates that the PVC scrim banner market in the U.S. is \$270 million at manufacturer sales level. The split between those decorated with traditional methods (including cut vinyl, screen print and paint) versus inkjet printed is roughly 60% / 40%. Web Consulting estimates that of this \$120 million of PVC banner substrate purchases for wide format inkjet graphics that ~ 40% of revenue is for aqueous substrates and 60% is for eco-solvent/solvent substrates.

Web Consulting believes that it is imperative to look at each and all decoration method in order to provide accurate analysis on growing graphics applications. In look forward, we predict the following changes in the usage of PVC banner material in 2006:

Traditional cut vinyl banner is expected to shrink by 5% in 2006 as sign shops continue to replace the production of cut-vinyl banners with digitally printed banners.

PVC banner purchased by screen print shops is predicted to grow 5% in 2006 - a pace inline with predictions of U.S. advertising spending growth. Web Consulting believes that although some screen print banner production will continue to transition to digital printing, the volume of screen printed banners will remain stable in 2006.

Banners printed with aqueous wide format digital printers are predicted to remain flat - this is a conservative prediction as the market for aqueous media may actually shrink (in value terms) in 2006. Although total wide format PVC flexible substrate consumption is likely to see expansion in the next several years, most of this increased production will be printed on eco-solvent and solvent printers.

Banners printed with solvent wide format printers are predicted to grow 20% annually (by volume) due to increased deployment of exhibit, tradeshow, retail, and store décor graphics, as well as interior wall murals, and similar applications. The cost advantages (for both shops and end users) associated with solvent printers is the ability to print direct to materials without top coated material and less expensive ink costs. Web

Consulting feels that most of this increasing production demand will be printed on solvent printers versus aqueous printers.

The near-term future looks positive for PVC scrim banner material with an overall volume growth prediction of 4% for 2006. The choice and method of decoration may and will continue to change and evolve but Web Consulting expects PVC banner to retain its banner (yes, this pun was intended) position as possibly the graphics industry's perfect media.

Web Consulting

Lisa Onesto is the Director of Web Consulting's Research and Report Services in North America. Founded in Oxfordshire, U.K. in 1993, Web Consulting (www.web-na.com) is a leading global consultancy to the digital printing, screen printing and industrial decoration industries. Web Consulting provides a flexible range of services including primary market research, market modeling and forecasting as well as strategic analysis and supporting services such as implementation, training and project management. For more information on the nine annual reports on the U.S. graphics market or three global reports, please contact Michael Flippin in the Boston office at (617 536 5925) or at info@web-na.com. In addition to its head office in Boston, MA, Web Consulting has regional offices in Shanghai, China and Oxfordshire, U.K

2006 SCHEDULE OF REPORTS

U.S. SIGN & SCREEN PRINT MARKET REPORT

\$2,795 April 2006 publication

Provides historical and forecasted U.S. retail sales, segmented by market and application with analysis of supply market including PSA vinyl, banner material, application tape and screen print ink.

U.S. WIDE FORMAT INKJET MARKET FORECAST

\$3,995 June 2006 publication

Details aqueous, oil, eco-solvent, solvent and UV-curable annual inkjet printer shipments, inkjet media purchases, inkjet ink sales, RIP platform sales, and inkjet graphics retail sales.

U.S. WIDE FORMAT INKJET PRINTER & RIP TRENDS

\$3,995 August 2006 publication

Provides in-depth look at printer and RIP purchasing trends, supplier market share, customer satisfaction ratings, best and worst product features plus other installed-based technology trends.

2006 U.S. INKJET PRINTING ON FABRICS (TEXTILE GRAPHICS)

\$3,295 September 2006 publication

Provides an overview of the applications and opportunities for inkjet printing on fabrics. Described as "soft signage," Web Consulting defines these applications as textile graphics or promotional textiles.

2006 U.S. PSA VINYL TRENDS

\$4,695 October 2006 publication

Provides a comprehensive analysis of PSA vinyl (sign, screen and inkjet) usage, purchasing trends, brand market share, supplier performance ratings and distribution channels.

2006 U.S. WIDE FORMAT INKJET MEDIA TRENDS

\$3,895 October 2006 publication

Analyzes purchasing and usage trends segmented by aqueous, solvent and eco-solvent media. Includes brand market share, types of media purchased, performance ratings and distribution.

2006 U.S. INTERNET TRENDS

\$795 November 2006 publication

Analyzes Internet-utilization trends for shops, including common online activities, online purchasing habits, and email and website ownership; also provides trends in end-user online behavior.

2006 U.S. SIGN & GRAPHICS TRENDS (Quarterly; Four Reports)

\$1,995 published quarterly

Updates economic and sales trends, sales growth, sales predictions, proposal activity, capacity utilization and pricing. Compares industry to GDP, U.S. ad spending and other economic data.

FLATBED INKJET PRINTING 2006 (First published in 2004)

\$3,295 updated annually

Provides a detailed overview of the emerging market for Flatbed Inkjet Printers including main applications, profiles of leading flatbed manufacturers, a review of relevant ink technologies, market sizing and forecasts.

INKJET PRINTING OF TEXTILES 2006 (First published in 2003)

\$2,795 updated bi-annually from 2006

Provides a strategic overview of the textile printing industry and markets to assess the market forecast opportunities for digital printing while considering competition, roadblocks, market/application needs.

CHINESE WIDE & GRAND FORMAT MARKET 2006

\$4,695 updated annually

Analyzes the Chinese outdoor and indoor graphics market: macroeconomic factors, manufacturer profiles, results of local market research, threats and opportunities, market sizing, trends and forecasts.

Publication dates subject to change.



Web Consulting Inc

Americas Office
398 Columbus Ave. #331
Boston, MA 02116
UNITED STATES

Tel: +1 617 536 5925
Fax: +1 617 536 5926
Email: reports@web-na.com
Web: www.web-na.com

Web Consulting is pleased to announce the 2006 schedule of Industry Reports.

These multi-client reports cover a wide range of digital printing markets and applications. Each report is available individually or as part of discounted report-package subscription.

To purchase or to obtain additional information, please contact Michael Flippin at (617) 536.5925 or email michael.flippin@web-na.com.

Web Consulting recycles



Web Consulting Asia Pacific
Room 322, Apollo Building
1440 Yan'an Road Central
Shanghai 200040 CHINA

Tel: +86 216 249 8378
Fax: +86 216 249 8078

Web Consulting (EMEA)
EMEA Representative Office
Oxfordshire
United Kingdom

Tel: +44 1993 898 609