GLOBAL PROSPECTS OF EXPORT ORIENTED PRINTING UNITS

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ABSTRACT

Global demand as well as domestic consumption of printing products, has increased in recent year due to increased in literacy rate. The future of the Indian printing industry looks bright. The country has the potential to increase production, productivity, and quality. The scope for exports is increasing especially due to industrial demand in the global economy. In the meantime, attention needs to be paid towards improving their standard. The segments of graphic design, print quality, and capability have achieved the global standard. Newspapers, books, catalogues, packaging products and other publications such as coffee table books have come up to the international standards. The growth of the market for printing products is expected to continue to be dependent on the growth of publication printing to a large extent. Exporters often suffer because of the inadequacy of government export promotion policies. This includes lack of gathering and provision of information on available export opportunities and ineffective promotion of the country's exports overseas. Deficient advertising and promotion programs are other factors that constrain export activities. This paper highlights the growth and development of export-oriented printing industry in global.

KEYWORDS: Global, Printing, Printing Units & Export

INTRODUCTION

Export trade plays a strategic role in the economic development of any country, which is augmenting foreign currency reserves, similarly, exports tends to increase the production of goods and services which in turn lead to the development of Gross National Product (GNP). "Exports are a lifetime of any country's economy. Export promotion continuous to be the major thrust area of the Union Government. India's external trade is being continuously fine-tuned in 1999-2000 which trend is still continuing indeed a matter of satisfaction. The real challenge now is to sustain the export growth and to improve upon it continuously.

Printing is a process for reproducing text and images, typically with ink on paper using a printing press. It is often carried out as a large-scale industrial process, and is an essential part of publishing and transaction printing. This chapter highlights the growth and development of export-oriented printing industry in global.

Objectives of the Study

The main objective of the study is to discuss the growth of export printing industry in the world level and also India.

Methodology

The study is based on secondary data. The secondary data source is books, journals, browsing the internet etc. The data is compiled in the form of tables wherever necessary.

Statistical Tool

The compound growth rate is calculated for the purpose of know the Growth of Exports of Printing Products World Level During 2004 – 2014.

PRINTING INDUSTRY AT GLOBAL LEVEL

The origin of printing can be traced back to China. The Printing industry was started as early as 255 B.C., during the Han dynasty in China.[1] A ceramic stamp was pressed into a sheet as a means of certifying the authenticity of the document. When the paper was invented, around A.D.105, the transition to the use of the seal with ink was a natural one. Early documents and manuscripts were copied and recopied by hand. Around A.D. 175, the Chinese began the practice of cutting the writings of important scholars into stone. The stones were placed in centers of learning, and students made "rubbings" or copies, on paper from the carvings. The process was faster than hand copying, and all editions were identical to the first. It was the need for religious literature and pictures in connection with the propagation of Buddhism that printing was invented. Blocks were used for printing portraits of the Buddha in 650 A.D.

In China in A.D.953, under the administration of Feng Tao, a large-scale block-printing operation was set up to reproduce the Confucian classics. Block prints were generally made from slabs of hard, fine-grained wood that were carved to leave well-defined raised images. The raised portion of the block and a pad was rubbed across the surface to transfer the ink to the paper. During the Sung dynasty, around A.D.1401, a common man named Pi Sheng invented movable type. The idea of movable type traveled to neighboring countries. In Korea, in A.D. 1403, King T'aijong ordered that everything within his reach is printed in order to pass on the tradition of information contained in the works. Three hundred thousand pieces of bronzer type were cast, the printing began. Less than fifty years later in Northern Germany, Johann Gutenberg worked a similar process, only using the Roman alphabet. His efforts earned him the title "father of printing". It is interesting to speculate if Gutenberg learned of the process from visitors to Asia. In1907, Rural Stein wrote a book entitled Hidaka Sutra which dates back to 868 A.D. in the caves of thousands of Buddha's in China. This is believed to be the oldest printed book in the world.

In Europe printing with the use of movable types began in the fifteenth century although block printing was known much earlier. It is however, difficult for the historians to state categorically if Chinese's inspired the European to use printing techniques or it was the other way. Even in Europe, the credit for the invention of movable types was ascribed to Gutenberg of Mainz (Germany) coster of Hearrilen (Holland) Johannes Brit of Bruges (Belgiu,) and Pamfilocastalde of feltre (Italy). On the basis of these developments, the beginning of the printing industry in different centuries spread over about a century. Table 1 shows the international growth of the printing industry.

Table 1: International Growth of Printing Industry

S.No.	Country	Year of Printing Started
1.	Germany	1455
2.	Italy	1465
3.	Switzerland	1468
4.	France	1470
5.	Holland	1470
6.	Belgium	1473
7.	Spain	1474
8.	England	1476

Table 1: Contd.,		
9.	Denmark	1482
10.	Portugal	1483
11.	Sweden	1483
12.	Russia	1556
13.	India	1556
14.	China	1589
15.	Japan	1591
16.	Phillippines	1593

Source: www.aifmp.com

The above Table 1 clearly shows that Germany entered into the printing industry first which gradually picked up in Italy, Switzerland, France, Holland, Belgium, Spain, England, Denmark, Portugal, Sweden, Russia, India, China, Japan and Philippines. India and Russia entered the printing industry simultaneously during 1556. But now, the China occupied the first place in printing products exports followed by India and Japan.

The growth of the market for printing products is expected to continue to be dependent on the growth of publication printing to a large extent. Within the global market, USA and UK markets are large and are now looking at outsourcing and increasing part of their demands from low-cost economies and producers such as India, given their increasing cost base and domestic competition.

The U.S. is the world's largest market for printed products. In aggregate, the printing and publishing industry accounts for a significant portion of the nation's goods and services. Printing and publishing is the largest conglomeration of small businesses in the US domestic manufacturing sector. While the industry is large in number, many individual facilities, particularly small letterpress operations are marginally profitable. Industry growth is affected by several factors like business formations and transactions, population growth and trends in certain characteristics of the population, such as leisure time availability and individuals' consumption patterns. Competitive pressures come from non-print media, such as CD-ROM, other electronic means of transferring information as well as the movement of book printing to offshore facilities where production costs are lower. In 1992, the U.S. imported $2.1 billion worth of printed products, principally from Canada, the United Kingdom, Hong Kong, and Germany. During the same period, the U.S. exported $3.8 billion worth of printed material. The major export markets for U.S. printed material are Canada, the United Kingdom, Japan, and Mexico.

Once the U.S. economy emerges fully from the recession of 1990 -1991, printing and publishing sales grow by 3.8 to 5.3 percent per year till 2000. The next five years offered printers several opportunities for business expansion due to the North American Free Trade Agreement (NAFTA) and the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) which reduced trade barriers to U.S. exports and strengthen protection of international copyrights.

Table 2 shows the World print market shares by region.

Table 2: World Print Market by Region

S.No.	Region	% of Share
1.	Australia	1.50%
2.	Western Europe	28.60%
3.	Eastern Europe	2.80%
4.	Africa	0.40%
5.	Middle East	0.70%
6.	North America	29.80%

Table 2: Contd.,		
7.	Latin America	6.20%
8.	Asia	30.00%
	Total	**100%**

Source: NPES/PRIMIR/PIRA

The above Table 2 clearly shows that, the Asia region has the largest world print market share followed by North America and Western Europe followed by Latin America, Eastern Europe, Australia and the Middle East. Africa has the least world print market share. Asia, North America, and Western Europe are the competitors with one another.

The following figure 1 clearly indicates the world print market by region.
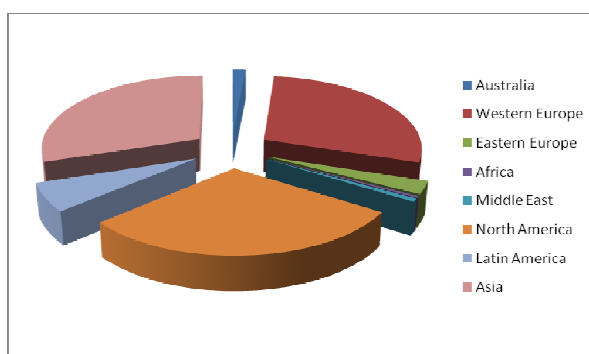

Figure 1: World Print Market by Region

EXPORT OF PRINTING PRODUCTS AT WORLD LEVEL DURING 2004 -14

In the global level, Western Europe, Eastern Europe, North America, Latin America and Asia occupied the top level. The main reason is the development of Internet technology, quality, and rate of the printing products**.** Especially in Asia, India follows the state-of-art technology for printing the printing products. It improves the quality and also printing the product at cheaper cost. However, listing cost of production and low margins are slowing these markets, particularly in Europe. Presently Neo-Asian markets such as china and India are fast emerging as significant players in the world of printing.

The demand for innovative printing practices has been on a high in recent times. The Indian Printing Industry is well established and presently growing at 12% per annum. India won 3 world star award in 2005 and 9 world star award in 2007. Japan and Germany superseded India and won more world star award during 2005-2007. In Asia level, awards provided on the basis of the performance and quality standards. Singapore and Thailand are achieving more Asia star award followed by India, Japan, and Sri Lanka.

Export of printing products made at world level during the period from 2004 to 2014 is presented in the following Table 3.

Table 3: Export of Printing Products at World Level During 2004 - 2014

Year	Amount (₹ in Crores)	% to Total	Amount Increase/Decrease	% Increase/Decrease
2004-05	165143.07	7.60	-	-
2005-06	171969.61	7.91	6826.54	4.13
2006-07	276147.93	12.71	104178.32	60.58
2007-08	196345.12	9.04	-79802.81	-28.90
2008-09	183512.07	8.45	-12833.05	-6.54

Table 3: Contd.,				
2009-10	219104.47	10.08	35592.4	19.40
2010-11	230683.43	10.62	11578.96	5.28
2011-12	213910.09	9.84	-16773.34	-7.27
2012-13	249301.18	11.47	35391.09	16.54
2013-14	266883.65	12.28	17582.47	7.05
Sum	**2173000.62**			
Mean	**217300.06**			
Minimum	**165143.07**			
Maximum	**276147.93**			
Standard. Dev.	**38723.35**			
CGR	**3.90**			

Source: Computed Data

From the above Table 3, it is found that the total export of printing products at world level during the study period is ₹ 2173000.62 crores. The average export of printing products has amounted to ₹ 217300.06 crores. The minimum amount of ₹ 165143.07 crores of export is found in the year 2004-2005 and the maximum amount of ₹ 276147.93 crores of export of printing products is recorded in the year 2006 – 2007 with a standard deviation of ₹ 38723.35 crores. The Compound Growth Rate for the export of printing products at world level for the study period is 3.90 which is not a welcoming growth rate. The highest growth rate of 60.58 per cent is found in the year 2006 – 2007 i.e., the export of printing products is increased from ₹ 171969.61 crores in the year 2005-2006 to ₹ 276147.93 crores in the year 2006-2007. Moreover in the year 2007-2008 the export of printing products at the world level is decreased from ₹ 276147.93 crores in the year 2006-2007 to 196345.12 crores. The trend of export rate of printing products at the world level is also fluctuating one.

CONCLUSIONS

Global demand as well as domestic consumption of printing products, has increased in recent year due to increased in literacy rate. The future of the Global printing industry looks bright. The country has the potential to increase production, productivity, and quality. The scope for exports is increasing especially due to industrial demand in the global economy. In the meantime, attention needs to be paid towards improving their standard. The segments of graphic design, print quality, and capability have achieved the global standard. Newspapers, books, catalogues, packaging products and other publications such as coffee table books have come up to the international standards.

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