

U.S. INDUSTRY OUTLOOK

This section is based on the 1989 *U.S. Industrial Outlook* published by the USDOC. This information provides a general forecast of short-term prospects, and gives an indication of expected trends and developments in the U.S. printing sector. While such information may be of interest, readers should proceed with caution in utilizing the data for the following reasons:

Firstly, although the USDOC is the source of both the "U.S. Imports 1982-88" (summarized above) and the "U.S. Industry Outlook", two different systems of product classification are used. Differences may not be obvious. In some cases, slightly different titles reflect very similar sets of products; in others, similar titles for sectors or product groups encompass a slightly different mix of products. Thus the market forecasts in the "U.S. Industry Outlook" section may cover a slightly different mix of products than the rest of this report.

Secondly, while most sections of the "U.S. Industry Outlook" address the entire sector, others address specific products or product groups. Forecasts made at both levels should be assessed carefully, as they may differ significantly from the prospects of any individual product included within them. It is, therefore, recommended that outlook data be used only as a general indication of sectorial prospects in the near term.

Products included in the USDOC discussion of the printing and publishing industry include newspapers, periodicals, books, and commercial printing which encompasses menus, tickets, clothing patterns and diverse printed articles. The USDOC notes that demand for printed products is closely linked to U.S. economic activity and demographic factors.

Newspapers

The USDOC notes that growth in receipts by the U.S. newspaper industry slowed in 1988 as a result of slower growth in retail and classified advertising revenues and slower increases in circulation. While local newspaper advertising expenditures were up about 6% (in current dollars) to approximately \$29 billion (U.S.) in 1988, this was lower than the 1987 increase of 9.8%. Most of the gain in advertising revenue occurred as a result of advertising rate increases rather than as increases in total ad volume. Total circulation of U.S. dailies was relatively unchanged in 1988, although Sunday circulation moved upward. Daily circulation increased less than 1% in 1987 to 62.8 million; Sunday circulation grew by nearly one million copies in 1987 to 60.1 million. The