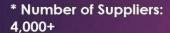


* Sales volume: As reported by ASI 26 Billion Dollars



*Estimated number of distributors: 35,000

* Estimated number of salespeople: 135,000

The State of The Industry Pre-Pandemic





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One Man's View



- The association world and membership retention will be shattered.
- Education will look to comfort their student body and build immediate "normalcy".
- > The education market will need help in growing distance learning.
- Every related business will shower the healthcare workers, hospitals, etc.
- > The fund-raising market will explode in an upward curve.
- Wellness programs will get more attention and funding.
- Digital advertising will continue the incredible growth curve but, in face of more competition per click rate, ideas will be needed to increase response and tangible promotions.
- Alternate distribution will be a creative endeavor.
- > The USPS will see a renaissance lending to more in the mail ideas.

- Products will be repositioned as survival tools for future events. A flashlight is positioned as a home item by us, but as a tool to find victims in a catastrophe.
- Customer service will not be the same until customers return.
- > Offering guaranteed safety/sterile packaging will become common.
- > Terms will shorten as cash is needed all along the supply chain.
- Credit ratings will be destroyed, and pro forma terms will be required more than ever.
- Trade shows, as we know, will be dead.
- Online purchasing will take a significant share of the market as buyers have become more comfortable with the method during the pandemic.
- ➤ Face to face meetings will be much harder to get. ★



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Significant decrease in distributors and distributor sales forces.

Those on straight commission may have little choice but to find a job with a salary and benefits. Not everyone will be able to survive a gradual rebuild in commission income.

There will be a reduction in suppliers.

Those who exist purely as importers may no longer be preferred or trusted sources.

Immediately promote your strengths

We are a financially viable company.



About Competition...

There Will Be

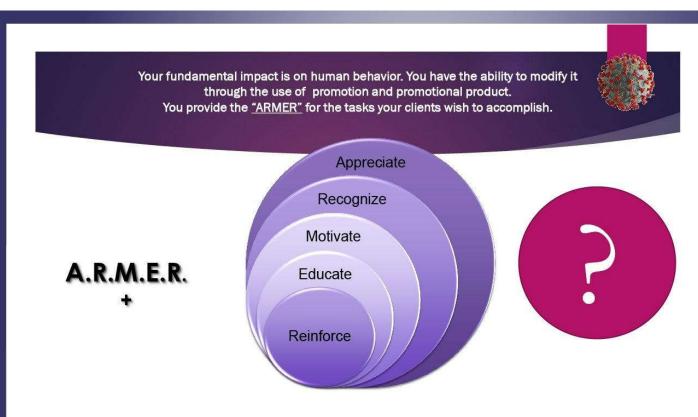
Significantly Less





The Buying Trend For Frequent Applications Of Promotional Products

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Two Fried Eggs, Bacon, Toast & Coffee

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Are You In Procurement?



- > Some distributors will be ramping up of procurement services.
- > Does it really matter if a bottle of sanitizer is branded when needed for a PPE purpose?
- > We will not be able to work on the margins we love. Procurement margins are slim.
- > There is still money to be made, but an "A" will turn to 10%.
- > Margins or markups from 5% to 15% ask print brokers, manufacturer's reps in thousands of different SIC codes.
- > Who takes the title of procured supplies determines the margins in most businesses.
- > There is a better chance for small to medium sized companies to fill this arena over the big guys.
- > Bigger companies will find it difficult to maintain a sales force on slim margins.
- > The takeaway here, in your business rebirth, consider yet another service of your company straightforward procurement.
- Approach with caution













- All businesses will immediately focus on return to normal programs and first up is asset recovery. The key asset will be people. With the massive layoffs and terminations, they will have to bring back an employee workforce on a gradual build.
- · Pressing need for morale builders and training aids.
- Think about the tools, motivational products and contributions you can make towards solving this problem.
- Plants will rev up slowly, workers recalled. Not all trained workers will return, if asked.
- Some will change careers, find new jobs and simply scatter in the winds of pandemic.

Among the first needs will be in HR.



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Where The Greatest Need May Be



- Now is the time to get creative and even be innovative JPEG flyer or a flip book, just be ready.
- Many businesses will not have immediate graphic capability, so consider offering stock designs to allow smaller business an opportunity to use a turnkey program to build employee morale.
- We have in our arsenal things from big graphics to desk top tools; it will not be the item but the message.

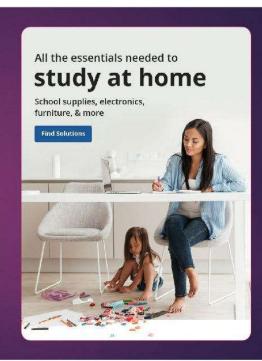














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What if I can help you bring back your business with our marketing and branding expertise, and I can get you money to do it?

Do we have a partnership?

Rescue Retail & Wholesale Consumer Product Companies With Coop Funding.



- Over 100 billion dollars available from consumer product manufacturers for their retailers. It is all based on precovid-19 sales in 2019. You can get it.
- Visit the PPAI webinar library for my session on Harnessing The Power of Co-op Advertising.



RETAILERS/WHOLESALERS
THROUGHOUT YOUR
GEOGRAPHIC COVERAGE
NEED HELP.

YOU CAN DELIVER THE MARKETING AND THE FUNDING.



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6,000+ Brands with coop funding

► Your client's vendors pay for up to 100% of the promotional product.







Listen To My
Session on
Coop Advertising
Available
In The PPAI
Library

CAS: CREATING OPPORTUNITIES WITH CO-OP ADVERTISING Comparent's). Includes Credits

Recorded On: 05/02/2018

OVERVIEW SPEACEF(S) CERTIFICATION CREDIT PRESENTATION POF

Your competition (radio, TV, newspapers, etc.) knows where to find the money to pay for advertising. You need to know, too. Co-op funds are still the greatest source of untapped funding for promotional products, and Joel Schaffer, MAS, will explain the opportunities that exist in the B2B market for the use of co-op advertising to fund promotional products.

REGISTER (FREEI)

MORE INFORMATION

Get To Know Force Majeure

Force majeure is a common clause in <u>contracts</u> that essentially frees both parties from <u>liability</u> or obligation when an extraordinary event or circumstance beyond the control of the parties, such as a <u>war</u>, <u>strike</u>, <u>riot</u>, crime, <u>epidemic</u> or an event described by the legal term <u>act of God</u>, prevents one or both parties from fulfilling their obligations under the contract. In practice, most force majeure clauses do not excuse a party's non-performance entirely, but only suspend it for the duration of the force majeure.

Force Majeure Can Protect You & Can Work Against You



Devourasaurus Rex

- · Look around you know for prey.
- Prepare a general letter of comfort plus.
- Define your offer but do not make one until the other party expresses interest.
- · Create a non-disclosure.
- Mail your general solicitation.
- Make phone contact.
- Negotiate persuade.
- Small family suppliers may determine the cost of resurrecting is greater than the rewards.
- Remnants and assets of deceased supplier companies can be gobbled up by the top 50 suppliers.



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Thank You!

Presented by

