

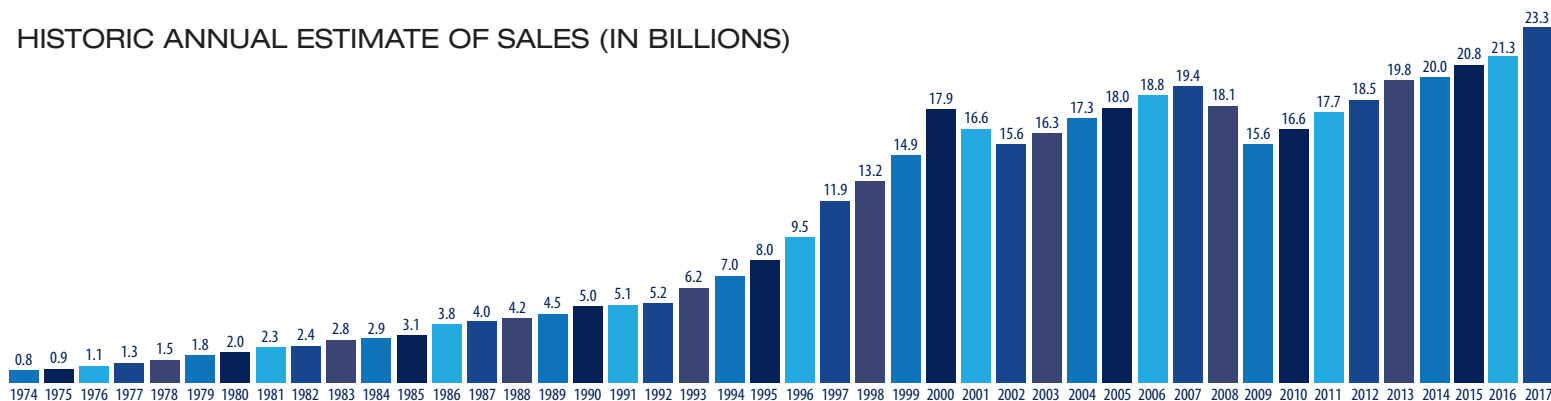
For more than 50 years, PPAI Research remains the industry's leading and trusted source in data and analytics. PPAI Research has estimated the size of the industry since 1965, but the current methodology being used has been in place since 1983. This annual sales study is considered the most definitive and comprehensive of its kind in the promotional products industry based on actual sales reported by U.S. distributor companies. In 2018, the study was conducted by a third-party, independent market research firm, Relevant Insights LLC, on behalf of PPAI and the members they serve. Methodology and detailed findings can be viewed in the full report at ppai.org/members/research.

Company Size	Number Of Companies	Sales Volume	Growth	Weight
<\$2.5M	22,721	\$9,792,129,462	0.89%	42.05
\$2,500,001M+	843	\$13,493,850,947	16.34%	57.95
TOTAL	23,564	\$23,285,980,409	9.30%	100%

With an increase just over nine percent, 2017 was the year of record-breaking growth for promotional product distributors. This was mainly due to large companies (over \$2.5 million), who tipped the balance in their favor by capturing nearly 58 percent of the total market share.

Distributor Sales In 2017 Is Estimated At \$23,285,980,409

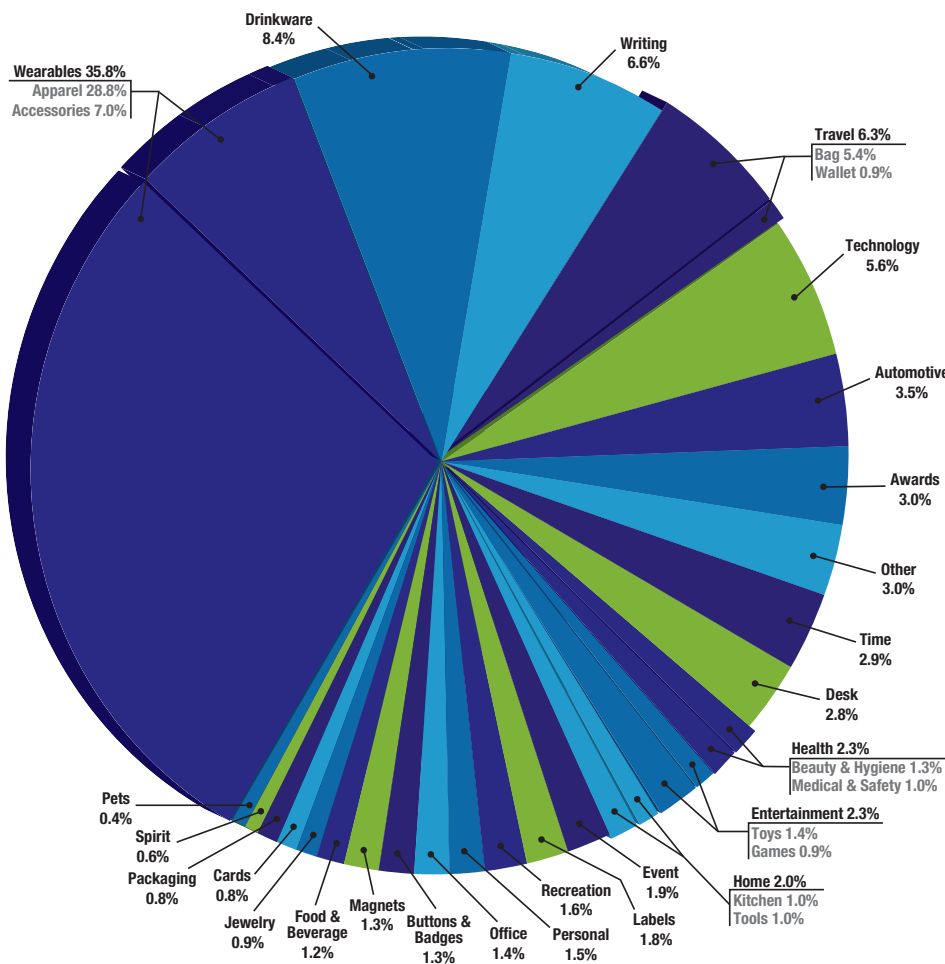
HISTORIC ANNUAL ESTIMATE OF SALES (IN BILLIONS)



PRODUCT CATEGORY*

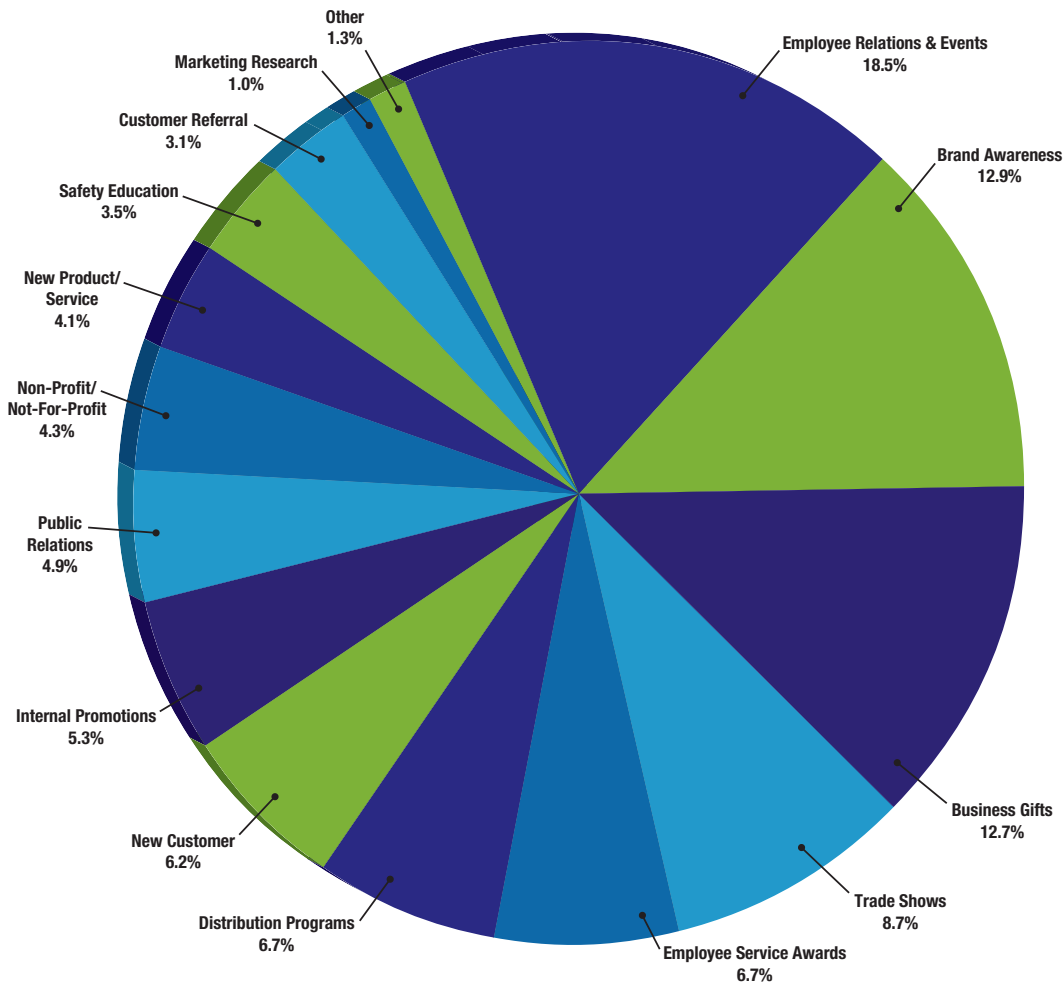
- 1 Wearables:** **Apparel** e.g. Uniform, T-Shirt, Golf Apparel, Activewear, Outerwear, etc.
Accessories e.g. Headwear, Neckwear, Footwear, Sunglasses, Workwear, Apron, Glove, Vest, etc. *(Does Not Include: Jewelry)*
- 2 Drinkware:** e.g. Glassware, Plastic Cup, Water Bottle (BPA Free, Plastic, Stainless Steel), Tumbler, Mug, Coaster, Bottle Opener, Bottle & Can Cooler, Thermos, etc.
- 3 Writing:** e.g. Pen, Pencil, Marker, Highlighter, Stylus, Eraser, Correction Tape, etc.
- 4 Travel:** **Bags** e.g. Paper & Plastic, Messenger, Backpack, Sling Pack, Tote, Gift Bag, etc.
Wallets e.g. Passport Case, Toiletry Case, Coin Purse, Pouch, Luggage Tag, etc.
- 5 Technology:** e.g. Phone & Tablet Case, Power Bank, Speaker, Headphone, Clock, MP3 Player, etc.
- 6 Automotive:** e.g. Window Cling, License Plate Frame, Air Freshener, Window Shade, USB, Car Charger, etc.
- 7 Awards:** e.g. Trophy, Plaque, Frame, Ribbon, Lapel Pin, Emblematic Jewelry, Crystal, etc.
Other: *Specific examples retained by third-party researcher*
- 8 Time:** e.g. Wall & Desk Calendar, Clock, etc. *(Does Not Include: Jewelry)*
- 9 Desk:** e.g. USB Drive, Mouse Pad, Screen Cleaner, Business Card Holder, etc.
- 10 Health: Medical & Safety** e.g. First-Aid Kit, Flashlight, Pill Box, etc.
Beauty & Hygiene e.g. Hand Sanitizer, Lip Balm, Nail File, Mirror, Sunscreen, etc.
- Entertainment: Games** e.g. Cornhole, Flying Disc, Ball, Playing Cards, etc.
Toys e.g. Stuffed Animal, Coloring Book, Stress Reliever, etc.
- 11 Home: Kitchen** e.g. Bag Clip, Oven Mitt, Cutting Board, Measuring Device, Pizza Cutter, etc. *(Does Not Include: Magnets)*
Tools e.g. Garden Tool, Tool Set, BBQ Grill Set, Décor, Holiday Ornament, etc.
- 12 Event:** e.g. Tent, Flag, Banner, Signage, Table Cover, Napkin, etc.
- 13 Labels:** e.g. Sticker, Seal, Bumper Sticker, etc.
- 14 Recreation:** Folding Chair, Hand-Held Fan, Blanket, Lantern, Umbrella, Stadium Seat Cushion, Cooler, Yoga Mat, Exercise Band, Sport Towel, etc.
- 15 Personal:** Keychain & Keyring, Pocket Knife, Lighter, Money Clip, Lanyard, Wallet, etc.
- 16 Office:** Planner, Paper, Folder & Binder, Notepad & Journal, Adhesive Pad, Stationary, Calculator, Ruler, Bookmark, Clipboard, etc.
- 17 Buttons & Badges:** e.g. Embroidered Patch, Button Pin & Clip, Name Badge, Badge Holder, Clothing Magnet, etc.
Magnets: e.g. Business Card, Calendar, Postcard, etc. *(Does Not Include: Home)*
- 18 Food & Beverage:** e.g. Snack Bag & Box, Condiment & Spice, Candy & Mint, Gift Basket & Tin, Bottled Water, Food Container, etc.
- 19 Jewelry:** e.g. Watches, Bracelet, Earring, Dog Tag, Necklace, Fit-Band, etc. *(Does Not Include: Awards)*
- 20 Cards:** e.g. Gift Card, Membership Card, Loyalty Card, Hanger, Key Card & Tag, etc.
Packaging: e.g. Ribbon, Tissue Paper, Cardboard Box, etc. *(Does Not Include: Food & Beverage)*
- 21 Spirit:** e.g. Megaphone, Hand Fan, Foam Glow Stick, Temporary Tattoo, Pennant, Foam Finger, Pom-Pom, etc.
- 22 Pet:** e.g. Bag Dispenser, Food Bowl, Pet Litter Scoop, Leash, Collar, Pet Carrier, etc.

2017 SALES BY PRODUCT CATEGORY*



***NOTE:** Due to new categories in 2017, percentages should not be used to compare year-over-year.

2017 SALES BY PROGRAM CATEGORY



PROGRAM CATEGORY

- 1 Employee Relations & Events:** e.g. Employee Motivation & Morale, Corporate Event, Employee Onboarding & Orientation, Corporate Identity & Communication, Uniform (Sport Team, Employee, Work), Employee Referral Program, Employee Training, etc. *(Does Not Include: Safety)*
- 2 Brand Awareness:** e.g. Promotion Program, etc.
- 3 Business Gifts:** e.g. Customer Good Will, Retention, etc.
- 4 Trade Shows:** e.g. Traffic Generation, etc.
- 5 Employee Service Awards:** e.g. Anniversary Recognition, Service Award, etc.
- 6 Distribution Programs:** e.g. Dealer Incentive, Co-Op Program, Company Store, etc.
- 7 New Customer:** e.g. Client Acquisition, Account Generation, etc.
- 8 Internal Promotions:** e.g. Sales Incentive, TQM/Quality Program, Productivity, Inventory Reduction, Error Reduction, Attendance Improvement, etc. *(Does Not Include: Safety)*
- 9 Public Relations:** e.g. Sponsorship, School Program, Media Relation, Corporate Image, etc.
- 10 Non-Profit/Not-For-Profit:** e.g. Public Awareness Campaign (Health, Environment, Public Safety), Fundraising, etc.
- 11 New Product/Service:** e.g. Introduction, etc.
- 12 Safety Education:** e.g. Employee Safety Training, etc.
- 13 Customer Referral:** e.g. Incentive Program, etc.
- 14 Marketing Research:** e.g. Satisfaction Survey, Focus Group Participation, etc.
- 15 Other:** *Specific examples retained by third-party researcher*

SALES BY COMPANY SIZE

Company Size	2013	2014	2015	2016	2017	%± OVER 2016
< \$2.5K	\$1,673,365,807	\$1,846,568,885	\$1,770,604,678	\$1,595,736,108	\$1,697,870,003	+6.40%
\$250,001-\$500K	\$1,509,019,388	\$1,530,260,232	\$1,481,662,627	\$1,581,337,042	\$1,753,476,883	+10.89%
\$500,001-\$1M	\$2,482,433,936	\$2,207,506,975	\$2,562,181,430	\$2,508,215,895	\$2,520,331,225	+0.48%
\$1,000,001-\$2.5M	\$4,422,696,874	\$4,329,256,589	\$3,441,922,613	\$4,020,627,032	\$3,820,451,352	-4.98%
\$2,500,001+	\$9,739,357,718	\$10,128,636,250	\$11,551,799,373	\$11,599,015,380	\$13,493,850,947	+16.34%
TOTAL	\$19,826,873,723	\$20,042,228,931	\$20,808,170,722	\$21,304,931,457	\$23,285,980,409	+9.30%

ONLINE SALES

Online sales are estimated at nearly \$5.4B in 2017, or 23.2 percent of the total industry sales.

Company Size	2013	2014	2015	2016	2017
<\$2.5M	\$1,075,428,815	\$1,378,340,947	\$834,370,461	\$940,629,053	\$1,126,822,858
\$2,500,001M+	\$1,621,952,603	\$2,203,655,822	\$3,110,511,442	\$3,272,894,696	\$4,271,407,493
TOTAL	\$2,697,381,418	\$3,581,996,769	\$3,944,881,904	\$4,213,523,748	\$5,398,230,352

*'online' is defined as orders placed by consumers through an online store or website