

EXECUTIVE SUMMARY

Monthly Print Market Update: May 2026

Prepared for: Commercial Print Industry Leaders

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Overview: A Market in Structural Transition

The May 2026 Monthly Print Market Update reveals an industry navigating layered pressures: softening employment, weak January shipment data, accelerating AI governance requirements, and a workforce defined by the dual challenge of knowledge loss and recruitment difficulty. Against this backdrop, wide-format color capabilities, packaging M&A, and digital transformation investment continue to attract capital and differentiate forward-looking operators.

*The industry is not
collapsing; it continues to be
sorted out by market forces
as the demand for printed
products changes.*

Employment: Flat Overall, Divergent by Category

1. April 2026 Graphic Arts Employment

April 2026 employment in the graphic arts sector declined 0.4% from March—essentially flat, but with notable internal divergence. Production employment rose 0.6% while non-production employment fell 2.5%, the inverse of March's pattern. Publishing employment declined 0.5% month-over-month. In adjacent categories (one-month lag): signage employment was flat, sign production down 2.7%; graphic design employment rose 2.2%; converted paper products up 0.9%.

The broader BLS April report showed nonfarm payrolls up 115,000—above the 75,000 consensus—with unemployment unchanged at 4.3%. However, the U-6 "real" unemployment rate rose from 8.0% to 8.2%, and labor force participation slipped to 61.8%. The economy has added only 251,000 jobs over the past year, a pace drawing concern from labor economists.

KEY INSIGHT: Volatility Signals Uncertainty, Not Trend

The month-over-month reversal between production and non-production employment in March and April indicates structural volatility rather than directional momentum. The broader macro environment—tariff impacts, geopolitical cost pressures, elevated U-6 unemployment—warrants cautious workforce planning. One month does not constitute a trend.

Shipments: A Difficult Start to 2026

January 2026 printing shipments came in at \$7.08 billion, down from December's \$7.19 billion—the worst January since at least 2013. Headwinds include tariff-driven cost inflation, the Iran conflict raising oil prices (national average now \$4.50/gallon vs. \$3.20 a year ago), and sluggish GDP growth. In Gimbel's Printing Outlook 2026–27 survey, "pricing pressures and price erosion" ranked as respondents' top challenge, with "national economic conditions" a close second. Geopolitical concern registered at its highest level in the survey's history. Note: February and subsequent 2026 monthly shipment figures were not available in this edition.

Industry Structure: Exit, Consolidate, or Invest

2. Three Structural Pathways

Excess capacity removal: Manroland Sheetfed entered German Schutzschirmverfahren (protective shield) insolvency proceedings. The CEO of parent Langley Holdings described the situation as "unsustainable." Given market share gains by KBA, Komori, and Heidelberg, the industry may be witnessing Manroland's exit from sheetfed press manufacturing.

Consolidation via tuck-ins: March 2026 M&A; activity was dominated by local, strategic transactions—BP Print Group/PrintFast, Andrick & Associates/Target Graphics, PackEdge/Keno Graphics, and multiple Minuteman Press and Allegra franchise acquisitions. No large-scale platform deals or private equity roll-ups were recorded. Consolidation is occurring by necessity: buyers are adding volume to improve utilization and remove competitors, not to build growth platforms.

Capital to growth segments: CCL Industries acquired Sleever International (shrink-sleeve) for \$113M USD at 6.4x adjusted EBITDA—a disciplined multiple reflecting a cooling but still-active packaging market. Altamont Capital Partners invested in Key Container Corporation (corrugated). Packaging and digital print continue to attract strategic capital.

KEY INSIGHT: Consolidation by Necessity, Not Expansion

For owners considering exit, tuck-in valuations remain achievable—but the rationale is volume and utilization, not growth. Sellers must position the transaction around customer retention, geographic fit, and operational complementarity rather than organic growth narratives.

Technology & Workforce

3. Wide-Format: Expanded Color Sets

Wide-format producers are differentiating through expanded ink sets beyond CMYK. Multiple OEMs now offer orange, violet, and green channels, significantly expanding printable gamut. Use cases include cosmetics POP displays, brand-critical colors outside CMYK range (Pantone 1837 "Tiffany Blue," Coca-Cola Red), neon and fluorescent applications, spot coatings, and opaque white ink for non-white substrates. Capability in these areas positions shops for premium, higher-margin work—though profitability depends on successful integration, to be addressed in the next column.

4. The Two-Headed Workforce Challenge

Recruitment: Economic uncertainty is reducing voluntary turnover. Large-scale layoffs at UPS (30,000 additional cuts in 2026) and Amazon (30,000 cuts) are generating displaced workers with transferable skills. A growing shift toward direct workforce entry from high school creates opportunity for printers with vocational and technical school pipeline relationships.

Knowledge preservation: An estimated 80% of critical operational knowledge in a typical print operation has never been formally documented. The cost of losing one high-tenure employee runs one to two times annual salary before accounting for lost institutional knowledge. Structured knowledge capture must begin before retirement announcements—post-announcement capture is rushed; post-departure capture is largely impossible.

*The winners will be those
that best manage integrating
productive AI and
transitioning the knowledge
base that is leaving. These
are not two distinct
practices—they are intensely
linked.*

In-plant staffing: 67% of in-plants with vacancies have not filled roles due to hiring freezes or budget constraints. Five critical statistics: 20% of the printing workforce is projected to disappear by 2030; 40%+ of in-plants are held back by legacy "black box" code; shops without automated mail tracking lose 12% in operational efficiency; a 15.6% revenue gap exists between multi-channel and traditional-only shops; 54%+ of in-plants cite productivity improvement as their primary reason for upcoming technology investment.

AI Governance and Technology Launches

5. AI Governance: From Awareness to Operational Readiness

The IAPP Global Privacy Summit (Washington, D.C., March 30–April 2, 2026) confirmed AI governance is rapidly becoming a business requirement. Over 1,000 AI-related bills were introduced across U.S. state legislatures in 2025. For print and packaging companies, AI is already embedded in workflow automation, estimating, customer communications, production planning, and cybersecurity. PRINTING United Alliance's framework: Map where AI exists, Measure risk by operational impact, Manage through clear ownership and oversight. The AI Readiness

Benchmark assessment is now available. The PRINTING AI Pavilion debuts at PRINTING United Expo, September 23–25, 2026, Las Vegas.

6. Fiery FS700X Pro Platform Launch

Fiery LLC and Xerox jointly launched the Fiery FS700X Pro DFE, designed exclusively for the Xerox Proficio PX500 and PX300 Production Presses. Key capabilities: Fiery Smart Estimator for upfront cost visibility; Easy Vitals job health monitoring; JobExpert automation presets; 10-bit imaging with Delta E linearization for extended gamut accuracy; and Xerox PredictPrint Media Manager for automated media setup. The platform targets reduced operator complexity, improved color consistency, and access to higher-margin extended gamut work.

Key Metrics Summary

Metric	Value	Significance
April graphic arts employment (vs. March)	-0.4%	Flat overall; production +0.6%, non-production -2.5%
January 2026 printing shipments	\$7.08B	Worst January since at least 2013; down from \$7.19B in Dec.
April 2026 YoY inflation	+3.8%	Margin pressure across all print segments
National avg. gas price (May 2026)	\$4.50/gal	Up from \$3.20 one year prior; elevated input/shipping costs
Book printing establishments (2023, NAICS 323117)	360	Down 33% from 2010
In-plants with unfilled vacancies	67%	Budget/hiring freeze cited as primary barrier
Revenue gap: multi-channel vs. traditional	+15.6%	Diversification payoff for shops that pivoted
Projected workforce reduction by 2030	-20%	~2 million jobs; automation imperative accelerating
In-plants: legacy code as barrier	40%+	No. 1 barrier to cloud migration and security
CCL/Sleeper acquisition multiple	6.4x EBITDA	Disciplined; reflects cooling packaging M&A; market