

# 'Economic boom to fuel printing sector growth'

BY OUR BUSINESS BUREAU

INTERNATIONAL Media Production Zone (IMPZ), the world's first dedicated free zone for graphic art industries, on Sunday said strong economic development in the country will continue to drive high growth rates for the country's printing industry.

According to IMPZ forecasts, the UAE's printing industry will sustain an annual growth rate of 12 per cent over the next three years.

The growth will be driven by the rising curve of developmental projects in the country and the increasing demand on Dubai as a centre of business excellence.

UAE's growing capabilities as a prime financial centre and attractive tourist destination are also expected to enhance the growth of the graphic art industry.

IMPZ's statement came a day ahead of its participation at the Gulf Print & Pack 2007 which begins on Monday.

The event is regarded the region's key industry attraction drawing the participation of more than 8,000 trade professionals from the printing, publishing and graphic art industries.

IMPZ Executive Director Hamad Huraiz said Asia's printing industry sees Dubai as the strategic

gateway for their products to the Middle East, Africa and Europe. Dubai's world class logistical infrastructure has attracted international printers looking at opportunities in these markets.

"We do not only aim to attract the physical presence of leading graphic art companies, we also aspire to re-locate their know-how and expertise to nurture indigenous talent. This strategy will further enhance the growth potential of the industry both locally and regionally."

Huraiz explained the graphic art industry is directly linked to demand as the sector supplies mainly to order or to long-term

contracts. "Printing firms are rarely able to manufacture for stock. The fast pace of economic development in this part of the world ensures increasing demand for advertising, which continues to be a crucial driver of the industry," he added.

Advertising expenditure is one of the most important factors influencing demand and production in the graphic art industry. Almost two thirds of the industry's turnover depends directly or indirectly on advertising.

In 2005, advertisement spend in the UAE's print media recorded Dhs2.15 billion (\$588 million) with a growth of 70.43 per cent

compared to 2004, according to Pan Arab Research Centre.

Sindbad Almahaire, Director of Sales and Business Development, IMPZ said: "Graphic art industries in the UAE have sustained a solid annual growth rate of around 12 per cent during the past 5 years."

"There are around 300 printing houses based across the UAE. Their approximate annual expenditure on purchase of new machinery and equipments alone is estimated at Dhs500 million. We expect this percentage to increase remarkably when production units at IMPZ start operations by the year 2008," he added.