

# 2023 Annual Report

# Building A Bright Future

## 2023 In Review

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The last few years have been like a rollercoaster at times, but in 2023, promo showed that it had finally stabilized and returned to normalized pre-pandemic business. The success of The PPAI Expo 2023, industry sales and more make clear we're on the right path.

Arguably the most important date on the calendar for our community, The PPAI Expo is a bellwether for the year ahead. Following a scaled down event in 2022 due to the Omicron variant, the show returned to its pre-pandemic performance with more than 15,000 industry professionals traveling to Las Vegas from 40 countries.

Additionally, The PPAI Expo 2023 represented a milestone for the Association. Working in collaboration with exhibitors, vendors and the Mandalay Bay Convention Center, the Association's show management team for the first time executed policies and practices to qualify The PPAI Expo as a zero-waste event. That week, 107,862 pounds of exhibitor and event materials were recycled.

Sustainability is one of several issues that have long been a focus of the Association, and in 2023 PPAI invested in it with a key addition to its leadership team, adding its first-ever director of sustainability and responsibility. The Association also brought on board a director of digital transformation to lead our facilitation of this key strategic goal on behalf the industry. With these new leaders in place, we've made significant progress both within the Association and for the greater promo community.

The most talked about introduction of 2023 was the inaugural PPAI 100. More than just a ranking by revenue, PPAI 100 shines a spotlight on the leading suppliers and distributors, based on, yes, their revenue, but also business growth, technological progress, responsibility and several other factors to create a holistic hierarchy of the businesses driving the promo industry forward. To make PPAI 100 is to be on the most exclusive list in promo, and as an ongoing initiative, it is already evolving to better reflect and serve our dynamic industry.

In 2023, as per PPAI's U.S. Distributor Sales Volume Report, the promo industry set another record, growing to \$26.1 billion in sales. While growth slowed from 2022's meteoric rise – the industry was rebounding from its pandemic-induced slowdown – promo continued to move from strength to strength. And there was plenty to look forward to: Overwhelmingly, the report showed a business community optimistic about the future.

The Sales Volume Report is the Association's preeminent annual data-gathering project for the industry, but 2023 also marked a revitalization of PPAI Research, with new investments in staff and resources. In 2023, PPAI released 15 research reports and tools for our members, a pace that has grown moving forward, as we share new and valuable insights for industry businesses.

Also in 2023, PPAI and the U.S. promo industry's 26 regional associations established new ways to work together and collaborate, as a door was opened for them to become business services members of the Association. The move was designed to lessen the red tape involved in collaboration and more thoughtful dialogue. It comes with a long list of benefits for the regional associations.



What does all this mean? Ultimately, 2023 was good for both PPAI and the promotional products industry. And it's only going to get better from here.

Thank you for being a member of PPAI. We appreciate your support and look forward to continuing to serve you in the future.

Sincerely,

A handwritten signature in black ink that reads "Dawn M Olds". The signature is written in a cursive, flowing style.

Dawn Olds, MAS, Interim President & CEO of PPAI

## Promotional Products Association International

### Statements of Financial Position

<u>December 31,</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 6,867,662	\$ 7,095,061
Accounts receivable, net	1,011,181	802,770
Investments	14,266,689	11,626,921
Prepaid expenses	4,761,459	4,570,563
Accrued interest receivable	14,402	1,988
Property and Equipment, Net	1,120,491	1,209,850
<b>Total Assets</b>	<b>\$ 28,041,884</b>	<b>\$ 25,307,153</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 324,647	\$ 568,703
Accrued expenses	842,059	583,178
Contract liabilities	13,875,952	12,086,314
<b>Total Liabilities</b>	<b>15,042,658</b>	<b>13,238,195</b>
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	1,586,776	2,761,558
Board designated:		
Designated for strategic plan implementation	794,260	1,288,610
Designated for general purposes	10,618,190	-
Designated for capital improvements	-	2,101,932
Designated for contingencies	-	5,916,858
<b>Total Net Assets</b>	<b>12,999,226</b>	<b>12,068,958</b>
<b>Total Liabilities And Net Assets</b>	<b>\$ 28,041,884</b>	<b>\$ 25,307,153</b>

*See accompanying notes to financial statements.*

# Promotional Products Association International

## Statements of Activities

<i>Year ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Revenue Without Donor Restrictions</b>		
Trade shows	\$ 9,185,697	\$ 7,621,230
Membership services	10,857,888	11,717,200
Publications	1,472,346	1,409,783
Professional development	69,117	362,015
Business development	-	17,050
Regional relations	84,375	135,000
Investment income (loss), net	888,752	(240,448)
Other income	25,884	1,533,286
<b>Total Revenue Without Donor Restrictions</b>	<b>22,584,059</b>	<b>22,555,116</b>
<b>Expenses</b>		
Program expenses:		
Trade shows	3,904,039	3,520,427
Membership services	6,723,937	6,825,371
Publications	1,268,988	985,248
Professional development	779,556	687,043
Public affairs	498,055	562,413
Membership engagement	299,952	262,567
Regional relations	95,016	126,033
Business development	1,097,006	1,032,075
Industry promotion	1,419,119	1,259,979
Technology	1,206,157	973,975
Volunteer administration	123,011	124,815
Strategic plan expenses	453,566	149,582
<b>Total Program Expenses</b>	<b>17,868,402</b>	<b>16,509,528</b>
General and administrative expenses	3,785,389	3,991,120
<b>Total Expenses</b>	<b>21,653,791</b>	<b>20,500,648</b>
<b>Change in Net Assets Without Donor Restrictions</b>	<b>930,268</b>	<b>2,054,468</b>
<b>Net Assets Without Donor Restrictions, beginning of year</b>	<b>12,068,958</b>	<b>10,014,490</b>
<b>Net Assets Without Donor Restrictions, end of year</b>	<b>\$ 12,999,226</b>	<b>\$ 12,068,958</b>

*See accompanying notes to financial statements.*