



2022 Annual Report

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PROMOTIONAL PRODUCTS ASSOCIATION INTERNATIONAL

Stronger Than Ever

2022 In Review

The PPAI Expo was back! And industry sales were up! Those two points alone might sum up the significance of 2022.

In January, we all breathed a sigh of relief when The PPAI Expo once again opened its doors, bringing the industry back together and signifying the start of our recovery. In many ways, The PPAI Expo 2022 was one of the most important and significant events in Association history. While attendance did not reach pre-pandemic numbers, the opportunity for our members and the industry to kick off the year in a familiar setting was a welcome sign of things to come.

And The PPAI Expo wasn't the only sign of a return to normalcy. Promotional products sales were also improving. The industry showed its resilience and amazingly reached a new high as promotional products sales surged to their highest ever, reaching \$25 billion for the first time. The industry wasn't simply rebounding in 2022, but growing. This once again showed the power of promotional products as companies recognized the importance of presenting their teams and customers with tangible appreciation and connections.

The launch of PPAI's new strategic plan in 2022 set the course for the future with the implementation of our new vision: **Promotional products are universally valued and essential to every brand.** PPAI also unveiled its new mission: **Be the voice and force to advance the promotional marketplace for the benefit of our community.** With the plan in place, we moved forward.

These guiding statements provided the direction for a complete PPAI rebrand. We redesigned the twice-weekly PPAI Newslink e-newsletter as well as our longstanding print publication, which was renamed PPAI Magazine. We also launched the Promotional Products Work! Initiative, signifying our commitment to buyer outreach.

One critical component of elevating promo is ensuring buyers think of our industry positively. In addition to just being good corporate citizens, PPAI doubled down on embracing sustainability and elevating the importance of CSR within the industry with the long-term goal of providing best practices for members.

Another critical topic for the health of our industry is efficiency. In 2022, PPAI introduced Promo Data Exchange (PDX), which solves the problem of having to call industry suppliers for inventory and order status. The data from PDX is available through SAGE.

Ultimately, 2022 was a good year for the Association and the industry. Both are well positioned for future success.

Thank you for your membership and support. We look forward to continuing to serve you in the future.

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Sincerely,

Dale Denham, MAS+, President & CEO of PPAI

Promotional Products Association International

Statements of Financial Position

<i>December 31,</i>	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	\$ 7,095,061	\$ 11,565,226
Accounts receivable, net	802,770	370,227
Investments	11,626,921	6,630,036
Prepaid expenses	4,570,563	4,408,719
Accrued interest receivable	1,988	2,166
Total current assets	24,097,303	22,976,374
Property and equipment, net	1,209,850	1,293,306
Total assets	\$ 25,307,153	\$ 24,269,680
Liabilities and Net Assets:		
Current liabilities		
Accounts payable	\$ 568,703	\$ 597,678
Accrued expenses	583,178	415,379
PPP Loan	-	1,349,247
Contract liabilities	12,086,314	11,892,886
Total current liabilities	13,238,195	14,255,190
Total liabilities	13,238,195	14,255,190
Commitments and contingencies		
Net assets:		
Without donor restrictions:		
Undesignated	2,761,558	2,075,500
Board designated		
Designated for strategic plan implementation	1,288,610	565,502
Designated for capital improvements	2,101,932	1,990,699
Designated for contingencies	5,916,858	5,382,789
Total net assets	12,068,958	10,014,490
Total liabilities and net assets	\$ 25,307,153	\$ 24,269,680

See accompanying notes to financial statements.

Promotional Products Association International

Statements of Activities

<i>Years ended December 31,</i>	2022	2021
Revenue without donor restriction:		
Trade shows	\$ 7,621,230	\$ 894,804
Membership services	11,717,200	10,121,382
Publications	1,409,783	1,389,045
Professional development	362,015	88,277
Public affairs	-	82,725
Business development	17,050	-
Regional relations	135,000	118,125
Investment (loss) income, net	(240,448)	296,544
Other income	1,533,286	13,489
Total unrestricted revenue	22,555,116	13,004,391
Expenses:		
Program expenses:		
Trade shows	3,520,427	800,747
Membership services	6,825,371	6,891,356
Publications	985,248	818,051
Professional development	687,043	193,492
Public affairs	562,413	421,325
Membership engagement	262,567	185,099
Regional relations	126,033	19,485
Business development	1,032,075	742,929
Industry promotion	1,259,979	782,073
Technology	973,975	756,627
Volunteer administration	124,815	12,695
Strategic plan expenses	149,582	22,455
Total program expenses	16,509,528	11,646,334
General and administrative expenses	3,991,120	2,325,926
Total expenses	20,500,648	13,972,260
Change in net assets without donor restrictions	2,054,468	(967,869)
Net assets without donor restrictions at beginning of year	10,014,490	10,982,359
Net assets without donor restrictions at end of year	\$ 12,068,958	\$ 10,014,490

See accompanying notes to financial statements.