

A SIP FROM THE FIREHOSE -

**A Keynote Address Presented at the Scanvec Amiable Resellers Breakfast, 04/02/05,
by Teresa M Young, Sign Biz President & CEO**

As you know, I'll be speaking about Five Trends, for the next Five Years (no, I won't be talking for five years...) and Five Questions. Now, as you can imagine, that is a very big subject, hence the title, "A Sip From A Firehose."

Before that topic, however, I'd like to provide a brief synopsis of my time in this industry. Twenty years ago this month I entered the computer-aided sign industry by opening a vinyl sign shop-- back then it was a tiny world known as the "quick sign industry,"-- It's now a huge world called the "imaging sign industry." I've been told that in 1985 mine was the first 100% woman-owned retail vinyl shop in America. Of course, there weren't that many of those businesses around at all.

Then, thirteen years ago I became President and CEO of Sign Biz, Inc., a business development company and educator for the digital sign and graphics industry. We have founded more than 165 imaging sign companies since that day. In January of 2002, I was nominated to sit on ISA's Board of Directors, and that year began chairing the Digital Division as well as a new Marketing & Communications Committee for ISA. So I will be communicating ISA's role in the context of workshop as well, as they play a valuable trend watching role. And finally, in January of this year, I was nominated to sit on ISA's executive committee-- the first woman in ISA's history to receive this honor—this is a sign of ISA's expanding depth and reach, by the way.

You will hear today that our industry is gaining power. You will learn about some technologies that will definitely reshape our industry over the next five years. And you will learn about opportunities you might not have imagined for your business.

Because in 2005 and beyond, every one of you may have more power to change the world than many government leaders. And if you part of this industry, you have to accept that you are an agent for this change, no matter what your title.

Presenting five trends that will have an impact over the next five years means that we are talking about one vision for our industry's future. And so I suggest we think in terms of this vision, and how these trends will shape it. A company's Strategic Planning needs to be viewed frequently, and modified with this industry's vast changes.

There are several strategic planning models, but the most appropriate for visioning the future of the sign industry profession with all of the incredible new technology and sweeping changes would probably be Scenario Planning.

Specifically, the model can be viewed in terms of the five questions I mentioned earlier:

1. Of the internal and external forces that influence this industry, ask yourself, in what ways might changes in these forces influence your profession, for example, change in regulations, demographic changes, technological advances, etc.?

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2. For each of the five trends to be discussed, what three different future industry scenarios (including best case, worst case, and OK/reasonable case) might arise with the profession as a result of each change?
3. What can you do, or what potential strategies can you use, in each of the three scenarios to respond to each change?
4. Ask yourself which considerations or strategies must be addressed *today* in order to respond to possible external changes.
5. And finally, What are the most likely external changes to affect your segment of the industry, for example over the next three to five years?

Now for a sip from the fire hose...

Trends emerging today that will influence our lives are manifold—we *could* be here for five years discussing them! Just to name a few, this past October, Applied Digital Solutions received an FDA approval to implant its VeriChip™ device in humans as a way of giving medical personnel instant access to secure medical information. Yep, it's the size of a grain of rice, and it's been in use for a long time to reunite lost pets with their owners. The same company is conducting long-term research into an implantable device for locating people via the global positioning system. Really!

But I imagine you want to hear about trends that have an impact upon the sign industry. I have no doubt that all of you know some of the most talked about trends already, which you will hear mentioned today. But there are perhaps two or three trends that you may not have considered, and that I hope will provide a new perspective as well as a call to action on behalf of our industry.

Trends that we are probably all aware of and that will *not* be the subject of our Five Trends talk today include: The rising cost of raw materials—steel prices are up 46% over the past twelve months. Lumber prices are up 25%, and cement is in short supply! We will see more and more contracts with clauses that account for these rising costs.

Another trend for discussion at another time is the limits of the global distribution network. The ships in Long Beach get so backed up you could walk to China on them! Lead times for many products are already doubling. That trend will continue.

Rising healthcare costs are a huge trend—up an average of 11% in 2004, and jumping again in 2005 by 12%! I predict that nearly every company will one day be aligned with a PEO—a Professional Employer Organization. More than 60% of ISA's members are companies with 10 or fewer employees. They are the absolute perfect candidates for the services of a PEO. One day, using a PEO will be as SOP as QC.

Oh, by the way, I'll be talking about some trends shortly that will require us to understand **new jargon**. It's a big part of our industry's future.

The only thing constant is change, and you, and I, and ISA are all keeping up with the new dynamics of our industry. We HAVE to. Just as ISA was once the National Electric Sign Association, so, too IBM was once called the Computer Tabulating and Recording

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Equipment Company. They changed with the times. ISA changed with the times. ISA is about 61 years old. IBM is 105 years old.

Now, for the trends we want to examine! Like David Letterman, I'll start at #5- -

First, some background for Trend #5: Heinz's global marketing spend is up 8 per cent this year. As one of the world's biggest-spending household brands (fast moving consumer goods, or FMCG in the jargon—write that down) this should be good news for an advertising industry struggling out of recession. But dig deeper and all is not as it seems. This 8 per cent is mostly accounted for by a rise in Heinz's expenditure with its retail customers - the likes of Wal-Mart, & Tesco. Traditional above-the-line marketing is flat.

The Jargon:

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|-----------------------|---|
| Above the Line | advertising for inclusion in any media. |
| Below the Line | packaging, promotions, sponsorship, point of sale signage , mail order, etc. |

Heinz UK and Ireland, spends between a third and half of its total marketing budget on below-the-line activity, most of which is in-store.

At Procter Gamble, owner of brands such as Pampers, Ariel and Crest, investment on what it calls "emerging media" is growing at more than double the rate of traditional media spend. Hey, Emerging Media—That's us!

"The store environment is becoming an ever more important way to communicate the brand message to the consumer. Total marketing spend is up, but spend has accelerated faster in some newer media" That's what Gary Coombe said. He's P&G director of customer business development.

Heinz and P&G are not unique. **The trend** to increase marketing in stores - sometimes known as trade funding or trade marketing - is being repeated across the FMCG world as supermarkets turn the heat on their suppliers.

So where is this money coming from? Are brands siphoning money from classic advertising budgets to put into retail? If so, does this pose a threat for traditional ad agencies and a boon for sign companies? I say yes!

The challenge is trying to evolve classic ad agencies into one-stop shops which include retail expertise. The most common complaint is that agencies don't understand in-store marketing. They don't understand what they are buying. This is Opportunity with a capital "O" for the sign industry. Visit <http://www.signbiz.com> for more details and background information.

You ask, "How do you judge retail media in comparison to other media? Is it evaluated under terms of business negotiations or cost per 1,000?" Many brand owners can't get an answer from the ad industry. They prefer using retail specialists for the buying and delivery of store campaigns.

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I believe that in the next five years, imaging sign companies who reposition themselves as retail specialists will be able to capitalize on the in-store advertising trend.

In the past, the **\$15 billion** Point-Of-Purchase (POP) ad industry had no standards in place and manufacturers had no way to confirm placement or the ability to analyze the effectiveness of POP signage. Brand managers have stated that in some cases they do not get properly placed or executed POP promotions, resulting in lost sales for manufacturers and their retailer partners. POP displays include signage, coupon machines, floor graphics, wobblers, danglers, base wraps (ads wrapped around the base of display) (see? more important Jargon), inflatables and mobiles.

POP displays give manufacturers an opportunity to communicate information to customers at the time when they are making their purchase decisions.

Listen to this: A five-year multi-channel study has been conducted by Point-of-Purchase Advertising International (POPAI) and the Advertising Research Foundation (ARF) to determine how in-store ads work for a range of brands, calculating the consumer impressions delivered by POP and evaluating the incremental lift that POP generates.

The study covers 22 markets, tracking 23 types of signage and analyzing 94 brands in eight categories at 250 stores.

The study included new, established and restaged brands that were reviewed for a 20-week minimum covering 60,000 individual POP displays. Frito-Lay, Pepsi-Cola, Procter & Gamble, Anheuser-Busch, Ralston-Purina and Pfizer's Warner Lambert sponsored the study. The study, called "**In-store Advertising as a Measured Medium**," indicates that POP advertising can finally be measured in a manner similar to broadcast and print advertising.

POP advertising is a cost-effective medium delivering a cost-per-thousand impressions of \$6 to \$8 (comparable to out-of-home advertising or radio) for supermarket displays and is based on findings that a grocery display makes an average 2,300 to 8,000 impressions per week depending on the store size and volume.

When a basewrap and brand sign were in place at a product display, total sales increased 9 percent and the addition of a thematic sign generated a 13 percent sales increase.

In the category of salty snack products, the addition of wobblers/danglers resulted in a 10 percent increase in sales; floor graphics yielded a 12 percent increase and motion displays or inflatables/mobiles yielded a total sales increase of 15 percent.

Retailers have always valued their captive audience of shoppers—they are right now implementing new ways of communicating with customers and they want advertisers and media buyers to think of them as a highly-targeted media channel!

According to POPAI, 70 percent of brand decisions are made at the point of purchase and 49 percent of advertising in main shelf positions had a direct effect on sales.

More can be found on the www.signbiz.com website, in the statistics and trends pages.

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Upon release of the initial results, Jim Spath, president of the Advertising Research Foundation said, “The study provides the basic data and process necessary to create, for the first time, a real media mix that will enable everyone to realize POP’s true value.”

The coordinated integration of POP signage generates significant increases in sales, builds brand awareness and drives impulse sales in the grocery channel. **Manufacturers, sign companies and retailers must work together at the industry level to maximize the benefits of POP displays.** Already, the Sign Biz chain of 170 stores is equipped with training materials, a POP glossary of terms, and brand-builder support materials, to assist brand pushers and retailers in their quest for greater sales.

We are, therefore, in the advertising business, (the identity business, and in the manufacturing business.) This trend has made expanded, strategic deployment of P-O-P advertising very important and the new retail environment has made it necessary for manufacturers to work directly with retailers in developing in-store programs.

This is Opportunity with a capital “O”. Those companies that arm themselves with the latest statistics on the impact of in-store signage will have the leverage needed to capture this “below-the-line” emerging media revenue stream **within the next five years.**

Signs are now entering marketing textbooks!! Major marketing, advertising, and retail textbooks are adding new sections on signs and sign usage! This is a first!

This is advertising and marketing! And **digital signage—both static and electronic—will take a growing share of advertising dollars from other media investments over the next five years.**

More Jargon our industry needs: Revenue measures from stock turns, margin per square foot or revenues from print (static) signage, as well as electronic signage that defines a particular location as advertising space.

This includes Electronic Display Systems, Organic LEDs and TFT (Thin Film Transistor) Displays on shopping carts (or, for you UK folks, shopping trolleys). More on this coming up right now in Trend #4!

Background for Trend #4: The 80-display New York subway entrance digital signage network offers some valuable lessons to digital signage users and suppliers as it celebrates its first birthday. Significant advances have been made in electronic digital signage during 2004, and the next five years show signs of being very busy for dynamic digital signage.

Ten thousand shop frontages for Coca Cola. 900 complete shops across Europe for Blockbuster Video. A worldwide re-signing program for British Airways. You need sophisticated software to survey the sites, experience to know what the local authority will permit and automated manufacturing for speed and low costs.

You now also need satellite feeds and digital signage!

Digital Signage is being called "the last mile of a marketing program", offering more cost-effectiveness, flexibility and control at product and service selection locations. Many retailers

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such as Apple, McDonald's, Bank of America, Circuit City, Safeway, Sears, Virgin Music, US Postal Service, Nike and others have run successful pilots during 2004.

At the same time, some of the firms shifting ad spending to digital signage include astute media buyers and brand-builders such as Bayer, Black & Decker, Colgate-Palmolive, Disney, DirectTV, Frito-Lay, General Mills, Heinz, Kodak, L'Oreal, Minute Maid, Nestle, Sara Lee, The New York Times, LG Mobile Phones, ABC, Fox, Univision and Lee Jeans.

Digital displays – signs-- support commerce, public safety and information needs because they are so visual, vivid and eye-catching. Being able to provide information at a point of decision or when information is needed underpins the value of this communications medium for advertisers, businesses, and public service providers.

At the same time, the importance of the sign industry is moving forward by leaps and bounds in other ways. For instance, the Federal Highway Safety Administration has recently indicated that because signs appear to enhance safe wayfinding, they must be allowed at a minimum the size, height, and illumination that would allow for readability and conspicuity.

The Small Business Administration has also worked to bring the issues to the attention of the public, both in their educational booklet, Signs: Showcasing Your Business On The Street, and in their website, www.sba.gov/starting/signage. Together with ISA, these many efforts are now establishing a new paradigm about signs.

And, a number of prominent experts across several fields have come together to create a new handbook on signage, The Signage Sourcebook – available out on the Expo floor at ISA's booth.

The book contains an invaluable legal section that explains why and how signs, as speech, are to be treated by regulators. It also includes an excellent section on the science of signage that lays out specific data for size, height, and illumination to ensure readability and conspicuity. (By the way COUNT ON ISA TO BE THERE TO HELP! ISA's sign code hotline, 866-WHY SIGN—has been ringing off the hook this year. That's where MEMBERS seek help in fighting harmful local sign codes.)

Back to Trend #4-- Electronic Digital Signage (EDS) – Electronic Message Centers-- represent a merging of technologies, the same way that computer Software changed paint to vinyl, and the way that digital imaging changed vinyl to printed ink. This infant industry doesn't yet know how to walk, but the sign industry needs to become expert in its applications, so that our market isn't taken by television manufacturers, cinematic people, the p-o-p industry or anyone else. There's a race to figure out how to economically utilize OLEDs, CRT's, plasma screens, E-ink and other forms of electroluminescence.

At the same time, the industry needs to show that these technologies are for exterior use as well and, in terms of legislation, that they are not distracting or traffic hazards.

We have lessons to learn here, and opportunities with EDS. Revenue from dynamic digital display at, for example \$10,000 per month per display to the network owner, offers a good "**return on space**" comparison. The location benefits of use, such as **product lift, branding**, better customer relationships, liability containment, etc. are adding to the value assessment.

The 25x50 inch LED signs positioned at the street level entrance to New York subways are providing a "return on space" and value along the supply chain from advertiser to signage provider.

They will likely continue to take the place of all other types of illumination, not just neon.

Talk about the future! Here we are with shopping cart TFT's (Thin Film Transistors), and extraterrestrial links to signs. Yep! The future is now. The importance of satellite-based media transport for secure, low cost communication cannot be underestimated for place-based media. That non-earthbound satellite link is a key component for EDS signage.

The Big Three of lighting are all behind it (GE, Philip, Osram), so it will happen by sheer dominance. It's still a distant third in sign illumination, but it has grown every year, according to ST's annual lighting survey. Just out in March, Signs of the Times latest survey says that EDS share of sign illumination grew from 6.7% in 2003 to 9.4% in 2004.

Eventually, this will affect the NEC and UL as more and more sign companies will be installing it. Right now, there are few, if any, regulations for LEDs regarding safety, handling or installation. It's wrong to believe that EDS' are foolproof, but we need to come up with our own standards so that the public views them as completely safe. The sign industry needs to develop these standards before outside entities develop them for us.

I'd like to thank Wade Swormstedt, Signs of the Time Magazine editor for his contributions on this subject!

Here's where we can jump in right now, and be the great retail / advertising/POP providers and outdistance ad agencies in five years:

Listen carefully—Experts in this new media tell us that one of the biggest reasons advertising agencies and media planners are slow to place campaigns on digital sign networks is the scrambled ad specifications they see each day.

The people controlling media spends see a parade of account executives selling ads in everything from standard 4:3 broadcast size, to 18:9 landscape, narrow banners, vertical strips, inverted 3:4 windows, rectangles, sound, no sound, dueling ads, and on and on.

Remember when "dithers" "pixels" "RIP" "CMYK" and RGB were there?? We are right on the cusp of figuring it all out, just as we were back in the 90's with digital print.

Here's our opportunity: The easier signage providers make it for the advertising world, the faster Digital Signage and placements will grow. Lessons on digital signage are emerging as fast as the industry itself.

Next! This morphs right into Emerging Technology Trend #3—: In-store signs that can morph (love that word) the messages they display throughout the day will soon become a reality thanks to new "smart display" technologies that can be updated wirelessly from a central server using very little power. A department store, for instance, could use this technology to advertise one promotional message early in the day aimed at stay-at-home

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moms, and another targeting teenagers after school lets out. Further out, product pitches will be tailored to more detailed store traffic patterns.

A **Xerox** subsidiary has patented its SmartPaper product, which was originally developed nearly 20 years ago. The company has had trials with **Federated Department Stores'** Macy's stores, and others, including a supermarket chain.

Unlike neon or a liquid crystal display these flexible displays don't emit light, but instead reflect light as a piece of paper does. They're made out of micron-sized wax beads that are black on one side, white on the other and have an electrical charge on them. The beads are placed between two layers of plastic and suspended in an emulsion that lets the beads rotate. When you apply voltage to an area of [the sign] the beads move to create an image or a word.

Messages can be sent from a central server to signs throughout the store, or even across an entire chain. The black-and-white signs run on batteries because they only need power to change their messages. After the beads are moved, they stay put without a power source.

And related to Trend #3—This just in: Currently, several companies sell wearable computers and there is a considerable literature on the subject. Some wearable computers are basically desktop or notebook computers that have been scaled down for body-wear. Others employ brand new technology. Both general and special purposes are envisioned, and a number of wearables have been designed for the disabled.

So-- How does this impact the sign industry? Among the challenges of wearable computers are: how to minimize their weight and bulkiness, and this is where we find the link to our industry.

Although the technology behind Organic LED (OLED) displays is pure chemistry, the applications are much more everyday - mobile telephone and television screens, laptop and stereo displays, car navigation systems, or even signs and billboards.

This OLED technology is based on a revolutionary discovery that light-emitting, fast switching diodes could be made from polymers as well as from semiconductors. The polymer materials are applied by **precision ink jet printing!** Using this technology, pixels of red, green, and blue material are applied. After the patterned cathode has been applied via metal evaporation, the cell is sealed.

Philips states that the big advantage of the manufacturing process is its simplicity and therefore its potential for low cost; This procedure requires fewer manufacturing steps than the manufacturing of LCDs, and, more importantly, fewer materials are used. In fact, the whole display can be built on one sheet of glass or plastic, so it should be cheaper to manufacture.

Polymer LEDs have several inherent properties that afford unique possibilities, such as:

- All colors of the visible spectrum are available
- High brightness is achieved at low drive voltages/current densities
- No viewing angle dependence
- Operating lifetime exceeding 10,000 hours
- High response speeds allow display of high quality video

Once the manufacturing processes are firmly established and optimized, this should make for a fantastic "display" of products - one we're looking forward to monitoring, in the next five years, such as:

1. Flat letters such as 1/8" acrylic or dimensional letters or flat logos will be lit with OLEDs applied to their front or back surface and perhaps even have the ability to change colors.
2. The OLEDs will be applied like vinyl is applied today or may be sprayed on with an ink-jet-type applicator. Eventually the technology will develop to the point where 3-D effects will be accomplished.
3. Shopping center sign bands will be made with OLED letters on the surface and lit with low voltage wiring built into the sign panel.
4. Storefront glass will have OLED signage applied. It may be transparent and only light when a passerby approaches using a motion sensor.
5. Wall panels will be lit with OLEDs for color effect as well as room light enhancement.
6. OLEDs will be used for special effects in signage, perhaps in coordination with other lighting sources.

I want to acknowledge Ron Farmer, President of US-LED for his input on this subject!

As we can see, we will need to know advertising jargon to thrive in the next five years, what with **Smart Stores** and **Real Time Retailing!**

Trend #2— Well, it is all about the digital print arena. Okay, now I have your attention ☺

The digital sign & graphics industry is currently undergoing a transformation, with companies trending toward large format and solvent flatbed printing in addition to traditional vinyl cutting. A new term is emerging to describe these businesses, which you heard me use at the start of this address -- "imaging sign companies." Imaging companies would also include photo labs, blueprint houses, and screen printers.

Increased printing speeds and lower production costs will allow manufacturers to produce signage at record rates and the retail value of wide-format print is expected to follow a 13.4 percent compound annual growth rate through 2008, reaching \$34.75 billion from \$18.5 billion in 2003. You probably already know that!

Solvent flatbed printers are encroaching on and supplementing screen print industry applications. 165 units were sold in 2002, and 1,100 are projected for 2007, with flatbed printer revenue reaching \$54 million in 2007.

Another Digital Inkjet Trend to Watch

Known as single-pass, fixed array inkjet printing, it allows for super-high-speed printing and is likely to be the next "big thing" according to *Digital Graphics* magazine.

At last year's Drupa show in Dusseldorf, Germany, a UV-curing single-pass inkjet technology called FastJet was demonstrated, which, once fully developed, would crank out 40" wide four-color images at the rate of 300 linear feet per minute—or approximately 60,000 sq. ft. per hour.

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What does this mean to the large-format commercial graphics market? Well, as yet, no one's precisely sure. Some might say it won't have much effect at all because of the high costs involved—others say it will profoundly change the face of the industry within the next five years.

According to Web Consulting Inc, based in Massachusetts, solvent inkjet sales are up from 7% to 10% in 2004, and this trend is continuing. Banners represented 20% of inkjet printing, tied with fine art reproduction. Exhibit graphics represent 17% of the inkjet printing market, and 12% went to POP/Retail graphics. **Specialty media purchases represented 54% of all media purchases in 2004, and specialty media sales continues to grow each year.**

74% of companies surveyed had laminators in-house, up from 57% in 2003. This trend will continue, though at a somewhat slower rate.

Inkjet media is purchased from local distributors by sign shops, but more and more, we will see sign shops purchasing their media direct.

Advances in technology and reduced costs of entry will allow more companies, some of which may be non-traditional to the sign industry, to supply a growing array of printed products in competition with current signmaking technologies such as vinyl film. New markets are opened up at the same time, including the wallcoverings market, as 3% or \$90 million worth of wallpaper was digitally printed in 2002.

Continued demand by end users for smaller quantity production runs, driven by a desire to regionalize ad campaigns, reduce inventories, and satisfy quick turnarounds will drive the digital transition.

POP now accounts for 40 percent of the output of digital printers, especially flatbed models, according to I.T. Strategies, a digital printing market research firm based in MA. The end-user and brand builder can produce small runs, cost effectively, with high perceived value. Value that is substantiated by new in-store sales studies.

We are already heavily involved in retail, in Manufacturing, and Corporate Identity! **We are going to be doing more for business in 2005 than ever before—our industry makes businesses more viable, and safer. In fact, the US Small Business Administration endorses signage as a key element in the success of a business enterprise—in fact, they now make some of their loans contingent upon the applicant having good signage!**

What does this mean for our industry? We must be advocates for our industry as being critical to the health of business, especially small business, which produces more than 50% of the Gross National Product of this country!

Remember that Question #4 at the beginning of this discussion? Which considerations or strategies must be addressed *today* in order to respond to possible external changes? I suggest to you that if you are not a member of the International Sign Association that you become a member, to keep abreast of these trends and, especially, to support the organization that is protecting and strengthening our industry.

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By the way, how many of you knew that in 2004, ISA discovered that the Environmental Protection Agency's Energy Star Program was studying the on-premise sign industry for possible regulations! After numerous requests, the EPA's Energy Star program made the preliminary report available for ISA's inspection. The draft report, it turns out, was fundamentally flawed.

ISA quickly moved to inform the EPA of the proper methodology to utilize in viewing the sign industry. As a result—Energy Star decided to abandon all general efforts to establish guidelines for the illuminated sign industry!

You need to be aware of government issues and trends that threaten to compromise our industry's power to champion small business success. ISA has been *diligent* and *intelligent* about protecting this industry of ours. From the Signage Sourcebook—get your copy on the tradeshow floor today, To the SBA website & the recent success with Energy Star (which most folks didn't even know was a threat), your association has been making a difference. A HUGE difference. And I'm not paid to say that...

And finally, Trend #1—here's some background (detecting a trend here?) Just look at some of the ways the internet is continuing to evolve: Based on studies by research companies, they predict that in this century, e-learning (Distance Learning) will constitute 50% of all learning and education. The rapid rise of learning on the Internet will occur not because it is more convenient, cheaper, or faster, which it is...but because cognitive learning on the Internet is better than learning in-person.

ISA is developing on-line training and certification programs—a vast undertaking, but so valuable for the future of our industry. In 2005 the ISA Education Department will conduct advanced, intensive training of sign service and installation technicians on the safe operation of boom trucks. Watch how e-learning takes off in the next five years for our industry!

To continue on the role of the internet – did you know?—up to 50% of design and signmaking software purchases are heavily influenced by the graphic designers working in the sign shop! **If you are selling software, talk to the graphic designers.** Speak their language, and make sure they have access to on-line training materials and FAQs!

And here is the heart of Trend #1-- It's time to BLOG! How many of you have a blog you use?

Food for thought: HP's blog experiment was launched Nov. 8, as a way to better communicate with the technical community. The vice president of marketing for HP's management software organization said that they wanted to foster communication with particular audiences. In this case, it's with the developers and the managers in the technical space.

The company rolled out the blogs in a very low-profile fashion: They buried it in the developer section by design because they wanted to get their feet wet.

HP is in. Microsoft began [publishing employee blogs](#) on its MSDN (Microsoft Developer Network) Web site in January last year, and Sun followed suit a few months later with the launch of a Web site where any Sun employee can create a public-facing Weblog. Just visit

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<http://blogs.sun.com/roller/> In April of last year, IBM Corp. opened up part of its DeveloperWorks Web site to a small number of [technical bloggers](#).

Blogging has become a way of reaching audiences that may be unreachable with conventional marketing techniques. This is all about getting to an audience who ordinarily wouldn't read anything that you put out there

You can build a whole web log, or blog, too! This is where, in the next five years, you will see Graphic Artists reviewing your public blogs and making educated software purchasing decisions with the company owner.

If you're asking "what is a blog?"—well, it's a personal diary. A collaborative space. A political soapbox. A breaking-news outlet. A collection of links. Memos to the world. There are millions of them, and no real rules.

In simple terms, a blog is a web site, where you write stuff on an ongoing basis. New stuff shows at the top, so your visitors can read what's new. Then they comment on it or link to it or email you. Or not. Blogs have reshaped the web, impacted politics, shaken up journalism, and enabled millions to have a voice and connect with others. And I'm pretty sure the whole deal is just getting started. If you have a chat room—Scanvec Amiable has one now-- then you are ready to have a blog site. Check out Scanvec Amiable's forums if you haven't already done so.

As business blogging becomes more widespread, two main approaches have emerged: There are **bottom up bloggers and top-down bloggers**. Each approach is vastly different, and few fall in between.

Bottom-up blogging can either start organically or with an edict or blessing of the corporation. Famous bottom-up blogging corporations include Microsoft and Sun. Basically, this is blogging at its best. It's real employees dishing out the straight dope from the bowels of the corporation. It's unfiltered, fun and, for many, incredibly risky. However, when it's done right, bottom-up blogging can change a corporation.

The majority of blogging companies, however, fall into the top-down camp. They devise a blogging strategy with input from execs, communicators, marketers, PR, HR, etc. They deliberately determine who will blog for the company on what subjects at what time and in what place. Famous top-down blogging companies include most major media companies, GM, and Cisco.

Still, I believe that hybrid blogging has perhaps the greatest PR potential. However, there's an art to it. Advisers need to carefully mix organic blogging with stimulated blogging into a powerful communications cocktail without over mixing the drink!

If you are already doing all of this, then you are no doubt doing well in the sales arena. If you are not employing these techniques—start now, before the trendsetters and bloggers leave you behind! Reminds me of that story: A reporter was interviewing a 104 year-old woman: "And what do you think is the best thing about being 104?" She simply replied, "No peer pressure."

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And so, to recap our five trends:

Number 5. Imaging sign companies who reposition themselves as retail specialists will be able to capitalize on the in-store advertising trend—dollars to donuts.

Number 4. Electronic Digital Signage (EDS) –represent a merging of technologies, the same way that computer Software changed paint to vinyl, and the way that digital imaging changed vinyl to printed ink. This infant industry doesn't yet know how to walk, but it will transform both advertising and illuminated signage applications.

3. In-store signs that can morph the messages they display throughout the day will soon become a reality thanks to new "smart display" technologies that can be updated wirelessly from a central server using very little power.

2. Increased printing speeds and lower production costs will allow manufacturers to produce signage at record rates and the retail value of wide-format print is expected to follow a 13.4 percent compound annual growth rate through 2008, reaching \$34.75 billion from \$18.5 billion in 2003.

And # 1. The new role the internet plays in business, through both E-Learning programs for our industry, and for Blogging- -will reshape our client relationships. And I'm pretty sure that within five years, nearly every sign industry manufacturer will have bottom-up, top-down, or hybrid blogs.

The industry really is moving at the speed of communication!

Speaking of speed: I love deadlines. I especially like the Whooshing sound they make as they go flying by ☺

My time is up, so I would like to leave you with a few thoughts.

When you look at all of the trends and influences on our industry today, find your calling in one. If each of you picks one issue to improve for our industry, we will have it made. One way to make the most of your time and energy is to support ISA.

Because, if you chase 2 rabbits, both will escape. Focus is power.

Then share your vision of what this industry could be- -best case scenario- -with all of us working together. Tell that story to your peers, to your clients, to your co-workers. In a new book, Costco cofounder, President and CEO Jim Sinegal says, "All you can do is relate the successful experiences you've had within the company. What else have we got besides stories? That's what really hits home with people; it's what brings meaning to the work we do." I say, blog your stories!

And to quote the two Eliots, I leave you with this:

The novelist George Eliot—a woman who had to use an acceptable male pseudonym for her time, wrote, "*It is never too late to be what you might have been...*"

And T.S. Eliot said: "*You are the music while the music lasts.*"

Thank you everyone—I have to say good-bye and visit another group across town. Have a great day at the ISA Expo!

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