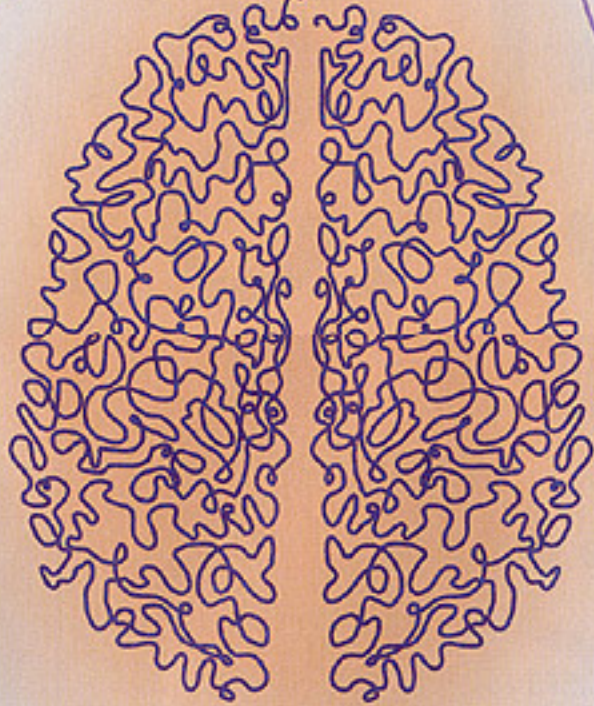


P.O.P DESIGN®

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If you let your
mind free,
where
would it go?

Budget Increases Expected

In spite of the increasing costs of energy, raw materials and fabricated components, many P-O-P producers expect 2006 to be a good year, with budgets increasing at a faster rate than costs. "We consolidated all of our operations in a newly renovated 450,000-square-foot facility in Yonkers this year in order to better service our growing business," says Diam International's Berzok. "Not only have we experienced no layoffs, but in the past year, we have added staff in every department."

John Carlson, principal of **The Carlson Group**, a P-O-P producer headquartered in Portland, Ore., with design, production and warehousing facilities in Chicago, is also optimistic about 2006. "Budgets are still tight, but they began to loosen somewhat during 2005 and we expect this trend to continue next year," he says. "We are also doing more account-specific design and manufacturing and expect this to continue as well."

Louis Hsiao, president of **Concept Designs**, Palo Alto, Calif., sees a similar trend. "Both brand marketers and retailers are placing more emphasis on in-store displays," notes Hsiao. "As traditional media advertising continues to become more expensive and less effective, marketers are putting their money where consumers are spending theirs."

P-O-P producers are also not hesitating to spend money to upgrade their design and manufacturing capabilities.

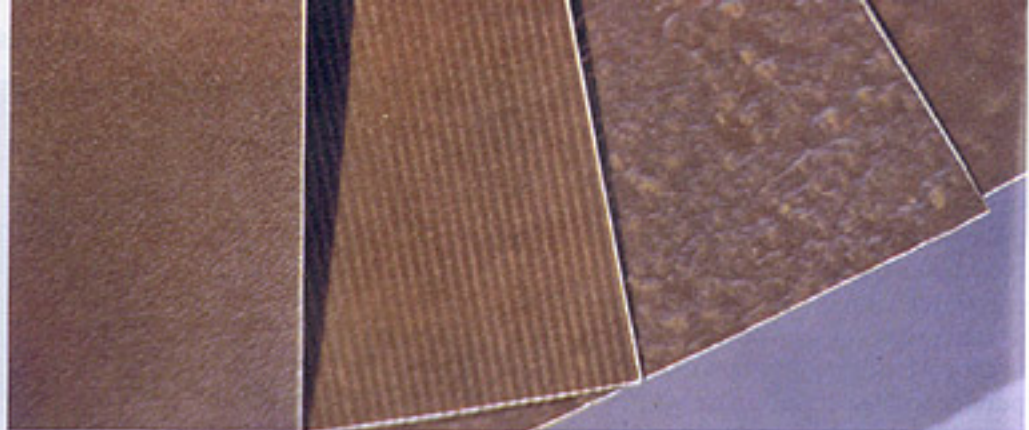
"As part of our move to Yonkers, we

substantially increased and upgraded our fabrication department with state-of-the-art equipment," says Diam International's Berzok. "We purchased several high quality CNC routers, buffing and polishing machines, a universal laser, a flame polisher, table saws, radial deal presses, lift stations and additional silk screening equipment."

Kathleen Socha, president and creative director of **Phase One Design Services** in Atlanta, Ga., notes that her company has made significant investments in software. "We upgraded to the latest versions of Illustrator, Photoshop and Indesign PowerPoint," she says. The Carlson Group has also invested in project management and inventory management/ordering software, while Concept Designs has purchased Solidworks as well as more computers and monitors.

At the same time, however, P-O-P producers are also looking for ways to cut their expenses. "We started shipping acrylic and aluminum displays by UPS rather than by truck," says Jimmy Vianu, vice president of **Concept Displays/The Pro Design Group**, Gardena, Calif. "It requires more creative packaging because UPS is not gentle with the packages it delivers, but the higher cost of the packaging is more than offset by the lower cost of shipping."

Materials — What's Hot, What's Not Displays are getting brighter and more colorful in order to attract attention. "Patterned frosted panels and color mood lights



were 'hot' this year," says Socha. "There was also a lot of interest in color kinetics, light and animation devices. Next year, we expect to see more layers of subtle colors."

There also seems to be a trend toward more use of natural materials. "We used a lot of wood in our displays this year," says The Carlson Group's Carlson. "Many of our clients requested wood and aluminum laminates with natural colors," Vianu of Concept Displays/The Pro Design Group concurs.

"A few years ago, we saw metallics everywhere," says Roseanne Alletto, vice president, sales for Diam International. "Today, clients think more strategically. Preserving the integrity of the brand's positioning with materials that reinforce it is more important than riding a trend. In one case, for example, we sourced a unique plastic from Italy because it was the material that showcased our client's brand most effectively."

Lighting is also a distinct design element that can be used to draw attention to a display. "In the Maybelline wall, for

The move toward natural surfaces is a growing trend. Abet Laminati introduced its Naturali line of laminates with four different textures. (Photo courtesy of Abet Laminati)

example, lighting is used throughout the display and its open design allows light to pass through so product is always visible," says Diam's Berzok. "Light boxes are strategically placed to create a playful environment and vertical panels provide hot spots in unexpected ways."

Sandy Miller, president of **Way-Light**, Laguna Niguel, Calif., says "Until now, our fluorescent light-sticks have been available only for indoor use, as a bar back piece, for example." The company plans to offer an outdoor version of its light-sticks in 2006.

One area of growing interest is security. "Diam has a proprietary power and security system for electronics," says Alletto. "Using simple power connectors, we can create a security system with multiple alarm points so any unauthorized removal of product activates the alarm."