

## Summary of Results

Consolidated revenues increased by \$49.5 million to \$852.6 million in 1995. The Printing and Binding Operations, where revenue increased by \$53.5 million, experienced the greatest increase. Total expenses increased by \$30.7 million to \$855.6 million, primarily as a result of an increase in the value of printing and reproduction procured from commercial printers of \$43.3 million. However, operational expenses decreased due to the fiscal year 1994 Separation Incentive Program. Approximately \$17.7 million in personnel compensation costs were avoided in fiscal year 1995, compared with approximately \$4.8 million (\$13.5 million in compensation avoidance less \$8.7 million in separation incentive payments) in fiscal year 1994 when 357 GPO employees separated in the first quarter of the fiscal year.

## Printing and Binding Operations

In fiscal year 1995, GPO's Printing and Binding Operations contributed revenues of \$669.6 million, compared with \$616.1 million in fiscal year 1994. Printing and Binding Operations generated 78.5 percent of total GPO revenue of \$852.6 million, compared with 76.7 percent last year. Revenues from commercially procured printing were \$574.7 million, or 69.2 percent of total GPO revenues of \$830.8 million (excluding revenues from the sales of blank paper and other operations).

- **Purchased Printing Operations** – Central and regional printing procurement operations reported revenues of \$574.7 million in fiscal year 1995, compared with revenues of \$526.8 million in 1994. Both central and regional procurement revenues increased even though total orders decreased. This occurred primarily as a result of the rise in paper prices that contractors charge GPO, which GPO passes on to its customer agencies as a cost of the job. A secondary reason for the revenue increase is that the surcharge limit that GPO charges customer agencies for work performed rose slightly in the first quarter of fiscal year 1995. This modification was adopted from a suggestion by the Interagency Council on Printing and Publication Services. The procurement operations experienced a net gain of \$1.7 million, compared with a net loss of \$6.2 million in fiscal year 1994.
- **Central** – Revenues from Central Office printing procurement activities were \$355.6 million, compared with \$322.3 million in fiscal year 1994. Expenses for Central Office printing procurement activities were \$350.2 million, compared with \$322.9 million in the previous fiscal year. The net gain for the Central Office printing procurement activities was \$5.4 million, compared with a fiscal year 1994 net loss of \$641,000.
- **Regional** – Regional printing procurement revenues were \$219.1 million, compared with \$204.5 million in the previous year, while expenses increased to \$222.8 million from \$210.0 million in 1994. The net loss in regional printing procurement decreased to \$3.7 million in fiscal year 1995 from a \$5.5 million loss in fiscal year 1994.
- **In-house Printing Operations** – Central and regional in-house printing operations generated revenues of \$200.9 million in 1995, compared with revenue of \$197.6 million in 1994. This operation experienced a net loss of \$8.7 million, compared with a net loss of \$23.0 million in fiscal year 1994.