



Immediate Release

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APA Anticipates Robust Year for Fireworks Retailers but Tougher Times for Professional Display Industry

Spirit of Post War Patriotism Expected to Increase Sales for Fireworks Retailers this July 4th. Professional Display Industry Faces Many Challenges.

Bethesda, Maryland – June 23, 2004 – Consumer fireworks retailers across the country are reporting record sales this season, despite the recent war, sluggish economy, and concerns about security. The American Pyrotechnics Association (APA) attributes this growth to rising national pride and patriotism, along with an increase in the number of states now permitting consumer fireworks.

Consumer fireworks are now available for sale and use by private citizens in 43 states plus the District of Columbia. Connecticut, Maryland, Minnesota, and Vermont are the most recent states to modify their fireworks laws to permit consumer or backyard type fireworks for use by the general public.

Fireworks use has more than tripled since 1990, from 67.6 million pounds to over 220 million pounds in 2003. With this dramatic increase in fireworks usage, it's important to emphasize that fireworks-related injuries have declined substantially during this same time period, by almost 75%. In 1990, there were 17.7 injuries per 100,000 pounds of fireworks used. That rate dropped to 4.4 in 2003. Industry revenues have also soared to \$775 million in 2003, over the previous highs of \$725 million in 2002, and \$650 million in 2001.

Julie L. Heckman, executive director of the American Pyrotechnics Association, indicated that while the consumer fireworks industry is achieving record breaking sales and profit, things are not so profitable for the professional public display side of the industry. "The display industry has encountered an onslaught of additional regulation following the events of 9-11, due to homeland security concerns. Add increases in insurance costs, coupled with surges in transportation and fuel fees, criminal background check and fingerprinting for employees, and these professional companies are finding it extremely difficult to tow the bottom line, let alone make a profit," she said.

Communities and sponsors need to understand that display prices may increase in the future to allow these fireworks companies to cover their costs and make a modest profit. It has been very frustrating for these small entertainment companies to continue to absorb the additional costs associated with more regulations, increased insurance premiums, and transportation fees.

“Transporting fireworks has become a major obstacle and financial burden for display companies,” added James Souza, APA’s Vice President and President of Pyro Spectaculars by Souza, Inc., one of the largest pyrotechnic production companies in the world. “Meeting stringent hours of service and other transport regulations, plus duplicative licensing requirements is causing havoc for our mom and pop industry,” he said. “Our industry still has not financially recovered from last year’s railroad embargo and most communities and sponsors do not have an understanding of what it costs for display companies to survive in the fireworks business,” said Souza.

According to Heckman, all in all, the fireworks industry will rise to the occasion this Fourth of July and provide Americans nationwide with plenty of dazzling red, white and blue *oohs* and *aahs*. “It will just feel a little more black and blue and definitely less profitable for display fireworks companies,” she said.

About the American Pyrotechnics Association

The APA is the leading trade association of the fireworks industry. The APA supports and promotes safety standards for all aspects of fireworks. The APA has a diverse membership including regulated and licensed manufacturers, distributors, wholesalers, retailers, importers and suppliers of fireworks and professional public display firms. Additional information about the fireworks industry, facts & figures, history of fireworks, and state laws, can be found on APA’s web site at www.americanpyro.com

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