

THE • NEW • SINGLE • COPY

A NEWSLETTER ABOUT PUBLISHING AND PUBLISHING DISTRIBUTION

VOLUME VI, #25

January 14, 2002

News From Around the Business: 2001 magazine ads down. Not much optimism. A closing, but some remakes and a new title

The month of December was one of the weakest for magazine advertising according to the end-of-year report from the **Publishers Information Bureau (PIB)**. Total revenue (PIB's numbers are estimated using publisher's rate cards) fell by double digits, 11.2%, compared to the same month in 2000. Pages were down 19.4%. For the full year, PIB reported that revenues decline by 4.9% and pages fell by 11.7%. For a further comparison, *Fortune* magazine led all titles with 4,012 pages of advertising in 2001, but that figure was a drop of more than 35% for the Time Inc. business title. In terms of dollars, *People* was the leader, racking up \$656.2 million in revenues, but even that was a fall-off of 9.4% from 2000....In a year-end summary published in the trade journal, *Advertising Age* (1/7/02), leading publisher executives were not optimistic for a quick turnaround. Don Logan, chairman and CEO of Time Inc., was quoted as saying that, "By first quarter we won't have hit bottom yet." Jack Kliger, chairman and CEO of Hachette Filipacchi Media U.S., is reported not to expect the magazine business to show much improvement until 2003. A guarded hope was expressed by Dan Brewster, president and CEO of Gruner & Jahr USA, who was quoted, "There's a hint of encouragement rippling through our sales staff. Whether that's well-founded or not, I have no idea."...**HomeStyle** magazine, once known as *American Homestyle & Gardening*, will cease publication with its March issue, on sale next month. The Gruner + Jahr USA title was, according the fas fax reports of the Audit Bureau

of Circulations (ABC) for the first half of 2001, generating an average of 71,000 newsstand sales per issue (down 27%), out of a total circulation of 974,000. It was projected to produce nearly \$3 million in annual retail sales....Still there are new launches. **Hearst Magazines** will partner with Nike Inc., the sportswear manufacturer, to launch *Jordan*, a celebrity-driven, lifestyle magazine focussed on the basketball player, Michael Jordan. There will be two issues in 2001, with plans to go to a quarterly schedule the following year. *Jordan*, which will have a cover price of \$3.50, will debut in February, around the time of the National Basketball Association all-star game....The February issue of **Harper's Bazaar** will feature a new look, as its new editor, Glenda Bailey, debuts. The magazine sold an average of 161,000 single copies per issue (down 7.4%) according to the first half 2001 ABC fas fax reports, out of a total of 721,700 copies. Annual retail dollars are estimated at \$6 million....**Curtis Circulation Company** will be the national distributor of two new titles: *Barbecue & Beverage*, with a six-times frequency, will launch with its May issue, 4/9/02, at a cover price of \$3.99/\$5.99 Canada; and *The Herb Quarterly*, Spring 2002 issue, 2/7/02, \$5.99/\$6.99....*The New York Post* reported (1/10/02) that **Ziff-Davis Media**, the parent company of the publisher of many high-tech titles, is in danger of defaulting on its interest payments.....*The New York Daily News* reported that *Talk* magazine, a partnership of **Miramax Films** and **Hearst Magazines** has lost as much as \$55 million since it was launched in September 1999, and that Miramax has stepped up its efforts to find an additional partner....**Personnel**

notes: Curtis Circulation Company promoted Domenic Crocetti to vice president, financial services; Stephen Laird to controller, and Peter Arato, Jr., to assistant controller....**Primedia Inc.** let go Deborah Barrow, who was president of the

THE • NEW • SINGLE • COPY FEATURED MAGAZINE

Mixer

An exciting magazine about the youth music scene that is expanding to new markets everyday.

For more information, visit our website:

www.nscopy.com
Advertisement

consumer magazines group. No replacement was announced.

Retail News: SuperValu. Giant Eagle. Rite Aid.. Kroger. Getting tough

SuperValu Inc., a food wholesaler as well as a retailer, based in Des Moines, Iowa, plans to open between 100 and 120 Sav-A-Lot stores, its value-oriented supermarket chain, in the coming year....**Giant Eagle Stores**, based in Pittsburgh, Pennsylvania, bought six Country Market stores in eastern Pennsylvania and Maryland. They are the company's first stores in Maryland....**Kroger Co.**, the company that operates the most supermarket stores in the country, has ordered 500 more self-checkout systems. The chain already has installed the automated systems in more than 1200 of its stores....An item about business trends in *Barron's* (1/4/02) noted that the supermarket chain, **Winn-Dixie**, has stopped making rent payments in an effort to force landlords to renegotiate lease terms for stores that have gone "dark", which means have closed even though lease obligations have not expired.

Retailers in the U.K. Want Supplier Cost Data

The following is excerpted from Circulation Briefing, a newsletter about magazine circulation in the United Kingdom. "Tesco and Sainsbury [two large British grocery retailers] have alarmed food manufacturers with a recent 'request' for their suppliers to quantify the distribution cost in each product's overall price. The supermarkets want a line by line analysis of manufacturer's costs in order to understand where further savings can be forced out of the supply chains. Behind the current debate are three key terms... Backhauling...Just-in-time...Retail-Ready...The prospect of the major supermarkets learning so much about how their suppliers do business is something that is worrying food manufacturers. And after food...." *Circulation Management* is

published by Wessenden Marketing, website, www.wessenden.com.

Also in the U.K.: W.H. Smith Plc is planning to integrate its business-to-business trading portal, Connect2U, with its W.H. Smith News unit, which is its wholesale division.

Who Pays the Cost of Bad Laws? The Public

In the last ten years, Media Coalition, the First Amendment advocacy organization, which is supported by many publishing companies and associations, has participated in successful challenges of state and local statutes that restricted marketing and display of non-obscene materials. After overturning the laws, the challengers requested the courts to direct the states and local municipalities to pay legal fees. To date, this has resulted in more that \$2,000,000 in funds being paid out to the organizations. It can be assumed that the total costs to the taxpayers for their elected officials creating and enacting unconstitutional legislation was considerably more because the governments also had to pay the cost of defending their ill-conceived laws.

Company Offering System to Streamline Magazine Supply Chain

viaLink Company, a provider of data synchronization and e-commerce services to the retail food industry, issued a press release in early December, stating that they "introduced a new offering that will streamline the supply chain for the retail magazine category." The company, based in Dallas, Texas, says the new system "removes the perceived barriers regarding primary and issue UPCs, and the need for updated in-store scanner technology." When contacted by *The New Single Copy* for additional information, a viaLink spokesman said the company was not prepared to discuss their system at this time.

Advertisement

~~Something is
Nobody's Perfect.~~

MJ Systems specializes in Perfect Distribution, from enterprise solutions to handheld technology. What system would be perfect for you?

(434) 977-2732 www.mjssi.com

MJSystems