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Capell's Best Performers for 2006. A Look at Their Newsstand Numbers

In the 1/15/07 issue of *Capell's Circulation Report*, Dan Capell offers his choices as the best performers in circulation for 2006. His choices are based on comparative performance over the past three years, and also consider "rate base management, pricing, source mix, newsstand sales, audit reports, and where relevant, circulation performance in relation to the competitive environment." *The New Single Copy* looks at Capell's selections, notes some of his remarks, and adds key newsstand performance figures.*

1. *Men's Health* (Rodale): "Increased newsstand sale again in 2006." Single copy sales-per-issue, 542,000 (plus 2.6%) out of a total circulation of 1.8 million

*Circulation figures are from most recent fas-fax reports of the Audit Bureau of Circulations (ABC), first half of 2006.. Annual dollar sales are calculated using most recent full year numbers, 2005. Newsstand sell-through figures are for 2005, and supplied by Magazine Information Network (MagNet), the database of mass market magazine wholesaler sales information. *Capell's* sell-through number is from publishers' annual Statements of Ownership. Cover price is from first half ABC reports, which is average for the period.

(plus 10%). Annual retail dollars sales, \$19.9 million, ranked #27, retail sell-through, 45%. Cover price, \$4.38.

2. *People* (Time Inc.): "With increased competition, ...newsstand sales was the best in over a decade." 1.5 million (plus 2.6%) out of 3.8 million (plus 1.2%). \$272.9 million, #1. 59%. \$3.59

3. *First for Women* (Bauer Publishing): "With over 1.2 million copies sold on the newsstand per issue, ...also shows a terrific 51% newsstand percent sale." 1.2 million (minus 0.5%) out of 1.5 million (minus 0.9%). \$41.4 million, #12. 51%. \$1.99.

4. *In Style* (Time Inc.): "Effective use of partnership marketing drives a profitable subscription marketing operation." 783,000 (minus 9.4%) out of 1.8 million (minus 0.9%). \$4.6 million, #13. 53%. \$3.99.

5. *Real Simple* (Time inc.): "Effective use of verified circulation has led to impressive audience gains." 394,000 (minus 7.2%) out of 1.9 million (minus 0.9%). \$18.5 million, #31. 44%. \$4.50.

6. *Dwell* (Dwell LLC): "Showed another 9% gain in newsstand sale." 80,000 (plus 9.0%) out of 272,000 (plus 12.1%). \$3.1 million, #174. 50%. \$4.99.

7. *More* (Meredith Corp.): "Increased newsstand sale 25% in the last year and improved percent sale at the same time." 150,000 (plus 25.1%) out 1.2 million

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Around The Business

Time Inc. Cuts. National Distributor News. Personnel

At the end of last week, it seemed like all of the publishing and media business was focused on the job reductions announced on Thursday by **Time Inc.** Most of the 289 cuts are reported to be from the editorial ranks, 117 are on the business side. More

information is expected in the near future, as some of the reductions will come from volunteers taking buyout packages. The latest cutbacks continue a series of reductions that *Advertising Age* (1/18/07) estimates has totaled 1,500 positions over the past year, including losses from the sale and planned sale of some properties. In making the announcement, Ann Moore, Time Inc.'s CEO, said, "While we

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Around the Business (cont.)

continue to invest in our core magazines, we are also focused on transforming our workforce and broadening our digital capabilities in order to become a truly multi-platform publisher.”...For the 50th anniversary issue of **Workbench** magazine, the publisher, **August Home**, has completed a remodeling of the do-it-yourself title. It has a six-time frequency and a cover price of \$4.99 U.S. It is nationally distributed by **Kable Distribution Services**....**Curtis Circulation Company** will be the national distributor for *American Woodworker*, six-times frequency, on-sale 3/27/07, \$5.99/\$6.99 Canada; the titles of North Coast Sports: *Phil Steele's College Football Preview*, annual, 6/5/07, \$8.95/\$10.95; *Phil Steele's Fantasy Football*, annual, 6/5/07, \$6.99/\$7.99; and *Phil Steele's Regional Football* titles; annuals, 6/5/07, \$6.99/\$7.99; *Radar*, six-times, 2/13/07, \$3.99/\$4.99; *Otaku USA*, six-times, 6/5/07, \$9.99/\$11.99; and *0-60*, quarterly, 5/22/07, \$5.99/\$7.99....**Red7 Media**, the publisher of the trade magazines, *Folio* and *Circulation Management*, has announced a new resource for publishers interested the digital market: *The Digital Magazines Industry Channel*, sponsored by Texterity, Inc. For more information, go to www.red7media.com....The book publisher, **HarperCollins**, is closing the Los Angeles office of Regan Media. The publisher, Judith Regan, had left the company after controversy over the planned publication of a book by O.J. Simpson.....**Personnel**: Charles Messina was named an account executive at Curtis Circulation Company....An item on the news blog, www.jossip.com (1/17/07) said that, at **American Media Inc. (AMI)**, David Perel, editor of *National Enquirer*, will also take on the editor's responsibilities for *Star*, when the current editor, Joe Dolce, leaves in April.

Retail Notes

Borders Appointments. PBAA Meeting at Borders

Borders, the second largest bookstore chain, has named Robert Gruen executive vice president of merchandising and marketing, and Kenneth Armstrong as executive vice president of U.S. stores. Joanna Goldstein has been promoted to director of merchandising: newsstand, calendars, and games....**The Periodical & Book Association of America (PBAA)** will host a members' meeting at Borders home office in Ann Arbor, Michigan. It is planned for all day, May 8. For more information, go to www.pbaa.net.

Reminder: The Retail Conference, co-sponsored by the Magazine Publishers of America (MPA) and the International Periodical Distributors Association (IPDA) is scheduled for March 4-6, in Orlando, Florida. More information at

Circ Performers 2006 (cont.)

(plus 9.9%). \$5.2 million, #117. 38%. \$4.00.

8. *Time* (Time Inc.) “Makes the top ten for making the bold move of cutting its rate base in 2007, and giving advertisers the option of a paid rate base promise or an audience guarantee.” 119,000 (minus 24.0%) out of 4.1 million (plus 1.2%). \$30.9 million, #18. 34%. \$3.99.

9. *Vanity Fair* (Conde Nast Publications): “Newsstand sale up another 17% in 2006, and percent sale improved at the same time.” 421,000 (plus 17.2%) out of 1.2 million (plus 7.0%). \$21.2 million, #24. 48%. \$4.50.

10. *Woman's World*. (Bauer Publishing). “Sells 1.4 million on the newsstand with a 53% sale in 2006. Madison Avenue has yet to discover this circulation winner.” 1.4 million (minus 4.5%) out of 1.5 million (minus 3.6%). \$114.6 million, #6. 55%. \$1.49.

Capell's selections are generally considered a good barometer of how well a magazine's consumer marketing department meets the needs of their publishers. As *The Single Copy* has noted from time to time, publishers' circulation economics are not always in synch with other levels of the magazine distribution channel. In broad terms, retailers generally will judge a magazine by its total dollar contribution. Mass market magazine wholesalers evaluations are more complicated, blending gross margins, as well as handling costs. These differences are unlikely to ever be brought into total harmony. However, publishing management needs to have at least a “layman's” awareness of the financial drivers of retailers and wholesalers. Many of them do, but for a few, they seem to be of little concern.

Low-Priced Magazine Study Draws Trade Attention

The January/February issue of *Circulation Management* magazine begins its “Agenda: Trends and Analysis” section with a report on “The Impact of Low Price Magazines,” the study produced by *Harrington Associates*, and commissioned by Magazine Information Network (MagNet). It was featured in the 12/11/06 issue of *The New Single Copy*. Copies of that issue and the full-report are available in electronic format by emailing info@nscopy.com.