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Around The Business

How Many New Titles? Source Interlink. AMI. Launches. Best/Worst

According to the **Magazine Publishers of America (MPA)**, there were 262 new titles launched in 2006, a 2.0% increase over the previous year. However, Samir Husni, University of Mississippi journalism professor who has tracked new releases for more than 20 years, counted 901 in 2006. Of course, MPA includes only new titles with a quarterly or higher frequency. Husni includes annuals and one-shots, which often, as it turns out, become regular frequency magazines. However, Husni also claims that last year he counted 332 new magazines with higher than quarterly frequency, and 350 the year before. And by Husni's count, the 901 new magazines in 2006 were down from the 1013 that were launched in 2005....Still on the subject of new magazines, in the United Kingdom, there 330 new ones last year, a figure that was down 43% from 2005's 577. Those numbers were reported in the February issue of **Circulation Briefing**, Published by **Wessenden Marketing**, www.wessenden.com. Wessenden also tracks magazine "deaths" and reported that 267 ceased publishing last year, while 544 expired in 2005....**The Source Interlink Companies** announced that the NASDAQ Stock Market notified the company that it has regained full compliance for continued stock listing. The notification came after Source Interlink held its 2006 annual meeting last week. The meeting had been postponed from late last year....*The New York Post* (3/20/07) reported that **American Media Inc. (AMI)** planned to file its delayed third quarter Securities and Exchange Commission (SEC) filing last Friday, March 23, which was later than the March 15 date it had promised when it failed to meet its required mid-

(Continued on page 2)

Retail Notes

Costco Books-Benjamin. Borders. Tesco. Dollar General. Kroger. Safeway

Costco Wholesale Club Stores will be supplied with mass market paperback books by **Benjamin News**, Missoula, Montana. **Baker & Taylor** will supply the chain with hard cover and trade books. Costco had been supplied by Advance Marketing Services, until the distributor's bankruptcy late last year....**Borders Group** announced a major change in its business plans, according to *The Wall Street Journal* (3/22/07). The company will reopen its own e-commerce Web site in 2008; it will sell or franchise its 73 overseas Borders stores, a program that had been a high priority; it will expand its proprietary publishing operations; and it will reduce the number of Waldenbooks Stores to around 300 by the end of 2008, down from its current 550-plus....An article on the website, *MediaPost.com* (3/16/07), "**Tesco May Change American Idea of Convenience Stores**," speculated on the plans of the British supermarket giant to open a series of **Fresh & Easy Neighborhood Markets** in the American Southwest later this year....**Dollar General Stores**, a leader in the bargain store retail category, has been acquired by **Kohlberg Kravis Roberts & Co**....The retail website, *MorningNewsBeat.com* reported that the CEO's of two major supermarket chains, **Kroger** and **Safeway**, speaking at a financial conference, each discussed, separately, the pressures in their industry to consolidate and their willingness to make future acquisitions.

PBAA Workshop on April 12

The Periodical and Book Association of America (PBAA) asked *The New Single Copy* to clarify that

(Continued on page 2)



**PBAA Twenty-First
Annual Convention**

**Loews Philadelphia Hotel
June 27th - 29th, 2007**



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Around the Business (cont.)

February date. AMI is the publisher of *Star*, *National Enquirer*, *Globe*, and many other titles....**Curtis Circulation Company** will be the national distributor for *Moving Pictures*, six-times frequency, on-sale 8/7/07, cover price \$5.99/\$7.99 Canada; *HD Videopro*, six-times, 5/1/07, \$5.99/\$7.99; *Dub*, 7/24/07, \$5.25/\$6.85; and *Taste of the South*, quarterly, 9/25/07, \$4.99/\$6.99.... **Personnel:** Following the acquisition and takeover of **Reader's Digest Association** by Ripplewood Holdings, and the subsequent appointment of Mary Berner as president and CEO, there have been a number of additional personnel changes. Eva Dillon was named president and group publisher, *Reader's Digest*; Suzanne Grimes is president of the food and entertaining businesses; and Alyce Alston is president of home & garden and health & wellness....**The Yucaipa Cos.** hired Jeffrey Johnson, a former publisher of *The Los Angeles Times*, to be a principal in the company, where he will oversee its media interests. These include, according to news reports, the Current TV channel, which is a project of former U.S. vice president, Al Gore, and **The Source Interlink Companies**....**Curtis Circulation Company** hired Brandon Dinsmore as manager, group agency sales, with responsibility for Curtis's business with Anderson News....Kevin Greene has been named national sales manager for **Robert Kennedy Publishing**, whose titles include *Oxygen*, *Muscle Mag International*, and others.

PBA (cont.)

the subject of its April 12 meeting in New York will be "Consumer, Publishers, and Low-Priced Magazines - Trends, Successes, Issues." The lead presentation will be about consumers and their purchasing behaviors. Other topics will include a statistical review of magazine cover prices and the effect of raising and lowering prices, a look at wholesalers' cost structures and cover prices; and a panel discussion of the above subjects. For more information, go to www.pbaa.net.

Capell's Look at Newsstand

In his newsletter, *Capell's Circulation Report*, Dan Capell has been reporting on newsstand sales for a group of 114 magazines published continuously over the last 20 years. Instead of reports of the Audit Bureau of Circulations and BPA Worldwide, Capell uses data from "Statements of Ownership" published in the magazines, which include sell-through figures. In his 2/26/07 and 3/1/07 issues, he summarizes his findings. Among them:

For the titles in his study, unit sales declined 58% over the 20 years, and 38% in the last decade.

Sales efficiencies for the group fell from 61.5% to 40.0% in 20 years.

For the top 20 magazines over the last 10 years, unit sales are off 39%. *Capell's* top 20 consist only of titles published in each of the past 10 years.

Notes: *Capell's* cumulative figures are calculated using sales-per-issue figures, weeklies and monthlies being equal. Figures normally reported in *The New Single Copy*, from Harrington Associates, are factored for frequency and rankings and are determined by units and dollars produced for the entire year. Harrington figures are based on reports from the audit agencies. Sell-through numbers in Harrington reports are supplied by MagNet, the wholesaler data base of sales information. It is notable that Harrington and *Capell* exchange this information and find that the MagNet figures and reports from Statements of Ownership are usually within one or two points of each other.

Some Advice to Magazine Publishers

Robin Steinberg is senior vice president, director of print investment at MediaVest USA. She wrote an article, "Is Print Dead? Not on Your (Second) Life," for *Advertising Age* (3/9/07). Among her recommendations to publishers were:

"Improve accountability...Accountability is ...becoming a problem, one we can no longer ignore....Sign up for ABC's rapid report. And no complaining."

"Speed up....It's bizarre that it takes four to six weeks for someone to begin receiving a subscription....Consumers will wait four to six weeks for nothing, let alone a magazine."

"Manage circulation....Manage verified circulation closely....No more sourcing verified copies to make up for rate-base under delivery."

"Solve the mystery of the Incredible Shrinking Newsstand. The industry must get to the bottom of the dropping activity at what was once print's most reliable measure of vitality and its busiest selling point. We've all talked about it long enough...and now it's time to do something. At the very least, further research could help to alleviate the misuse of verified copies; at best it could give us deeper understanding of how consumers want to get their magazines if they're no longer eager to pay top dollar."

In Memoriam: Robert Petersen, founder and chairman of Petersen Publishing, until he sold it in 1996, passed away on March 23. He was 80.