

# Free Daily Newspapers

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Austria	Launches	Plans	Readership	USA
Circulation (p. 4) & title-war (p. 5)	Turkey, Israel, Italy & USA (p. 1-2)	Blick am Abend, Baltimore (p. 5)	Switzerland, Netherlands, France, Denmark (p. 3)	Anti-Examiner law (p. 5)

## STATS & GRAPHS

The number of titles of free dailies newspapers in Europe has risen from 2 in 1995 to 125 in 2008. Spain is leading the pack: 23 different titles in 2008. In 2005 Spain was also leading. In 2000 Germany had four titles. All closed down in two years.

Free daily newspaper are published in 19 US states in 2008. In 1995 five states had free dailies, in 2000 six and in 2005 fifteen. The number of titles increased from 12 in 1995 to almost 50 in 2008. California, Colorado and New Hampshire have the highest number of titles.

The number of titles of free dailies in Asia increased from 3 in 2000 when free dailies were introduced to 30 in 2008. Korea, Israel and Hong Kong have the highest number of free dailies.

In 1995 there was only one free newspaper published in South America: MetroNews in Sao Paolo (Brazil). In 2000 the number increased to 6, three years ago 10 titles were published. In 2008 there were 16 titles in 6 countries.

In Middle America there are also free dailies in Mexico (since 2000) and the Dominican Republic (since 2001). In total 5 titles are published in both countries.

All these data – and more – can be seen on the new Stats & Graphs page on the blog. Thanks to GoogleDocs interactive 'heat maps' are now on the website.

## FDN - BAROMETER

The FDN barometer measures free dailies and circulation, comparing 2005 with February 2008.

### Free Dailies 2005 / March 2008 (circ. \* 1000)

	Countries		Titles		Circulation	
	2005	2008	2005	2008	2005	2008
Europe	24	32	80	122	15,291	28,947
America's	8	9	44	72	4,439	6,689
Asia/Pac/Afr	7	14	16	34	4,224	7,897
<i>Total</i>	39	55	140	228	23,954	43,533

## LAUNCHES

### Istanbul hit by free dailies

Pelle Anderson, one of the founding fathers of Metro Stockholm in 1995, took part in the launch of free daily GASTE (related to Gazette: newspaper) in Istanbul in February. The paper has a print run of 500,000 which made it the market leader in the city overnight. Anderson is CEO of publisher Free News.

The paper is printed in tabloid - most newspapers in Turkey are still broadsheet - and counts 28 to 32 pages in full color. It already claims more than 50% of the readership in Istanbul. With 500,000 GASTE is the fourth newspaper in Turkey after Posta, Zaman and Hürriyet. Total circulation in Turkey is 5 million. 80% of the Turkish newspaper sales is in single copies. Only Mempo

(Moscow) and Metro and the londonpaper (both London) have a higher print run in one city in Europe.

As a reaction local daily Hürriyet on 21 February launched free daily 20DK - short for 20 Dakika (20 minutes), a paper of which the print run is said to be 300,000. Turkey is the 55th country with free newspapers, the 32nd European country with free daily newspapers. There are 15 million people living in the Istanbul area, in which half of the Turkish economy is concentrated.

### Fourth free daily for Israel

A fourth Israeli free daily, Yom Hadash (New Day), was launched this month. The paper counts 16 pages and will be distributed from Sunday to Thursday. Paid newspaper Haaretz describes it as an ultra-Orthodox newspaper that is competing with other (paid) ultra-Orthodox papers Yated Ne'emman and Hamodia.

Haaretz claims the launch is reflecting a struggle for leadership in the ultra-Orthodox Lithuanian Jewish community. Investors in the paper and journalists working for it are still anonymous.

After conservative Israel Today (owned by American billionaire Sheldon Adelson), the more liberal Metro (affiliated to the Jerusalem Times) and the commercial orientated 24 Minutes (by tabloid Yedioth Ahronoth), Yom Hadash is the 4th free daily in Israel published within one year. First free daily Israeli folded last year while 24 Minutes was build on its remains. Circulation is unknown.

### New Italian free daily

Free daily DNews launched in February in Rome, Milan, Bergamo and Verona. Director is Antonio Cipriani, formerly of the E Polis free paper. After Leggo, Metro, City and E Polis DNews is the 5th general free daily in Italy. Also a free business daily 24 Minuti, is published.

The issues I checked counted 48 pages which makes it look more like the E Polis model than the other free papers. DNews claims to distribute 800,000 copies in the four markets were it has editions: Rome, Milan, Verona and Bergamo. With 800,000 DNews would have a print run almost just as high as Metro and City (both circulate around 850,000 copies).

E Polis claimed a circulation of almost a million at the start but had an official circulation of less than 250,000 in 2006. Last official circulation data are from 2006. Only E Polis was included because it had a small paid circulation as well. Free papers in Italy rely more on readership data.

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## Salt Lake Buzz

The Salt Lake City Tribune launched The Buzz, a free afternoon daily in February. The paper is aimed at young readers that the paid paper is no longer reaching. The Buzz is distributed Monday through Friday between 3:30 and 6 p.m. The Buzz has a editorial staff of four people. Fear of cannibalism probably lead to the afternoon model. The circulation of is not known. (Free-daily.com)

## PLANS

### Heute ends - free Blick starts

Swiss free evening daily 'heute' by Ringier will be taken from the market in June. It will be replaced by a free evening edition of Blick, Ringier's tabloid flagship. The timing has to do with the Euro2008 football championship that is organized in June in Switzerland and Austria.

The morning edition of Blick relaunched with a new design which will be a magazine and newspaper at the same time while the 56-page paper will also contain an extended separate sports section (probably also connected to Euro2008). Ringier is positioning Blick as a multi-platform media brand in print, on TV and radio as well. It also is the best-visited news website. Not all will change, Ringier will keep the page-3 girl.

Blick am Abend is the working title of the new free daily. Heute started in May 2006 as reaction to free daily 20 Minuten that took the position from Blick as the best-read newspaper in 2003/2004.

Launching a morning paper never was an option for Ringier because the publisher feared it would cannibalize on Blick. Heute has a circulation of 235,000 and is published in different editions for Zurich, Basle and Bern. The paper has a readership with more than 50% under 35 years old.

Publisher AZ Medien Gruppe (Mittelland Zeitung) is still thinking about a free daily. AZ Medien announced they would launch after News started in their area.

### 2<sup>nd</sup> Baltimore free daily planned

The Baltimore Sun will launch a free daily, called 'b' on April 14. The paper is aimed at young readers and will be published on weekdays. Chicago free daily RedEye, by the Chicago Tribune served as a model for the new paper. Both the Tribune and The Sun are owned by private investor Sam Zell. The new paper plans to print 50,000 copies and wants to expand to 100,000 a day by the end of the year. (Houston Chronicle)

In Baltimore free daily Examiner started in April 2006. This paper, however, is aimed at a more general public and is distributed like its sister papers in San Francisco and Washington to households for a major part. The Baltimore Examiner has a circulation of 250,000.

RedEye Chicago, launched in 2002, is now published six days a week and has a circulation of 200,000. Since some years a paper is making a profit. In Los Angeles, the LA Times was also thinking about launching a RedEye look-a-like. According to Free-daily.com this LA RedEye was already launched as a weekly.

### DirectMatin expansion

Vincent Bolloré, owner of the Paris free daily DirectMatin, plans to launch editions in Strasbourg, Nice and Toulouse. It is not yet sure whether Le Monde, 30% owner of DirectMatin in Paris, will participate in the new editions. Bolloré also said that he expects DirectMatin -

formerly called Matin Plus - to reach break-even before 2012. (Humanité, JDD)

Total circulation of DirectMatin will rise from 400,000 to 450,000 in the next months. DirectMatin is part of the 'plus' chain of free newspapers, with also editions in Lille, Lyon, Marseille, Bordeaux, Montpellier and Bretagne. In Strasbourg and Toulouse Metro and 20 Minutes also have editions; Metro has an edition for Nice and Cannes.

## CIRCULATION

### .ch increases circulation

Swiss free daily .ch will increase circulation in the coming months from 430,000 to 500,000. The majority will be distributed to households. Home delivery will be extended and monitored by an extra team of 15 people, first concentrating on Zurich and Bern. Almost half of the papers (228,000 copies) will be distributed in the Zurich/Winterthur area.

From now on, .ch will also be distributed from AXA (insurance) 'shops'. Public transport distribution will be extended too. The paper is distributed in 650 boxes in public transport and 400 boxes and racks in retail chains (Coop, Migros) and restaurants. (Persoenlich)

Free daily 20 Minuten will move to a six-day distribution during the Euro2008 football championship in both the German and the French speaking part of the country.

### Dutch retail distribution

Metro extended distribution in 55 supermarkets of retail chain Deen, located in the Northern part of the province of North-Holland. Metro already distributed in Super de Boer supermarkets (nationwide 330 shops) and in 50 Jan Linders supermarkets in the South. Also Spits and DAG are distributing in supermarkets. Spits has a deal with the Plus retail chain (280 shops) while DAG is distributed in the largest (750 shops) Dutch chain Albert Heijn.

In total 1200 to 1500 supermarkets are now distributing free newspapers. The average number of copies per shop differ, also because of the size of the supermarkets. Albert Heijn supermarkets carry an average of 200 copies, some smaller chains stock 100 copies per shop. At least 180,000 copies, 10 percent of the total Dutch free newspaper circulation, is distributed in supermarkets.

A problem with retail distribution is that it could lead to a low number of readers per copy. Also the demographic is different from the young urban commuter. Contracts are sometimes made by bartering - Albert Heijn has a quarter page each day in DAG. The new Metro deal, however, is also used by Deen to offer something extra for the customer, the text on the supermarket ad reads: "today's newspaper - from now on every day available at Deen".

### MEN paid down, free up (again)

The trend for the part free part paid Manchester Evening News is that total circulation goes up while paid circulation is decreasing. In total, however, circulation is more now than a year ago. The paper (owned by the Guardian Group) had a paid-for circulation of 81,000 copies in the last six months of 2007 (a decrease of 6.4% to the year before). Distribution of its free version increased to 98,000, meaning that 55% is now distributed for free.

In the last six months of 2006 45% of the circulation was for free. In the first six months of 2007 the percentage was 50. In May 2006 when MEN closed down its free MEN lite edition the paid paper sold 140,000 copies indicating a loss of 43%.

## 20 Minutos on top in Spain

Free daily 20 Minutos distributed 1,043,000 copies daily in 2007 which makes it again the best-circulation daily in Spain. Qué! is second with 957,000 copies. ADN had a circulation of 955,000 while Metro distributed 840,000 copies. All free papers, except Qué! increased circulation compared to 2006. Paid paper El País is the 5<sup>th</sup> paper.

Also local papers Mini Diario (57,000), Aquí (17,000), Bon Dia (14,000), Chronica (81,000), Diario de Almeria (11,000) and LV (40,000) were audited. Universal, the in-flight free daily by Iberia had a circulation of 50,000.

Comparing paid and free circulation is not easy because both report different sorts of circulation. For free dailies 'distributed' copies are reported; paid dailies have a print run circulation and 'net circulation'. Also the paid papers last audit is on a different period: July 2006 / June 2007.

El País had a print run of 560,000 and a circulation of 426,000. ABC had a print run of 307,000 and a circulation of 230,000. El Mundo printed 442,000 copies and had a net circulation of 337,000, sports paper Marca had a print run of 456,000 and a circulation of 311,000.

Media website PRNoticias had statistics on the circulation development of the national free dailies. From the month-on-month breakdown it is clear that circulation changes over time. In July circulation drops with 25% while all papers stop publication in August. In December circulation is again down with 10% because of vacation days between Christmas and new year.

## Austria Q4 2007 circulation

According to the last Austrian ÖAK audit, Kleine Zeitung has a circulation of 272,000, paid circulation of Österreich is 170,000 while OÖ Nachrichten has a circulation of 107,000. All three papers increased circulation in Q4 of 2007 compared to the same period in 2006. No other paper had an audited circulation of more than 100,000 in the last quarter of 2007.

Missing in the Q4 2007 audit are the two best-selling papers Kronen Zeitung and Kurier (joint circulation in 2006 one million), free dailies 'heute' and Die Neue while also the substantial free circulation of Österreich is not audited. (Publicitas)

Austria circulation data were always problematic. Halfway the nineties the two largest newspapers, Kronen Zeitung and Kurier, decided not to have their data audited. These two papers work together in Mediaprint, thereby controlling the majority of the (paid) Austrian newspaper market. They joined the Austrian Audit Bureau of Circulation (ÖAK) after a few years but left again in 2007.

The dispute concerns the auditing of Österreich, the new paid/free model of publisher Wolfgang Fellner, launched in 2006. The new paper has a cheap subscription model and is also available for free in racks in major cities

Free papers were never included in the audit. The introduction of a free/paid model led Kronen and Kurier to leave ÖAK. Österreich was the first serious competitor for market leader Kronen Zeitung which might have caused the angry reaction. Both papers started their own auditing organization MAK (Medien Auflagen-Kontrolle).

Without Kronen Zeitung and Kurier and without the unpaid circulation of Österreich (133,000), free dailies 'heute' (circulation around 450,000) and Die Neue (60,000) the ÖAK audit is almost useless. Less than half of the daily circulation is now audited by ÖAK.

## Free dailies 4<sup>th</sup> and 5<sup>th</sup> in Ireland

In the last six months of 2007 The Irish Independent was the best-selling Irish newspaper with a circulation of 161,000. Compared previous years the paper lost a few thousand in circulation. The Irish Times was second with 119,000 copies which is a increase compared to earlier years. The Evening Herald is third with a circulation of 82,000 and is losing circulation for more than a decade.

Free dailies Herald AM and Metro follow with 76,000 and 75,000. Herald AM's circulation was lower in July and August (65,000) and higher in the last months (above 80,000); Metro had a stable circulation.

## Metro Budapest

Metro is still the newspaper with the highest circulation in Hungary. According to the Q4 2007 Matesz research the paper distributed 322,000 copies. Paid paper Blikk (Swiss publisher Ringier) sold 227,000 copies. In the whole year 2006 this was 245,000. Third is paid paper Nepszabadsag with 118,000 copies sold; ten years ago this was the best-selling Hungarian newspaper with a circulation of more than 260,000.

Readership of Metro was 693,000 according to the last Szonda-GFK Media Analisis research, every Metro was seen by 2.8 readers. There is also competition from free weeklies in Budapest (Helyi Téma, Budapesti 7 Nap, Budapesti Piac). The last title merged with former free daily Busz that was published during a months in 2007.

## READERSHIP

## Swiss frees still rise

Both free dailies in the French speaking part of Switzerland: 20 Minutes and Le Matin bleu saw their readership jump in 2007 compared to the previous year. 20 Minutes increased with 41% to 390,000 readers which makes it the second paper in the Western part of Switzerland after Le Matin Blue. This free paper now has 469,000 readers (an increase of 33%). Paid dailies Le Matin (296,000; -7%) and 24 Heures (241,000) are third and fourth.

In the German speaking part 20 Minuten still leads with 1,244,000 readers (+3%) before tabloid Blick with 672,000 daily readers (-2%). Paid papers Tages-Anzeiger, Mittelland Zeitung and Berner Zeitung follow. Free afternoon paper 'heute' by Blick-publisher Ringier saw readership increase with 13% to 259,000. Heute will be converted to a free afternoon edition of Blick in June. (Persoenlich, WEMF)

## Dutch readership 2007: Metro 2<sup>nd</sup>

De Telegraaf is still the best-read Dutch newspaper with 2.2 million readers according to the last NOM research over the year 2007. Free papers Metro (1.9 million) and Spits (1.8 million) are 2<sup>nd</sup> and 3<sup>rd</sup>. Paid papers AD and Volkskrant are 4<sup>th</sup> and 5<sup>th</sup>. Free dailies De Pers and DAG are 6<sup>th</sup> and 7<sup>th</sup> with 800,000 and 700.000 readers.

## 20 Minutes leads in France

French free daily 20 Minutes was the best-read national daily in France in 2007 with 2,526,000 readers. Metro is second with 2,323,000 million before sports paper L'Equipe (2,302,000 readers). Paid papers Le Monde and Le Parisien follow with just over 2 million readers.

Metro saw the biggest increase (+46%) compared to last year; 20 Minutes increased readership with 17%. The readership increase of Metro is a result of increased circulation (from 636,000 to 740,000). 20 Minutes distributes 716,000 copies. (Le Point)

### **Irish (paid) readership stable**

The Irish Independent is the best-read Irish newspaper in 2007 - as it was the preceding years - with 570,000 readers. Irish Daily Star, The Irish Times, Evening Herald and Irish Sun follow, all with more than 300,000 readers.

Readership of most titles is quite stable for the last five years, although the method used in earlier years was different so comparing is difficult. The two Irish free dailies Metro and Herald AM (both launched in 2005) are not yet included. But from January 2008 on they also will be audited by the National Readership Survey.

### **Canadian free dailies up**

New 2007 readership data for Canada by NADBank showed increased readership for free dailies in the four major Canadian markets. In Toronto 28% of the 18+ population (1.2 million) reads a free daily at least once a week (26% in 2006, 18% in 2001). In Montreal the percentage was 25 (23% in 2006, 17% in 2002). In Ottawa weekly readership increased from 13% in 2006 to 22% in 2007; in Vancouver weekly readership of free papers went from 28 to 30%.

In Toronto Metro is now the second best-read paper (435,000 daily readers) after the Toronto Star (953,000 readers); 24 hours (349,000) is fifth after Toronto Sun and the Globe and Mail. Metro passed the Sun on the list.

In Montreal paid papers Le Journal de Montréal (588,000 daily readers), La Presse (432,000) lead before Metro with 313,000 daily readers, paid paper The Gazette (305,000,) and 24 heures with 230,000 readers.

The Ottawa Citizen reaches 28% of the population every day (255,000 readers), before The Ottawa Sun (123,000); Le Droit is third with 95,000 readers while Metro is fourth with 71,000. The combined English and French 24 hours/24 heures editions have 46,000 daily readers, just after The Globe and Mail with 50,000.

In Vancouver 24 hours is the third paper (223,000 daily readers) after The Vancouver Sun (450,000 readers) and The Province (414,000 readers). Metro reaches now 7% of the population (132,000 readers). Both paid papers lost readers compared to 2006.

### **'Free' Evening Standard readership**

To distinguish itself from free afternoon dailies London Lite and the London Paper the only remaining paid London evening paper Evening Standard is trying to convince advertisers that their readership is more mature, more affluent and more influential than that of the freesheets.

According to the Guardian "the paper is touring the agencies claiming it is read by more people in the AB socio-economic group than any other daily quality newspaper, including the Financial Times, and that 63% of its 712,000 readers do not read another quality daily. (...) The Standard is telling agencies that it is reaching an audience of 'influentials', which last year collectively spent £330m on new cars, £754m on their last holiday and £603m on communications."

More mature means 'older' in regular English and is probably true - and as older people usually are wealthier than young people, also this might be true. Whether they spend more is still a question to be answered. Evening

Standard's readers could also be more influential but if this a better audience for advertisers remains to be seen. The problem with Evening Standards data, however, is that they are not from the National Readership Survey but from the Evening Standard itself.

The Evening Standard seems to get to this new influential audience by distributed more free 'bulk' copies than ever. In January 2008 more than a third (34%) of its circulation, 99,000 copies, consisted of free bulk copies while the full price circulation was 195,000. According to ABC data in February 100,000 copies (35%) were given away for free, mostly in first-class trains and to business-class airlines. Full price circulation was down to 187,000.

### **Free dailies lead in Denmark**

Free daily 24timer was the best-read Danish newspaper in the second half of 2007 with 535,000 readers a day. MetroXpress is second with 507,000 readers. Free daily Nyhedsavisen is 4th (470,000 readers) after paid paper Jyllands Posten (505,000 readers).

Urban is 5th with 435,000 readers; followed by Politiken (432,000), Ekstra Bladet (425,000), B.T. (401,000) and Berlingske (356,000). Market leader 24timer increased its readership compared to the first half of 2007 with 21%; Nyhedsavisen increased readership with 47%. (Publicitas)

Compared to the last six months of 2006, both Metro and Urban lost around 20% of their readers. This suggests that free newspapers compete with each other for readership. Most paid newspapers saw a stable readership compared to 2006. The exception being Jyllands Posten which lost 7% of its readers compared to 2006. When readership is compared to 2003, paid papers lost 20% or more of their readers.

### **Italy: Leggo 2<sup>nd</sup>**

Sports paper Gazzetta della Sport is still the best read paper in Italy (almost 10 readers per copy!) although it lost some readership compared to last year. Free daily Leggo is now second.

Audipress 2007 II was gathered from March 2007 to June 2007 and from September 2007 to December 2007. The complete list has free dailies on the 4th, 5th and 6th place. The top 11 (plus free daily E Polis) is below. Free business daily 24 Minuti was not audited.

La Gazzetta dello Sport (3.581.000; -0,3%)  
La Repubblica (2.991.000; +1,6%)  
Il Corriere della Sera (2.722.000; + 4,1%)  
Leggo (2,262,000; +11,4%)  
City (1.886.000; +8,8%)  
Metro (1,839,000; +8,9%)  
La Stampa (1.384.000 + 0,4%)  
Il Corriere dello Sport (1.310.000)  
Il Messaggero (1.289.000)  
Il Resto del Carlino (1.180.000)  
Il Sole 24 Ore (1.149.000)  
E Polis (832,000)

### **Romania: circulation & readership**

Compact Bucuresti is the best-read Romanian free newspaper in October 2006 - October 2007. The paper by Swiss publisher Ringier had 262,000 readers; circulation was 157,000. Compact is the second Romanian newspaper after Libertatea (circulation 310,000).

Curentul, the formerly paid newspaper had 82,000 readers; with a circulation of 88,000. Arad Expres had 28,000 readers (18,000 circulation) and Timis Expres 59,000 readers (30,000 circulation). The new Expres titles in Hunedoara and Cluj were not audited yet.

**WAZ interview**

Austrian media website Medianet contained an interview with WAZ-manager Andreas Rudas. As a German publisher not very fond of free dailies and because of that, working together with other German publishers to keep free dailies from the market.

WAZ (Westdeutsche Allgemeine Zeitung, based in Essen) is however active in many Eastern European and Asian markets with different features. In the past WAZ published a free daily in Austria, together with market leader Kronen Zeitung. It ended in a dispute over the continuation of U-Express.

In Croatia WAZ publishes "very successfully" a Metro franchise. WAZ was also participating in a free daily in Macedonia while it threatened to launch one in Bulgaria when an entrepreneur wanted to start a free daily.

**ImpreMedia launches online portal**

ImpreMedia, publisher of seven Spanish language newspapers in US is launching a combined news website for all their newspapers next month. Free daily Hoy in New York is one of ImpreMedia's newspapers. It was acquired from the Tribune group in 2007.

**Ringier to leave the Ukraine?**

German website kress.de reported that Swiss publisher Ringier is thinking about ending operations in the Ukraine. This would mean that tabloid Blik - that just went for the strategy of distributing for free on Mondays - is closing down. The company declined to comment. (Persoenlich)

**Schibsted results**

Norwegian publisher Schibsted announced that its 20 Minutes print operations (France, Spain) for the first time contributed positively to the Group's operating profit (EBITA) for the full year 2007. In Sweden free daily Punkt SE "considerably debited the results but readership figures are continuing to improve".

**TITLES**

**New Metro website first in France**

The new Metro website, to be introduced in every country were Metro International is present, is first launched in France. The site has more web 2.0 features like blogs, comments and polls - the site can be personalized as well. There is also more room for video and pictures.

**French frees +10% in ad revenues**

Total French ad revenues dropped with 1% in 2007 compared to 2006. National newspapers saw revenues decrease with almost 9%; regional papers lost 1%. Free dailies like 20 Minutes and Metro, however, saw their revenues increase with more than 10%. Internet advertising was up with more than 20%. Radio lost revenue but TV saw a rise. Also outdoor and cinema advertising increased. (Der Standard)

**Record PM outsourced**

Jim Chisholm of Ifra's iMedia gave some interesting facts about the Record PM operation in Scotland. The free daily is a 'lite' morning spin off from paid daily The Record and started in January 2006. The paper is printed in four different editions in Glasgow, Edinburgh, Aberdeen and Dundee. Total circulation is less than 20,000 which is rather low a free daily.

Chisholm "it doesn't cost a lot to produce, instead relying on the paper's current editorial, advertising and circulation resources" which he explains by outsourcing. "To contain editorial and production costs, The Record outsourced its design and copy-editing to an Indian company. The result: Readers like the paper and, financially, it's a commercial success." (Newspapers & Technology)

**US Manchester daily goes weekly**

US local free daily Manchester Daily Express (N.H) went weekly in February. The daily started in May 2006 and had a circulation of 8,000. Lack of advertising caused the end of daily publication. (Free-daily.com)

**Grounded in Vienna**

'Live - Heute Das Beste der Woche' is the weekend magazine by free daily 'heute'. The 76-page glossy does not have a cover price but it can be subscribed to. Most of the circulation, however, seems to be distributed for free in boxes in the city. The paper focuses on celebrities and popular culture and also contains the complete TV program of the coming week.

The surprise was on page 74. This page contains every week an interview with Hans Dichand, the most powerful man in newspapers in Austria. Dichand is the publisher and 50% owner of Kronen Zeitung, the absolute market leader in Austria with a circulation of almost 900,000 and a market share of 40% in the paid market.

In 2001 Dichand started his own free paper in Vienna: U-Express. After three years the paper was closed down because the owner of the other 50% of Kronen Zeitung, German publisher WAZ, decided to end it.

Dichand, however, can not participate in any other new newspaper project without the consent of WAZ, so launching his own free paper seemed to be impossible. But in September 2004 a new free daily was launched, published by... Eva Dichand, Hans Dichand's daughter in law. Behind the paper were undisclosed 'private investors' but many Austrians had a clue who that could be. WAZ, however, could not prove Dichand's participation. The interview apparently is another provocation to WAZ.

Österreich had a surprise in the form of a Sunday edition. So far Österreich was only distributed six days a week.

A yearly subscription to Österreich costs €142,80. For 45 cents a day the paper is home delivered six days a week. For €35 the paper throws in a coffee machine as well. Almost half of these 45 cents probably goes to distribution itself - leaving 25 at most for paper, transport, staff, housing and overhead. With a paid circulation of around 140,000 this cannot cover the costs of the paper.

As advertising should make up for the greater part of the revenues, the business model is mysterious. The issue I picked up in Vienna had less than 4 pages paid advertising. The free magazine Life & Style (16 pages) had virtually no paid advertising. There was however a 16-page insert by electronics retailer Saturn.

But also paid papers Die Presse and Der Standard were not overflowed with advertising. Only market leader Kronen Zeitung had substantial advertising.

**Anti-Examiner law challenged**

The state of California could be first to introduce a law which would make it illegal to distribute newspapers to households without consent. When someone under the new law would find an unwanted newspaper in his lawn or on his doorstep he could sue the newspaper. The financial consequences could be fatal.

Although the law is 'general' it is actually aimed at only one newspaper: The San Francisco Examiner, a free, mostly home delivered newspaper, published by Clarity Media, and owned by Denver billionaire Philip Anschutz.

Behind the legislation is Green Party Supervisor Ross Mirkarimi and the San Francisco Bay Guardian, according to Matt Smith of the SF Weekly. In his article he is attacking the plans as curtailing the freedom of the press and possibly also going against the First Amendment.

The support the plans get from other publications is hypocritical according to Smith. The law is just a way to get a competitor out of the way. He also makes the case that The Examiner is actually doing much better than SF Chronicle in investigative journalism.

### **Examiner vs. ILEP**

The Washington edition of the Examiner ran a series on the Institute for Law and Economic Policy (ILEP), a foundation overseen by attorneys from the Milberg Weiss law firm. The ILEP reacted a week after the last article. The nature of the reaction, however, is rather weird, to say the least. It consists of two things. 1. The Examiner is owned by Philip Anschutz who had a dispute with Milberg Weiss so accusations cannot be true. 2. No other major media outlet picked the story up, so there is no story.

Maybe there is no story and maybe the Examiner is acting on behalf of Anschutz but without any proof of that and without addressing the issues raised in the series, the arguments seem rather lame. And is a story only a story when the NYT reports it?

### **SF Public Press**

In the San Francisco Bay area The Public Press made its appearance in February. So far only a website, but according to the masthead it has plans for print, radio and TV as well. And as for print, 'free' is an obvious option.

The Public Press is a 'non-commercial' news service for the Bay Area, one of the areas in the USA where many free dailies are published. In SF alone there are three dailies: the Examiner, the Daily News and the Daily Star; but also surrounding areas like Berkeley, San Mateo, and Palo Alto have free dailies.

Quoting from their website: "The idea is to put journalism first - operating as a nonprofit organization that prioritizes public service over commerce. One idea is to eliminate advertising altogether, creating a robustly independent specialized vehicle for serious news."

The last idea is somewhat curious, particularly when it comes to print. Readers in general like ads, they give information, and generate income. And as for commercial influence, that of course depends more on the attitude of the journalists and management than on the efforts by advertisers to influence the news agenda.

### **Scripps exec with 'free'-knowledge**

E.W. Scripps appointed Javier J. Aldape, a former journalist, and publisher as their new vice president of niche products for the newspaper division. Aldape worked for Spanish language free dailies Hoy in Los Angeles and was publisher of the daily Spanish-language publication, Diario La Estrella in Dallas/Fort Worth - in 2007 the daily moved to a twice-a-week publication. (CNN Money)

### **Yesterday's paper**

Saturday afternoon some weeks ago I thought I was in for a surprise when I was handed a free copy of nrc.next - the cheaper tabloid edition of Dutch leading afternoon quality paper NRC Handelsblad. As the paper was only published Monday to Friday, the Saturday edition was new for me. It wasn't of course - it was already 36 hours old. Weird marketing with yesterday's papers.

NRC.next is considered by many newspaper experts as a promising model. The paper is the 'light' morning version of a traditional afternoon paper, cheaper and printed in tabloid with a reduced page count of 32 pages. It uses material from the mother paper (60%) and has also their own staff of 30 people.

The paper started in 2006 with a circulation of 70,000 - soon increased to 125,000. The circulation at the end of 2007 was 79,000 - 59,000 of that was paid. Publisher PCM claims that there was no cannibalism on NRC Handelsblad but sources within PCM admit that there was some substitution. Readership is young, the youngest in the Netherlands, even a higher proportion in the 18-34 group than free dailies Metro and Spits.

Price, content and image are the main features of nrc.next. Content is excellent, the image is even better. Single copy sale is 1 Euro but the paid copies are mostly subscription. Price is very competitive. Students pay €8,50 a month (weekdays only), a trial subscription is €9,- for four weeks, a normal subscription for three months is €51,-. There is the option to get also NRC Handelsblad delivered on Saturdays - this is even more competitive.

Although readership is very good and circulation is promising, the business model with low prices and a rather big staff, could be a problem. Advertising is still minimal. The Friday issue I got for free contained less than 1.5 page paid advertising.

In the beginning of April a new cheapie will enter the Dutch market. Paid paper AD will launch AD SportwereldPro; a daily that will be published with a circulation of around 75,000 from April until August.

In this period there will be big sports events (European Football Championship, Wimbledon, Olympics, Tour de France). SportwereldPro costs €1,- in single copy sales; a trial subscription is €5,- for three weeks. A regular subscription is €19,95 a month. Subscribers to AD can get the paper for €25,- for the full five months.

### **10 months of MMQ**

The 10 month anniversary of a free newspaper is under normal circumstances not something to celebrate. But circumstances for MédiaMatinQuébec are far from normal. The launch of MMQ in April 2007 was the result of a lockout at Journal de Québec by publisher Quebecor (Sun Media). Locked-out staff members then launched their own newspaper. At March 2 it was the longest newspaper labor conflict in French speaking Canada.

MMQ developed as a very professional paper of 24 to 36 pages - 20 to 25% filled with ads. The paper contains breaking news on the front page, and has a mix of long and shorter stories, quality of photography is excellent.

According to Denis Bolduc, the spokesman for the 252 locked-out workers of the Journal of Quebec, increasing circulation and expanding the number of distribution points are things the paper is now considering. Circulation now is 40,000. MMQ also has a website where the paper can be downloaded as a pdf. All editions from 24 April 2007 on are available.

Lockout of employees has been used by Quebecor nine times in the last ten years. Unlike a strike where employees refuse to work, a lockout is meant to prevent employees from working. Lockout is a typical North-American way of putting pressure on (unionized) employees.

Although free dailies are all over Canada with a share of more than 25 per cent of the total newspaper market, Quebec City has no free dailies except MMQ. It is the second French language city after Montreal with more than 500,000 inhabitants. Montreal has two free dailies: Metro and 24 heures by Sun Media/Quebecor. Even Ottawa with a French population half the size of Quebec City has an edition of 24 heures.

Australian free afternoon daily mX was printed with rose-scented ink on Valentine's Day. mX is published by News Ltd. in Sydney, Melbourne and Brisbane.

### **New ook for *Baslerstab***

Swiss local free daily Baslerstab (Basle) introduced a new design. Instead of the familiar light green, the paper moves to light red in color. Also there will be more focus on domestic, foreign and sports news. Baslerstab started in 1923 but went daily in 2000 when it merged with Basler Woche, as a reaction to the launch of 20 Minuten in 1999 and of Metropol (by Metro International) earlier in 2000. Metro closed down in 2001.

The last years competition has grown. In 2006 afternoon paper 'heute' launched while in 2007 both .ch and News started editions in Basle. The last title is also operated by the publisher of Baslerstab and paid paper Basler Zeitung. Baslerstab has a circulation of almost 90,000. In total more than 300,000 free dailies - four morning titles, one afternoon paper and a free business title - are distributed in Basle on every weekday.

### **Zoomer *Business News 2.0?***

German news site Zoomer launched in February. The site is build partly on the remains of free business daily Business News (by Holzbrinck), that started in June 2006 but was taken from the market within one year. The staff is partly recruited from the people working for Zoomer News. In total 40 journalists are working for Zoomer - which is more than for most free dailies. (Horizont)

Zoomer chief editor Frank Syré: "zoomer.de ist not the successor of business News. Yes, we are in the former BN-Office, and yes, five former BN-Editors have joined the team. The idea for zoomer.de comes from a completely different development team, also zoomer.de ist not part of Handelsblatt publishing group, as BN was."

### **A tale of two *Metro's***

In Brussels you have to be an early bird to get your hands on a free paper. At nine in the morning both editions of Metro stop distributing, racks are empty at ten o'clock. In the afternoon all copies have disappeared. Metro Belgium is owned by Belgium publishers Concentra (Belang van Limburg / Gazet van Antwerpen) and Rossel (Le Soir / Sud Presse). The paper is also a partner of Metro International for international advertising campaigns.

The paper is distributed in two different language versions, the blue Flemish (Dutch language) and the green French edition. Less than 15 percent of the content is similar - translating stories is rare. The editions I checked counted 20 pages, 6 to 7 filled with ads.

Both editions aim at different audiences and operate in different communities. Brussels is officially a bi-language community. French, however, is the language most commonly used. In Brussels public transport travelers can now see by the color of the Metro what language group other readers belong to. The paper also has a 'Kiss & Ride' feature. Readers of Metro who met in the train while reading the paper can get in contact later by sending a message to the paper.

Staff is rather small. Less than 20 journalists - including editor-in-chief and lay-out staff - work for the combined editions. Metro journalists "never leave the office" and mainly rework wire service copy of Belgium national press service Belga, AP and IPS.

Reading Metro Belgium gives a quick update of today's news, with short and some longer stories (and good comics). No local (Antwerp, Brussels) editions so also a focus on national news. Metro Belgium is not in the 'scoops business'. Many stories have a relevant Internet link for more news.

The careful editorial approach, the small staff, limited distribution and lack of local editions are the result of Metro's monopoly position and the fact that it owned by publishers of paid papers. In Western Europe Belgium (with Luxembourg) is the only free daily monopoly.

Last official circulation of Metro Belgium was 230,000; marketing manager An Vermaelen says that current circulation amounts to 275,000 copies, and will systematically be increased to 300,000 copies by the end of 2008. Readership of both editions combined is 814,000. According to the 2006 annual report of Concentra, Metro had a positive result.

### **Bolloré teams up with *L'Equipe***

French media tycoon Vincent Bolloré wants sports paper L'Equipe to provide two pages of sports news every day for his afternoon free daily Direct Soir. A deal, however, has not yet been closed, also because the journalist union Société des journalistes (SDJ) has doubts about the partnership. Teaming up with the 'low cost' paper might hurt the image of L'Equipe: "décrédibiliserait notre journal et ses journalistes." L'Equipe sells around 350,000 copies a day (down from 400,000 in 2000). Direct Soir, launched in June 2006, has a distribution of 470,000.

The 'low cost' feature is not the biggest problem for Direct Soir. It's quite clear that the paper lacks basic journalistic quality. Direct Soir definitely is not going for the Pulitzer Prize or any French equivalent of that. The issue I picked up had no less than four pages on George W. Bush' African AIDS program, with the US president smiling with happy Africans on every picture. The story did not have a by-line, indicating that it was a PR-story that found its way into the paper. Also the African interests of owner Bolloré might have played a role in choosing this subject. Other issues of last week, however, were not much better.

Advertising in the paper is minimal, apart from an in-company ad for Bolloré's commercial television channel Direct 8, there was only one page of advertising - other issues had some more ads. Also readership seems to be a problem. At Friday afternoon, although the paper was handed out at many Metro entrances, I spotted very few people (well, none actually, except myself) reading the paper. It looked as if many copies ended up very soon in the famous Paris see-through waste bags.

Bolloré's papers Matin Plus and Direct Soir will be distributed in the Paris metro. The estimated costs for the exclusive contract is 500,000 to 1 million Euro's according to media website Marianne2.

## Readership Switzerland 2001-2007

Swiss readership auditing organization WMEF published an article on readership patterns of different age groups by Edi Kradolfer in the December 2007 Report. Readership of paid papers by older age groups (45 years and above) hardly changed between 2001 and 2007. But younger groups read less paid newspapers, particularly after 2003. The drop, however, was less than 10%.

Concerning free dailies, however, all groups increased their reading substantially. The younger the age group, the bigger the increase. The 60+ group went from around 10 to more than 20%; the 15-29 years old group went from less than 20 to 50%.

In both the German and the French speaking part of Switzerland free dailies reach a third of the population. In the French speaking part the total reach of newspapers increased from 70 to 80% because of free dailies.

The report can be downloaded in German and French from the 'resources' page.

Chris Anderson, editor in chief of Wired and author of The Long Tail will publish a new book, FREE, in 2009. A part can be read at [Wired.com](http://Wired.com).

## Picard: media barking up wrong tree

Media economics expert Robert Picard published an interesting and provocative post on his blog The Media Business. In the article 'The Internet, mobile media, and youth are not to blame' he discusses the growing (and groundless) fear among traditional media organizations for contemporary and future developments in the media field that are leading to increased competition in a - up until recently - fairly stable industry.

Picard: "Trade publications and industry association meetings are filled with news of diminished budgets, reorganizations, consolidations, and layoffs. People say traditional media are declining and will soon disappear."

These claims, however, are far from true says Picard: "Although young people have adopted newer media technologies more rapidly than other population groups, most of their media use still involves film, television, magazines, and non-traditional newspapers".

## Metro as Euro-brand

Pan-European free daily Metro is one of the best-known European media brands according to a 2007 Synovate/EMS study.

In terms of reach in the group of influential Europeans, Metro is the best-known print medium, being read by 2.4 million of the target group on any given weekday. 20 Minutes reaches 967,000 readers in the target group, Financial Times 581,000.

The monthly National Geographic reaches 2.2 million, weekly Time 1 million influentials. Three TV channels, Eurosport, MTV and Arte, have a higher reach: 4.1 million, 3.2 million and 2.6 million people in the target group.

Research was done in 16 Western European countries, the Metro-brand including the Metro International papers, Associated Newspapers UK and Irish operations and the Belgian Metro as well.

## Toronto

On Friday May 9 I will speak at the Canadian Newspapers Association (CAN) conference in Toronto on 'the Future of Free'. More information at: [www.cna-acj.ca](http://www.cna-acj.ca).

## Lisbon

May 18-20 the 8<sup>th</sup> bi-annual World Media Economics Conference will be organized in Portugal. I will present a paper on the life-cycle of the free newspaper model. More information at [www.mediaxxi.com/8wmemc/](http://www.mediaxxi.com/8wmemc/)

## Montreal

The International Communications Association (ICA) conference 2008 is organized in Montreal. On Saturday 24 May I will present a paper with my colleague Mervi Pantti on journalism and user-generated content.

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