

# Free Daily Newspapers

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Circulation / Readership	Closures	Plans
The Netherlands, Croatia, Sweden, France, Spain (pp. 2-3)	Denmark, Austria, Hungary, Czech Republic and Germany (pp. 3-4)	Israel, Slovenia, Switzerland, UK, Netherlands, US (pp. 1-2)

## July 2007: 40 million in 50 countries

The magic 40 million in circulation was reached in June/July 2007. This is more than the two largest markets in Europe, Germany and the UK, together.

The growth is not caused by new launches but because of circulation increases and some updates. In terms of launches the last weeks have been very weak actually: there have been more closures than launches for the first time in the history of free dailies. On the other hand, the amount of plans is impressive: new papers and editions planned in Israel, UK, Slovenia, the Netherlands and maybe in the US and Asia. Also another milestone is reached: 50 countries now have free dailies.

## FDN - BAROMETER

The FDN barometer measures free dailies and circulation, comparing 2005 with July 2007.

### Free Dailies 2005 / July 2007 (circ. \* 1000)

	Countries		Titles		Circulation	
	2005	2007	2005	2007	2005	2007
Europe	24	29	80	121	15.291	26.988
America's	8	9	44	61	4.439	6.446
Asia/Pac/Afr	7	12	16	28	4.224	6.850
<b>Total</b>	<b>39</b>	<b>50</b>	<b>140</b>	<b>210</b>	<b>23.954</b>	<b>40.284</b>

*World Press Trends* reported already the 40 million for 2006. Their method however is different: they also count papers that were closed down in 2006 and also included some paid papers and some non-dailies.

## LAUNCHES

### 15 Minut to Odessa

Ukraine free daily *15 Minut* launched an Odessa edition with a circulation of 15,000 on June 6. Odessa is the fourth city in the Ukraine and has a population of 1 million. *15 Minut* started June 2006 in Kiev and launched a Donetsk edition in April of this year. Total circulation is now 160,000. According to a TNS survey in April 2007, *15 Minut* is the second most popular daily in Kiev with daily audience of 350,000.

## PLANS

### First free daily planned for Slovenia

Austrian publisher Styria Medien is planning a free daily for one of the few 'white spots' on the European map: Slovenia. The new paper will be called *Zurnal24* and will launch in the fall in the capital Ljubljana with a circulation of at least 100,000. Styria already publishes the succesful cheap/free *24Sata* in Croatia and will use that concept too in Slovenia. So far Styria only published free weeklies in Slovenia. Total paid circulation in Slovenia is 430,000.

### City AM goes abroad

London business free daily *City AM* is planning several international editions. The two Dutch investors of *City AM*, Boudewijn Poelmann and Derk Sauer, want to expand the

concept to Frankfurt, Hong Kong, Tokio and New York. Paris and perhaps Amsterdam could follow later. Both investors started their first free daily, the *Moscow Times*, in 1992. Three years ago they sold the paper to Finnish publisher Sanoma. In April *City AM* already announced editions for Edinburgh, Manchester, Glasgow and Leeds, to be launched 'later this year'. The London business paper already has contacts with Portuguese business free daily *OJE* that uses *City AM*'s design.

### Metro UK plans expansion

*Metro UK* by Associated Newspapers plans a 250,000 increase in circulation in September of this year. The rise (200,000 in London; 45,000 in other areas) would increase *Metro*'s total circulation in the UK to 1.3 million. *Metro*, launched in 1999, is already the free daily with the highest circulation in the world, that is: in one country.

### UK freesheet war to Manchester

UK rail operator Network Rail is asking for bidders for the evening distribution slot at Manchester's Piccadilly station where 60,000 people pass every day. The morning time slot is already occupied by the Manchester *Metro* edition while the *Manchester Evening News* is distributed for free in the centre of the city. The combined circulation of both titles is just below 200,000. News International (*thelondonpaper*) at the same time is also looking for expansion plans. (*Media Guardian*)

### Israel: 60% free?

With plans for three different new free dailies shaping up, Israel could be the first non-European country with more free than paid papers being distributed. Incumbent free daily *Israeli* (launched in 2006) prints 180,000 copies, while the new *Israel Today* by *Israeli* co-owner and US billionaire Sheldon Adelson aims at a circulation 300,000. *Israel Today* (*Yisrael Hayom*) is expected within two weeks. Also publisher Arnon Mozes of *Yedioth Ahronoth*, Israel's leading paid paper, plans a free publication with a circulation of 300,000. Lastly, businessmen David Weissman and Eli Azur are planning a free daily with a circulation of 250,000.

The joint free circulation will, if all plans come true, rise to more than a million in a market where paid circulation is 750,000. While *Israeli* is distributed through gas stations and public transport, *Israel Today* will use door-to-door distribution while the two others will look for alternatives like supermarkets. Political influence rather than profit are said to be the main drivers for these plans. (*Haaretz*)

### .CH for September 19

The new Swiss morning paper by former *Blick* editor-in-chief and *20 Minuten* founder Sacha Wigdorovits will launch on September 19 with a circulation of 425,000. *Punkt.ch* (ch being the internet code for Switzerland) will be available in five different editions for Zürich, Bern, Basel, Luzern and St. Gallen. In these cities also competitor *20 Minuten* publishes local editions. 70% of the circulation will be available in 35,000 boxes at entrances of apartment blocks and other housing quarters before 7:00 AM. The rest will be available in boxes at

public transport hubs or handed out by hawkers. The paper will employ 38 journalists and 17 people in other positions. Wigdorovits aims at making a quality paper that



wants to position itself above 20 *Minuten* and *Blick*. Target group is between 19 and 59. The paper has a more classic design for the inside pages than the 'regular' commuter papers although the front page is very graphic.

Austrian publisher Moser Holding, already publishing free weeklies in Austria and the free

daily *Neue Express* in its hometown Innsbruck, will be participating in the new free daily. In Innsbruck Moser also publishes paid dailies *Tiroler Tageszeitung* and the *Neue Zeitung für Tirol*.

The new daily apparently made a good deal with Swiss Post subsidiary DMC (Direct Mail Company). DMC only charges 7.2 Rappen (€0.04) to deliver a copy of the new paper. Other papers pay at least 30 Rappen (€0.18). According to other publisher DMC is either involved in price dumping or is charging other papers too much. The total budget is between CHF 60m and Chf 70m (€36m - €43m). (*Persoenlich*)

### Tagi shaping up

The new *Tagi.ch* by Swiss publisher Tamadia (20 *Minuten*, *Tages-Anzeiger*) will be modelled after the German *Welt/Welt Kompakt* titles meaning it will be a slimmed down and compact version of the *Tages Anzeiger*. The paper will be distributed in Basle, Zurich and Bern to compete with *ch*. Although *Welt Kompakt* is mostly paid-for, it is likely that *Tagi.ch* will be distributed for free.

### L.A. Examiner?

According to *Medialife*, the fourth edition of the free *Examiner* model could be launched in Los Angeles. After San Francisco (2003), Washington (2005) and Baltimore (2006), it would be the fourth edition of the free tabloid that mainly targets high income households and is home delivered for a major part. The paper has a more local focus than free commuter dailies while also the page count and staff size are higher. It is published six days a week. Total combined circulation is almost 700,000.

Clarity Media, the parent company of the paper, owned by Denver billionaire Philip Anschutz already trademarked the *Examiner*-brand in 70 US cities. Timing is excellent. The *LA Times* saw its circulation drop sharply in the last decade from more than a million to just over 800,000 in 2006. Advertisers would also welcome competition.

### De Pers & DAG expand

From September on, Dutch free daily *De Pers* will also distribute a Saturday edition. The weekend edition will be printed in Antwerp (Belgium) and will have a bigger size (Berliner) than the weekday tabloid. Part of the 250,000 weekend copies will be distributed door-to-door. (*MediaFacts*)

Free daily *DAG* (PCM) will increase circulation from 325,000 to 400,000 in September. At the same time the

paper will introduce a Saturday magazine. In August *DAG* will start with home delivery together with paid mother paper *de Volkskrant*. It will be a combined subscription for *DAG* from Monday to Friday and *de Volkskrant* on Saturday for a reduced price.

## CIRCULATION & READERSHIP

### 20 minutes 2nd for decision makers

An Ipsos research on reading habits of French decision makers ('cadres') revealed that after *Le Monde*, free daily *20 Minutes* was the most read newspaper. *Le Monde* was read by 9.8% of the people interviewed, *20 Minutes* and sports paper *L'Equipe* by 9.1%. Other French free dailies like *Metro*, *Matin Plus* or *Direct Soir* were not included in the research. (*Le Monde*)

### Frees lead in Croatia

The party free *24sata* and completely free *Metro* in Croatia are the two best read papers in the country in the first half of 2007. *24sata* (by Austrian publisher Styria) has a paid morning edition which is half the price of regular papers in Croatia while it also distributes a free afternoon edition. Their combined readership is 675,000. *Metro* (a franchise by Europe Press Holding and German publisher WAZ) is second with 411,000 readers. Paid papers *Jutarnji List* and *Vecernji List* follow with 359,000 and 340,000 readers. (*Media Metar*)

### Readership Sweden

The Q1 2007 Orvesto research shows that free daily *Metro* only felt a minimal impact from new entries *Punkt SE* and *City*. *Metro* had a total of 1,562,000 readers: less than 1% down compared to Q1 2006. *Metro* gained readers with the national edition (up with 23% to 422,000) but saw drops in Stockholm (-3.5%), Göteborg (-4.7) and Malmö/Skane (-9.3%). In the last two markets both *City* and *Punkt SE* were introduced in the fall of 2006 which would explain the drop in readership. In all three markets *Metro* is still the best read free daily.

Paid papers also lost, *Dagens Nyheter*, *Sydsvenskan* and *Expressen* losing more than 5% in one year.

In Stockholm also *City* lost readers: down from 601,000 to 580,000 (-3.5%). *Metro* has 690,000 readers in the capital, *Punkt SE* 294,000. In Göteborg *Metro* leads with 284,000 readers (*City*: 111,000; *Punkt SE*: 131,000), in Malmö/Skane *Metro* has 253,000 readers followed by *City* (96,000) and *Punkt SE* (81,000). The Saturday edition in Stockholm of *Metro* lost 6.6% of its readers.

### Metro 2nd title in the Netherlands

*Metro* is the second Dutch paper in the first quarter of 2007. Paid paper *De Telegraaf* (circulation 658,000) is still leading, *Metro* distributes 523,000 daily copies. *Spits* (431,000) is fourth after *AD* (478,000). New entry *De Pers*, launched in January did not participate in the research of the first quarter, while *DAG* only launched in May. The real test will be the first readership data, to be published in October 2007 with probably all four free titles participating. In the last results (May 2005 - April 2006) *Spits* was second after *De Telegraaf* while *Metro* shared the fourth place with *AD*.

### Spanish free daily readers

Orange Media presented a research on Spanish readers of free dailies. The study, conducted by Ipsos does not try to compete with readership studies of EGM, but is more qualitative. More than a 1000 readers in six major Spanish cities were interviewed. *20 Minutos* is the most popular of the free dailies, *Qué!* was second, *Metro* third

and *ADN* fourth. Readers don't seem to mind ads in the paper and also like the neutral political content, which compared to paid papers is very different.

Two thirds of the people interviewed say they read as much paid papers as before the free dailies became available (almost 80% say they read at least one copy of a paid paper last month), 18% say they read less paid papers. More than 60% reads the paper in public transport, while distribution is an important factor: 56% of the readers just take what they are offered. (*PRNoticias*)

## 20 Minuten increases circulation

With the plans for the new competitor *.ch* emerging leading Swiss free daily *20 Minuten* will increase circulation with 120,000 to 550,000. According to the management the huge demand for *20 Minuten* is the reason for the increase but the new competition might be a better explanation. (*Persoendlich*)

## PUBLISHERS & TITLES

### Closures in Austria

The Graz edition of free Austrian paper *Heute* was last published July 6. Competing free daily by leading Graz publisher Styria Medien (*Kleine Zeitung, Die Presse*): *OK*, with editions in Graz and Kärnten (Klagenfurt, Villach) was also closed down at the same time. *OK Graz* was launched in May 2006. *Heute* is still published in other areas while the *OK* concept is still published in Croatia as paid/free paper *24Sata*. The first and last edition of *OK* can be downloaded from their website that also contains comments from disappointed readers.

### Casualties in Danish freebie war

After the closure of *Metro Aften* in Copenhagen (December 2006), *JPAarhus+* (March 2007) and *Dato* (April 2007), also the two editions of *Centrum* in the Northern town of Aalborg will be axed. *Centrum Morgen* and *Centrum Aften* (combined circulation around 90,000) were successors of the free daily *10 Minutter* that was launched in 2002. In August 2006, publisher Nordjyllands



Avissselskab (*Nordjyske Stiftstidende*), converted the morning paper into *Centrum Morgen* and added a home delivered evening edition *Centrum Aften* to compete with *24timer, Dato* and *Nyhedsavisen*.

Officially *Centrum* will be 'merged' with *24timer* after the summer, like *JPAarhus+*. Because of the merger publishers Nordjyske Stiftstidende and JP/Politiken will both participate in the Aalborg edition of *24timer*. Nordjyske will be responsible for local content and advertising. Because *24timer* already had an Aalborg edition, total circulation will go down with at least 50% in Aalborg. (*Politiken*)

Denmark lost another free daily when business paper *ErhvervsBladet* begin charging for delivery in the beginning of this year. In the fall of 2006 there were 10 titles – only 5 remain. Market share is still above 50%.

### Dutch free dailies compared

*De Volkskrant* compared the four Dutch dailies that are now available nationwide. *Metro* (launched in 1999, editorial staf: 28) had €17.5m ads expenditure in Q1 2007. *Spits* (1999, editorial staf: 37) had a €13.5m ads expenditure. The third paper *De Pers* (2007, editorial staf: 43) had €1.7m ads expenditure while there are not yet data on ads expenditure for *DAG* (2007, editorial staf: 45).

Research company NewCom asked 1600 people about free papers. Although both *Metro* and *Spits* were known by 95% (new entries *De Pers* en *DAG* by less), free papers are rated less than paid newspapers. On a scale from 1 to 10 *Metro* scores 6.9; *Spits* 6.8, *De Pers* 7.0 and *DAG* 5.9. Paid papers have an average score of 7.9. When people read *Metro, Spits* or *De Pers* more than half of the readers read the whole paper; *DAG* is read entirely by 34%. Almost 30% of the people interviewed see free papers as a good substitute for paid papers. Of the four free dailies *De Pers* is seen as the most reliable (although less reliable than paid papers) while *Metro* is the most trusted brand. *Spits* is the free daily with the fastest news.

### London cleaning

The Westminster City Council is thinking about strict rules on cleaning up free dailies after negotiations with publishers of *London Lite* (Associated Newspapers) and *thelondonpaper* (News Ltd.) have broken down. The rules would include a licence to distribute free dailies while the cost of such a licence would cover for cleaning costs. Both publishers have one month to come up with a voluntary scheme for cleaning up before the Council will impose their rules, but both are confident an agreement will be reached. Total costs would be £111,000 a year (€164,000). (*Press Gazette, Guardian*)

### Metro Sweden pays bloggers

Registered bloggers on *Metro* Sweden's new MetroBloggen website can earn money if the blog has 5,000 or more pageviews a month. For every click the blogger gets 3 öre, but below 5000 pageviews or 150 kroner (€16) the blogger receives nothing. *Metro* also owns the work of the blogger and can use it for other purposes. Third party advertising is not allowed on the *Metro* blogs. (*Media Culpa*)

### 20 Minuten profits

The leading free daily in Switzerland, *20 Minuten*, made a profit of CHF 30m (€18m) last year. The paper has a circulation of more than 650,000 and has 1.17m readers. Last year and this year advertising rates have been increased with 10% because of rising readership.

The online version of Swiss free daily *20 Minuten* was the third most popular newspaper website in Switzerland in May 2007 according to the NET-Matrix-Audit research. The site had 1.1 million unique visitors and 6.3 million visits. First is the website of leading paid tabloid *Blick*, second the site of quality paper the *Neue Zürcher Zeitung*. The paper version of *20 Minuten* is still the best read paper. (*Persoendlich*)

### Qué! expanding

Spanish free daily *Qué* is hiring 90 new journalists, which would mean that the paper wants to expand their footprint in Spain, either by increasing size or quality or by launching new editions. Ownership of the paper is still uncertain. Media group Vocento is said to be interested although the price could be too high. The Caja Navarra bank has put its share of 3.5% in the paper for sale. (*El Confidencial Digital*)

### SOPA awards for theSun

Malaysian free daily *theSun* was one of the winners of the Society of Publishers in Asia (SOPA) 2006 awards for Editorial Excellence. The awards are Asia's equivalent to the US Pulitzer prizes. Most prizes were won by established media like the *Financial Times, China Economic Review, Businessweek, Time, IHT, Newsweek* and *WSJ Asia* which makes the award for *theSun* even more outstanding.

The first award, for Excellence in Opinion Writing, was for a series of six commentaries written by assistant news editor Jacqueline Ann Surin. From the jury report: "Brave opinion writer. Jacqueline Ann Surin's essays examine the cracks in Malaysia's facade of moderation. Clearly, non-Muslims, ethnic minorities and women are facing new challenges to their liberties. Ms. Surin examines them in unstinting fashion, from a perspective that is quite personal and therefore very powerful."

The second win, for Public Service Journalism, was for 'Low Cost Palace' by deputy editor R. Nadeswaran and deputy news editor Terence Fernandez. The report was an exposé on the lavish mansion constructed without local authority permission by a local assemblyman and former town councillor. From the jury report: "The Sun: Fresh, ambitious reporting that made an impact on political cronyism. A tenacious piece of investigative journalism in a country where it can be difficult to do this kind of reporting."

### Short ride for *Busz*

Hungarian free daily *Busz* published the last daily issue on Friday June 8. The paper was around for less than two months. *Busz* could go for a weekly schedule during the summer and return in September although it could very well be that we saw the last *Busz* altogether.

### Two free titles closed in Germany

Germany has survived the second attack of free dailies that began in 2006. *Business News*, the free business paper by Holtzbrinck (*Handelsblatt*) closed down in June. The paper started in August 2006 as the successor of the cheap tabloid *News*, and had a circulation of 110,000 in the beginning of this year. It was delivered to more than a hundred businesses. Lack of advertising income was the main reason for the closure. The *BusinessNews* website however will carry on.

In April the free sports paper *Sportzeitung* closed down. This paper was available on Lufthansa flights and had a circulation of 13,000. Also in this case lack of advertising caused the problems. In 1999-2001 the Norwegian publisher Schibsted tried to introduce the *20 Minutes* concept in Cologne but was forced from the market after Alex Springer and a local publisher launched competing free papers of their own.

Three free dailies remain: *SZ Primetime*, *Handelsblatt am Abend*, *FTD Kompakt*; all distributed on Lufthansa flights or ICE trains. Also *Welt Kompakt* is partly distributed for free in trains. Combined circulation is less than 60,000.

### Spanish business papers battle

No less than five different business dailies in Spain compete, one of them totally free, one partly free and three mostly free. The latest OJD data for April indicate that paid paper *Expansion* (recently sold by Recoletos to Italian RCS group) is still leading with 53,000 copies, an increase of 2.4% compared to last year - although also many of these copies are delivered free of charge. Free business daily *Negocio* is second with 48,000 copies. Both *La Gaceta de los Negocios* and *Cinco Días* have a circulation of around 30,000 while *El Economista* distributed 25,000 copies. (*PRNoticias*)

### Czech advertising revenues

The three remaining titles on the Czech free dailies market - after the closure of *Kurýr* have a very uneven distribution of ads, according to the last TNS Media research on advertising in the Czech Republic. In the first quarter *Metro* had an ad revenue of CZK 159m (€5.6m) against CZK 18m for *24 Hodin* (Ringier) and CZK 24m for

*Metropolitni Expres* (Mafra). These ads, however, are including house ads and barter contracts (which are carried quite a lot by Czech free dailies) while also the huge discounts (up to 70% or even more) are not taken into account.

*Metro* has a higher circulation and bigger footprint as it is also distributed outside Prague. Net income obviously is much less, probably still very much below operating costs. Because market leader *Metro* is still a loss making operation according to Metro International, this means the other papers must be losing even more.

The fourth free daily, *Praha Kurýr*, closed down after the summer of 2006. In July the door-to-door paper was converted to a weekly. In September the paper stopped altogether, losses were at least €100,000 a month. The paper had an old fashioned design and problems with editorial content but most of all with distribution. Mafra, publisher of *Metropolitni Expres*, launched a bi-weekly in Southern Bohemina with a circulation of 130,000: *14dni*.

## RESEARCH

### Swiss statistics

The Swiss bureau for statistics published a report on the development of Swiss press over the last decades. The last five years with the growth of free papers and the decline of the paid press is covered in both text and tables. The report (in German) is available as a free download from the website of BFS: [www.bfs.admin.ch](http://www.bfs.admin.ch).

## EVENTS

### Brasil: Universidade Casper Líbero

On August 9 there will be a conference on free daily newspapers at the Universidade Casper Líbero in São Paulo. Speakers will be Ângelo Frazão (President of Grupo de Media), Gonçalo Uva (*Destak* founder), André Jordan (*Destak* São Paulo main Shareholder) and myself. For more information, mail Fabio Santos: [fsantos@destakjournal.com.br](mailto:fsantos@destakjournal.com.br).

### Cardiff: the future of newspapers

On September 13 I will present a paper at the Conference 'The future of newspapers', which is held at the Cardiff University in Wales (UK). More on [www.cardiff.ac.uk](http://www.cardiff.ac.uk).

## WEBSITE UPDATE

Attentive readers and the World Press Trends 2007 pointed me to some titles that were not on the website yet. In Valencia (Spain) the free afternoon daily *La Hoja de la Tarde* was launched in December 2005. Macedonia seems to have two free dailies already: *Spic* and *24hours*. In the United Arab Emirates, *Sports100* was launched in May 2006.

A new page with – mostly academic – sources is added to the website: **Resources**, covering literature, books, reports and articles from 2000 to the present. Most of them can be downloaded from the website.

Also the pages on the different continents have been updated, market shares are now calculated on the basis of paid circulation in 2006.

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