



Welcome ICMA Members

Today's Topic

Why are free distribution papers
doing so well ?

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President of ***the flyer*** in Tampa



the flyer

Tampa
Florida

What we are....

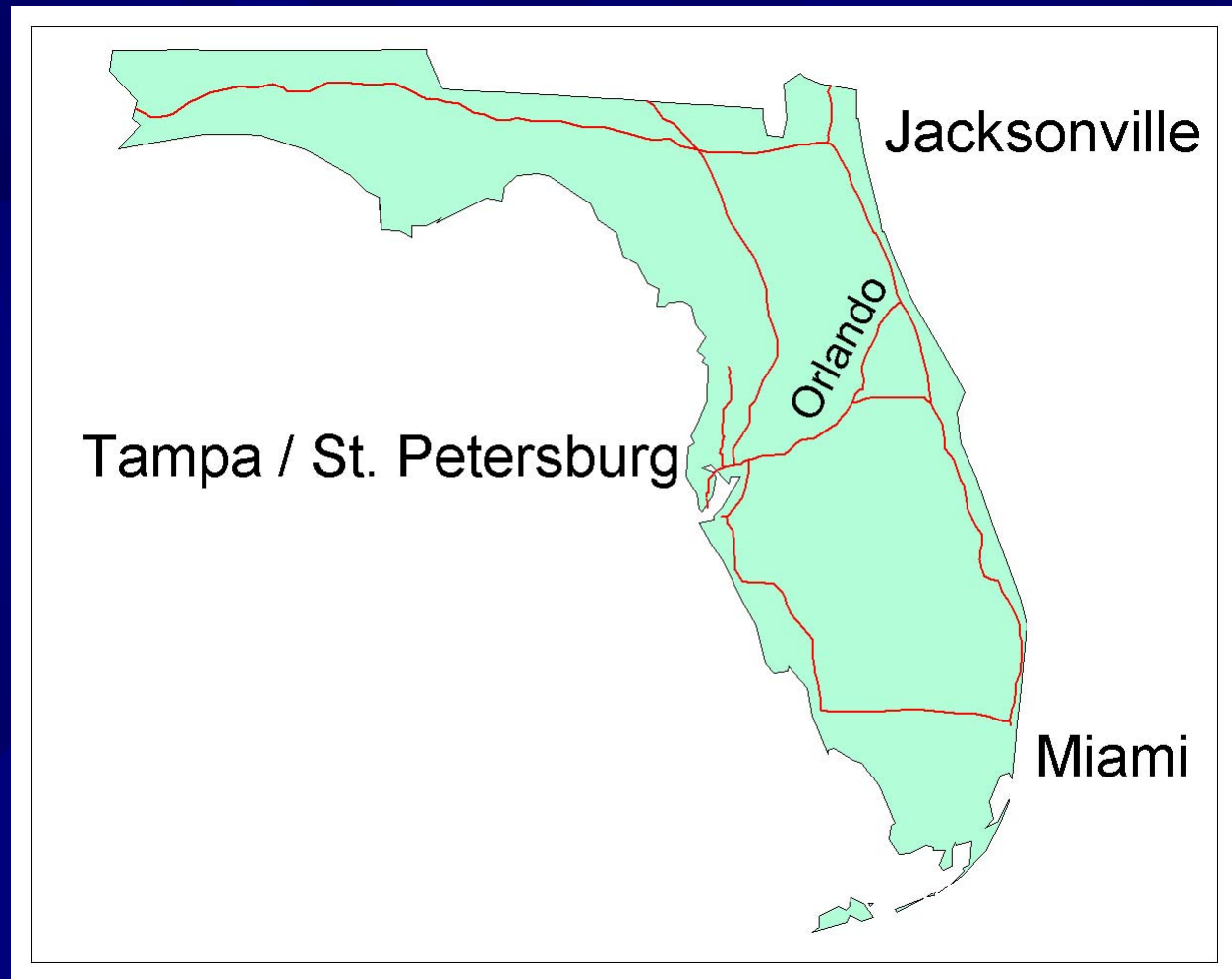
Direct mailed weekly - shopping
magazine

870,00 circulation - 57 editions





Where we are





the flyer Model



Saturation Coverage (96% of homes and businesses in our market receive *the flyer*)

Weekly distribution

57 Editions accommodate Highly Targeted Geography

100% Advertising



Multiple Product Lines Including:

- ROP Display and Classifieds
 - Print and Mail
 - Inserts
 - VIP Cards

Professional Sales Team:

- Geographically and Vertically Integrated

Locally Owned



What Free Distribution Papers Have in Common

The Good

The Bad

The Ugly

Barriers to Entry

- It is easy to get into the free distribution paper business. That's good
- It is easy for your competitors to get into the free distribution paper business. That's bad
- Small start-up operations will tend to drastically lower the perceived value of advertising by giving or trading away ad space. That can be ugly

Circulation Growth isn't dependent on subscribers

- For direct mail papers expanding circulation is as simple as adding new addresses
- New circulation does not guarantee new advertising dollars
- Postage cost alone can exceed 50% of revenue in some start-up circulation



Free Weekly Papers can be very efficient

- Generally the free distribution paper can eliminate most or all of the news hole and the related expenses
- The lack of editorial enables the publisher to invest in color and other expensive impact features
- Creating readership for a new product in a time-strapped society can be difficult



Conclusion... if done right, it is all “Good”

- Free distribution papers are increasing in circulation with a positive story that is compelling to advertisers
- Free distribution papers present outstanding growth opportunities for the established publisher and new publisher alike
- Trade associations are providing win-win opportunities for advertisers and publishers