



Building for the future



Through the noise of the new metro station being built directly outside the ICMA offices (only another seven years of construction to go!), we're very much looking forward to welcoming you all to join us in a much more peaceful location in our adopted

country, The Hague, for the next ICMA General Meeting on 6-8 May, kindly hosted by ViaVia.

The GM theme is "Change!", and in addition to the normal packed Plenary Day programme and increased social activities on offer, you'll notice several changes which are designed to improve interaction and information-exchange amongst delegates. Many of these spring from the BABE project and are obvious, the extended and enhanced Sales Managers' Workshop, the introduction of new members during the Plenary Day sessions and the new translation services to name but a few, whilst others are more low-key. First time at a GM, don't recognize anyone or want to find someone who knows more about a particular issue? The new meeting facilitation service will help you find the people and information that you are seeking - just make the request when you register and we'll do the rest. And, just wait until you try the ICMA Speed-Dating Hour on Friday afternoon - life may never be the same again!

In our continuing quest to deliver more value to members, Head Office is currently concluding several

agreements with other associations and organizations in the classified media and broader media sectors, which will offer ICMA members access to relevant events, services and opportunities. As a small, niche association with limited resources, it makes sense to forge mutually-beneficial partnerships rather than spend time and effort trying to re-invent the wheel each time. You've already received information from Joanne about relevant E&P, WAN and INMA events and there will be much more of this in the future so remember to visit the ICMA website at www.icmaonline.org to keep yourself updated with the latest news.

Finally, news of new members. The first applicant of 2004 was eBay, an Internet company that some of you might have come across(!), and we are delighted to welcome them to the ICMA network. Several of the eBay team will be joining us in The Hague and I know that you will have plenty to talk to them about. Whilst I am quietly confident of a few new applicants in the next couple of weeks, we have an ambitious growth target in 2004 and so can I remind you of the bounty scheme that ICMA operates? This will reward you with cold, hard cash for your recruitment efforts as well as strengthening the Association with new ideas, experiences and knowledge - further details on the ICMA website.

I look forward to seeing you in The Hague, let's hope that the Dutch spring weather will be kind to us!

Lucie Hime
Executive Director

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Blooming Holland

Have you registered for CHANGE? The Hague ICMA General Meeting takes place 6-8 May in The Netherlands - for more details go to page 3!



Change is Constant

Our relatively new industry has indeed gone through a lot of change since the early days, when we acted as catalyst for change and created a whole new market.

The past years with the Internet gaining a lot of ground we've been in a midst of a macroeconomic change, and some of us have gained while some have lost. Unfortunately my gut feeling is that most of us have lost.

And again there are signs in the air for another change. Now we'll start seeing new competitors entering our classifieds home ground. The Directory businesses have already started to move in our direction. Australia's Yellow Pages company Sensis bought Trading Post from Trader Classified Media, and in 2003 Portugal's Ocasão was bought by the Telecom Group of Portugal. And some Nordic directory companies are currently looking at this market. After all, it's all about "connecting buyers and sellers" (Sidharth from India has some very good insight in this as he's doing both!).

Another interesting concept is Google's new "Classifieds Directory/Search Engine" Froogle. One key revenue mechanism for Google is "paid search"

(i.e. that the result pages are "sponsored" by companies who wants to appear high up in the search results), and it's pretty obvious that this mechanism can be applied for Froogle as well. Their challenge is naturally to attract the critical mass of visitors (see separate article).

In this turmoil we again face new challenges, competitors but also opportunities. One of ICMA's tasks is to help you navigate this landscape. And I'm confident that we as an industry, working together can turn the new threats into opportunities.

See you all soon in The Hague, and looking forward to some interesting discussions.

Yours truly,

Stefan Anderson
ICMA Executive Chairman



New level of Associate Membership launched (and bounty included!)



Head Office is launching a new level of ICMA membership, specially designed for suppliers to the classified media industry. The ICMA Associate Membership is strictly limited to suppliers of goods (e.g. paper) or services (e.g. software, consultancy) to the classified media industry, and will allow them to participate in ICMA activities and contribute to and enhance the network effect of information exchange.

Whilst the benefits of Associate Membership are naturally not those of full membership (no access to the Publishers' Meeting, the Ad Exchange or benchmarking, and no voting rights), Associate

Members will be able to tap into the ICMA network and develop valuable relationships with other members. Obviously, Head Office hopes that current exhibitors and sponsors will decide to upgrade to this longer-term relationship.

Applicant companies will be screened for suitability by the Committee to ensure that they fit the criteria and will contribute to the Association. The cost of Associate Membership is €2000 for a full year and €1200 for a half year.

At the same time, Head Office is extending the member bounty scheme to include the introduction of new Associate Members. The same 15% of the first year's fees bounty will be paid and so if you have any relevant suppliers or partners, why not introduce them to ICMA and earn a rebate on your fees?

Contact Lucie Hime on l.hime@icmaonline.org or visit www.icmaonline.org for further details.

MEMBERSHIP FEES

The 2004 membership fee invoices were sent out in December 2003, and payment was due by 31st January. By now nearly everyone has paid, so thanks to those who paid their fees promptly. For those who haven't (you know who you are!), this is a reminder to ensure that your fees are paid as soon as possible.

Please remember that any members wishing to attend the forthcoming GM in The Hague must have their membership fees paid in full before they can register. If you have any queries about your invoices please contact Gavin Reynolds (g.reynolds@icmaonline.org) at Head Office.

AdEx monthly report

When we last looked at the Ad Exchange it was starting to suffer from the dreaded seasonal slump that we have witnessed, starting in December and continuing on to January, in previous years. Well, the good news is that for the first time in several years this trend has been reversed! We saw increases in the numbers of RUs sent for November, December and January. To be fair, February has shown a slight decrease but maybe this is because everyone is so tired after 2 hard months work in December and January!



This turn around has been partly driven by some good performances from members in the Alpha League. Loot London in particular had an excellent December sending well over 6,000 RUs, of which over half were commercial! They did so well they even managed to knock Quoka Verlag GmbH off the top spot as the top sender of RUs for that month. This is the first time in many years any member has managed to do this. Quoka (obviously threatened by this challenge!) responded by sending nearly 8,000 RUs in January to claim back their top spot.

Another factor in the rise of the Ad Exchange numbers is the continued strides our Beta League members have been making. This can be particularly seen by the increase in commercial ads some members have experienced. We all know the money is in commercial ads, but how do you sell more of them? JunkMail Johannesburg and Ad Mag East Midlands both seem to have found the answer. JunkMail are consistently the highest seller of commercial RUs in the Beta League month in month out. Ad Mag recently launched a promotional campaign for the Ad Exchange and in the space of 1 month went from 26th place to 2nd place in the Beta league for commercial RUs! If you want to find out more check out the Ad Exchange section in the members area of our website, where we have a Best Practice piece from Claire Lawson-Lown at Ad Mag.

Committee Brief

The Committee met recently in Capetown, South Africa for their regular quarterly meeting. Despite the beautiful South African summer weather, many issues were covered in the two-day conference, ranging from recruitment to Phoenix, finance to adding value. A synopsis below:

- The Association finished 2003 with a small positive financial balance (unaudited)
- The Committee reviewed the recruitment strategy to date and agreed several new initiatives to improve the referral rate from members, as well as raising the public profile of ICMA to increase the numbers of applications. Head Office will work closely with suppliers to leverage their client bases
- The Hague GM programme was reviewed and a theme of 'Competition' decided on for the Orlando GM
- Head Office presented the adoption of the BABE recommendations, most of which will be implemented during the forthcoming GM at The Hague
- The Committee approved a new Associate Membership level designed for suppliers to the classified media industry (see separate article on this page)
- The Committee discussed the Phoenix report and decided to seek an external partner for this project

The next Committee Meeting is scheduled for 6 May 2004 at The Hague GM. Please contact Head Office on l.hime@icmaonline.org or any of the Committee members (contact details on page 8) if you require any further information or want to bring anything to the attention of the Committee.



The Hague ICMA General Meeting, The Netherlands, 6-8 May, 2004

By now we very much hope that you have received your brochure for The Hague ICMA General Meeting. If not you can go online - www.icmaonline.org/Members/Forthcoming.aspx - to check out the programme, social activities and most importantly to register.

Join us and your fellow ICMA members at The Hague ICMA General Meeting at the beautiful Kurhaus Hotel located right on the seafront in The Hague (Scheveningen) on 6-8 May 2004.

Hosted by local member ViaVia, part of the Trader Classified Media group, the 2004 Spring General Meeting focuses on the ever-important theme of "Change!" - how to recognize it and how to capitalize on it. There will be some looking backwards as history is always an excellent teacher, but there will be much more looking forwards - a packed twin-track programme will help you better understand the trends and influences within classified media and what they will mean for your business in the future.



But the most important part of any ICMA event is always the opportunity to exchange ideas and experiences with your peers, and there will be even more chance to do that with an extended social programme, a 'coming-of-age'

Sales Managers' Workshop, the first ICMA Speed-Dating Hour and the new meeting facilitation service, to name but a few of the innovations and delights that await you. In order to further improve member interaction, we are asking you for some extra information on the registration form - please do take the extra two minutes to answer the questions, it will add real value for all.

PLEASE NOTE THE FOLLOWING REGISTRATION DEADLINES...

Early Bird Registration before **Monday 5 April 2004** - € 195
Standard Registration before **Thursday 20 April 2004** - € 230
Late registrations will be taken **after 20 April 2004** and on-site - € 270

Partnerships

ICMA Head Office has been working closely with other related industry associations to find the best deals possible for ICMA members. Organisations like the World Association of Newspapers (WAN), the International Newspaper Marketing Association (INMA) and Editor & Publisher and Mediaweek have all held valuable conferences lately with discounted rates for ICMA members.

The WAN 2004 World Newspaper Advertising Conference & Expo took place on 26-27 February 2004 in Amsterdam, the Netherlands. This year's focus was on Revenue Generation 2004 - a report summarizing the action is available on the ICMA website in the members library - www.icmaonline.org/Members/LibOverview.aspx.

The INMA event The Future of Classifieds: web-print-web, took place 16-17 March, 2004 in Amsterdam. This will also be reviewed and a report will be available at the end of March for those unable to attend.

Finally (although ICMA will not be able to attend and report on this one) Editor & Publisher and Mediaweek will be holding the 2004 Interactive Media Conference and Trade Show - Making Your Web Site a Mass Medium in a Fragmented Market on May 10-12, 2004 at the Hyatt Regency Atlanta. ICMA Head Office had one free ticket (valued at \$1000 USD) to give away for this event. This was taken up by Target Media Partners based in L.A. - so we expect a full report from them to pass on to you all.

For more information on any of the above events please go to Partnerships section of the ICMA website www.icmaonline.org/Members/Partnerships.aspx.



11-13 November, 2004 ICMA General Meeting Orlando, Florida, U.S.A.

ICMA's next General Meeting will be held in Orlando, Florida, U.S.A. at The Rosen Centre Hotel from 11 - 13 November, 2004... the theme this time will be **COMPETITION**.

Disney's Magic Kingdom/MGM Studios/Epcot Centre/Animal Kingdom, the Kennedy Space Centre, alligator swamps, grid-iron, baseball and basketball - all the bigger the better - and we have already started negotiating discounted Disneyland passes, and VIP shopping coupons for the premium outlet malls (important things first).

Don't miss out on this fabulous opportunity to attend the Orlando ICMA General Meeting hosted by Flyer Publishing, and plan your next visit to the U.S.A.

November 2005 ICMA General Meeting India

Exotic, Mystic, Incredible. Free Ads will be hosting our November 2005 General Meeting in India. A big thank you to Sidharth Gupta for making this possible - we will keep you updated as more information becomes available.



Teledeal goes digital!

Teledeal in Malta may be one of ICMA's smaller members but this hasn't stopped them redeveloping their website and being the first English language member to develop an online coupon. The new site and coupon went live this January - check it out at www.teledeal.com.mt. The Teledeal site requires user registration, costing LM 1 (€2.35), which provides 4 week access to the current issue's ads, accessing older editions is free.

The site allows advertisers to submit and pay for private and business ads online, thus providing a useful source of revenue with very little sales cost. The impressive Ad Exchange coupon, promoted on the home page, allows users to choose from a huge range of destinations and even calculates the price. Teledeal has launched an advertising campaign to promote the new coupon and make sure customers are aware of it. Margaret Brincat, sales manager at Teledeal explained that the ability to be able to sell to advertisers 24 hours a day 365 days a year, without the need for any extra sales costs was the driving force behind their decision to create an online coupon.

While the web-site took a few months to plan and update, the coupon only took three days to design and install. Which just goes to show how easy it is to set up! So go on, follow Teledeal's example and set up your own coupon.

New marketing director for LOOT

LOOT, one of the UK's leading free classified advertising publishers, announces the appointment of Jo Earl as Marketing Director.

She joins from Universal Pictures International where she was team leader on an internal consultancy project. Prior to this secondment she held the roles of Marketing Director for the Children's Brands & Specialty Programming and Commercial Director for the Licensing Division. She commenced her career as a sales and marketing graduate within a division of Unilever, and has since held senior marketing roles at Buena Vista International and BBC Worldwide.

Claire Payne, the Managing Director of Loot, said: "I am delighted to announce Jo's appointment. The additional weight of experience in marketing and communications will add considerable breadth and depth to our management team to drive forward and consolidate our position as one of the UK's leading publishers."

We welcome Jo and look forward to seeing her at an ICMA General Meeting very soon!

Bargain News takes advantage...

When Bargain News' Long Island neighbour, major local newspaper Newsday, found itself hit by a racketeering suit alleging that the paper had deliberately inflated its circulation claims and thence its advertising rates over a ten year period, Dan Rindos was quick to react.

Bargain News sent out a specially designed mailer with a positive message, emphasizing the trustworthiness of Bargain News' local auto products - Car Buyers' Market Weekly and carbuyersweekly.com to nearly 500 used auto dealers based on Long Island.



"We are not looking for an explosion of new commercial advertising, but just want to use this to solidify the brand a little more in the area that Newsday had the big paper advantage," he explained, "Our GM in NY was thrilled with the plan."

Just another example of how 'market-sensing' - actively staying aware of market changes and understanding how to use them to your advantage - can offer opportunities when you least expect them.

Everything's For Sale!

... is the new slogan underpinning a massive promotional campaign that Buy & Sell is running in Ireland and Northern Ireland.

The strategy was simple - promote the brand heavily to potential readers via multiple channels coupled with retailer incentives and support. B&S used TV (brand new ads were made and run on two TV channels), radio (hundreds of spots booked), outdoor advertising (buses and billboards), active involvement with a regular programme of exhibitions and sponsorship such as the very successful Circuit of Ireland Rally and Mystery Shopper programmes (rewarding retailers who displayed B&S next to the till and entry into a big prize draw). In March B&S will also be giving away 10 bright yellow, fully branded, city scooters in a collect-a-token competition.

Particular focus was given to promoting and relaunching the Belfast edition of B&S with the



explicit target of doubling copy sales in Northern Ireland. With the added incentive of edging out some cheeky local competitors, the Belfast team's efforts are supported by extensive TV and radio spots, outdoor advertising on 168 billboard sites, 200 bus rears and a huge maildrop to half a million homes in the target distribution areas.

The campaign will continue well into the summer where its results and achievement of objectives will be evaluated, thus helping guide future promotional strategy.



eBay, mobile.de and Toyota

Subject to regulatory approval, eBay expects to finalise its acquisition of mobile.de in late May, thus strengthening its position in the German

classifieds marketplace. eBay agreed to pay €121 million in January for the Hamburg-based business, one of the leading classifieds websites in Germany for buying and selling vehicles.

The acquisition will allow eBay Germany to enhance its existing online offering for vehicles with mobile.de's complementary classifieds format. "This is a great match for eBay Germany" said Bill Cobb, senior vice-president of eBay International, "Combining eBay and mobile.de will allow our users to enjoy the best of both companies and create a tremendously efficient place to buy and sell autos and other vehicles in Germany."

With more than 800,000 listings, mobile.de offers a wide array of choices, from passenger cars and motorcycles to trucks and recreational vehicles. The site now has more than 22 million unique visitors per month, according to IVW.

Separately, in its latest effort to tap the advertising potential of the Internet, Toyota has agreed to become the first exclusive automotive sponsor on eBay, in a deal that promotes Toyota cars and trucks on special eBay pages and in online charity auctions.

Executives at eBay say they hope that their alliance with Toyota will start something bigger, even as it dwarfs some previous deals. Although eBay declined to provide financial terms, an executive



who saw the initial requests for proposals from automakers said that the asking price on the package was \$4 million (€3.2 million). Toyota spends more online than any other auto company: \$47 million (€38 million) in 2003, according to most recent estimates.

The Toyota deal pays off for eBay primarily by adding features for car buyers to the site and by building a foundation for a potentially long-term relationship with a big marketer. Don Albert, senior director for strategic partnerships at eBay said, "There is not a major push to make this a major revenue stream. It does bring in some significant high-margin revenue to the company, but again, it's a partnership that we believe adds value to the community."

Under the new deal, Toyota is the only automaker advertising new vehicles on eBay, and has its banner, animated or interactive ads placed throughout the main eBay.com site and eBay Motors, which is the most-visited automotive site on the Web, Nielsen/NetRatings says. A dedicated mini-site for Toyota called Fueling Desire has been set up on eBay to showcase new vehicles and promotions, and Toyota will donate perhaps as many as four cars and trucks to be auctioned online for charity.

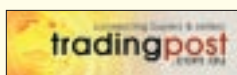
But the sweet spot for Toyota is users who list a car for sale on eBay. "A lot of people out there listing a car are in the market to replace it with a new vehicle."



Trader Classified Media sells the Trading Post in Australia

Trader Classified Media (TCM) announced on March 7 that it had sold its Australian operations, the Trading Post Group (TPG), to Sensis, the owner of Australia's Yellow Pages for the sum of €391 million. TPG was a significant part of TCM's global activities, representing 16% of TCM's revenues and 22% of EBITDA in 2003. However, the price achieved was approximately three times TCM's original purchase price and thus delivered an excellent return on investment.

John MacBain, Founder, President and CEO said "We believe that this deal maximizes value for shareholders and puts Trader Classified Media in a strong financial position from which we can pursue future growth."



Trader Classified Media releases its 2003 results

Announcing a 4% increase in revenues, an EBITDA margin of 25% and an impressive tripling of net income, Trader Classified Media (TCM) released its full year results for 2003.

Total revenues were up from €442.7 million in 2002 to €460.8 million in 2003 of which print revenues represented €421.9 million, an increase of 2.5%. When exchange rate impact is excluded, revenues grew by 8.7%, of which 5.6% was organic. Online revenues also rose to €38.9 million, growing by 24.7% in 2002. Excluding exchange rate impact, online revenue growth was 28.6%, of which 25.9% was organic.

Net income rose from €10.5 million to €36.8 million, a 350% improvement on 2002.

By region, TCM's businesses in Russia and the CIS posted organic growth of 16%, North and Central

Europe posted 7% and Spain and Latin America came in at 6% excluding exchange rate impact. Italy and Switzerland registered a drop of 5%.

Operating profit improved by €8.2 million from €76.2 million in 2002 to €84.4 million in 2003, an increase of 11%.

TCM also announced a simplification of the shareholding structure. Wendel Investissement will divest itself of 10 million TCM shares on the market, thus increasing the public float to 27% and improving liquidity. Wendel also granted John MacBain an option to purchase the balance of their stake. In addition, John MacBain has committed to purchase the TCM shares held by Louise Blouin. The result of these changes will be that John MacBain will own 73% of the capital, whilst the public float will be 27% of the capital and 4% of the voting rights.

NEW MEMBERS

As well as welcoming S.C Anuntul Telefonice SRL (RO) and X.K Tegepoulos Editions SA (GR) as new members of ICMA, Head Office was delighted to receive a formal Level One application from eBay to join the Association in mid January.

As ICMA's first online-only member, and one of the most active and successful players in the category, eBay brings considerable experience to further strengthen and enhance the Association's knowledge network, and will be actively contributing to the information that ICMA members share. Officially admitted as a member on Valentine's Day, we welcome eBay and look forward to meeting them in person at The Hague GM.

BIG BOYS' TOYS

Russian MiG-29 fighter jet for sale



So far the jet which is being sold by online auction with eBay has attracted a bid of \$99 million (€81 million). The brokerage firm is selling the intact plane - which can reach speeds of up to 1,500mph (2,450kph).

US Navy F/A-18 Hornet fighter for sale

Also fully intact and authentic (but no longer combat ready) is a F/A-18 Hornet up for sale. Despite being visited by two FBI agents the broker Mike Landa is confident of selling (and of reaching an impressive price). So far he has had a couple of Hollywood film studios expressing an interest.

bbc.co.uk

Booble - Google unhappy with rude copycat

Google, which reportedly has more than 70% of the global search engine market, has issued a legal warning to a rude copycat website calling itself Booble. Booble is in no way a part of Google despite the sites having a very similar look and feel. The Booble site which allows users to search for adult products has collapsed twice since it's launch on January 20 due to overuse... which brings us to...

Seeking Redemption?

Of course for those using Booble (or others like it) and feeling guilty you can always seek redemption.



An Israeli rabbi has composed a prayer to help devout Jews overcome guilt after visiting porn web sites on the internet.

Rabbi Eliahu recommends that Jews recite the prayer "Please God, help me cleanse the computer of viruses and evil photographs which disturb and ruin my work, so that I shall be able to cleanse myself [of sin]," when they log on to the internet so that they are spiritually covered whether they enter a porn site mistakenly or intentionally.

smh.com.au

Citygate

In order to effectively coordinate their Internet-related developments eleven leading Swedish news publishers/media houses joined forces to form a joint development company, Stadsporten Citygate AB. The owner network represents a daily circulation of 1.8 million newspaper issues and 4 million readers nationwide.



Sweden is one of the world's most developed Internet countries - some 57 per cent of the population had access to the web at work or at home in November 2000. Swedes also read more newspapers than most other nationalities. Most newspapers are either local or regional.

As in other countries, many news publishers have developed successful web sites complementing and supporting their paper-based media. Citygate's mission is to coordinate the owner companies' Internet-related developments through activities in a series of areas to reduce development expenses and develop business opportunities.

The sharing of commercial, editorial and financial resources creates conditions for powerful local Internet newspapers, and the cooperation makes

it possible to establish these ventures nationally. Citygate has developed and runs www.lokusjobb.se - one of the leading channels for job recruiting on the Internet. They also own Stadsporten Fondstar AB which has the web site www.morningstar.se, dealing with fund information and are a partner in Reseguiden Interactive AB - www.reseguiden.se. The companies that Citygate either own or a partner in today are profitable and have a positive cash flow. Citygate's future development is guaranteed by the owners' market positions and economic strength as well as the collected competence within the network.

www.citygate.se

Me too!

Jumping on the free-access bandwagon, comes www.kleintjesmarkt.nl, the latest offering on the Dutch market. Part of the Wegener NV stable of titles, private advertisers with items selling for less than €100 can advertise for free on the web and have a free ad in one of the Wegener portfolio of 18 regional papers. Ads for items costing over €100 cost €5 for the web/print package. Advertisers need to register to place and pay for their ads but users can surf the ads and view the contact details anonymously and for free - Wegener already claim over 500,000 users a day.

Google gets Froogle

The Internet's premier search engine, Google, has turned its attention to providing searchable information on online merchants via its new service, Froogle (a pun on 'frugal'). Froogle (www.froogle.com) uses Google's unique search technology to identify sites where goods are sold and to display these results in a classified format. Froogle offers searchers three major features - a directory of products by category, a searchable index of online products, and the ability to narrow searches by price range.

Froogle attempts to display a price and product description for each item listed but probably uses Google's famous PageRank system to sort results by relevance rather than by price. There is currently no charge for being listed on Froogle

(remember Marktplaats' route to critical mass?), and merchants can set up a direct data feed to Froogle to improve the quality of their listing

Whilst still in beta mode, Google is quietly working on improving Froogle and now offers Froogle results as part of a Google search. Marissa Mayer, Director of Consumer Products at Google, says the change is part of what Google calls its "one box" style, which aims to provide integrated results from its search properties, including Google, Froogle and Google News. "The idea is... there's a single box on Google where you can go and type pretty much anything you are interested in or want and get results back," she says.

Froogle clearly targets merchants rather than private advertisers and, obviously, those already



selling their products online, but could we be witnessing a whole new front opened in the development of online classifieds? Already other shopping sites are keeping a close eye on them. "We don't want to underestimate them," Ignacio Fanlo, Chief Revenue Officer of Shopping.com, said recently. "They are a formidable company, and the Web is littered with those that have underestimated Google."

Profit for Chinese dotcom

132% rise in revenue during the quarter meant an increase of \$14 million (€ 11.5 million) compared to the same period a year earlier. And with operating profit margins of 45% the internet media firm **Sohu.com** is clearly pleased with the results (even if it was down on the expected forecast).

So where did this quarterly profit come from? - Online advertising and mobile text message services. Not too surprising when you consider that in China mobile

phone are the dominant form of communication with 230 million wireless users (by comparison the U.S. has 147 million mobile phone subscribers). Sohu faces tough competition as rivals eye this lucrative market and as such has recently expanded its operations into online classifieds by purchasing Focus.cn (a Chinese real estate web site) for \$16 million and gaming by buying online game website 17173.com.

Reuters/CNN/San Francisco Chronicle



Web Only Job Classifieds

Newspapers in the past have required that employers buy a print ad if they wanted to run on the web in order to protect print revenue. However with the rise in popularity of sites like Monster and other career sites many newspapers have been forced to revise their approach.

As a result 69% (as compared with 45% at the same time last year) of the largest 232 newspapers in the U.S. now offer web only advertising for employers wanting new staff.

This is a significant increase and demonstrates "a number of newspapers are making a transition from print-centric recruitment advertising to a strategy that encompasses both print and the Web in a meaningful way," said Bruce Murray, CEO of Corzen market research.

Editor & Publisher, New York

Free classified website expands

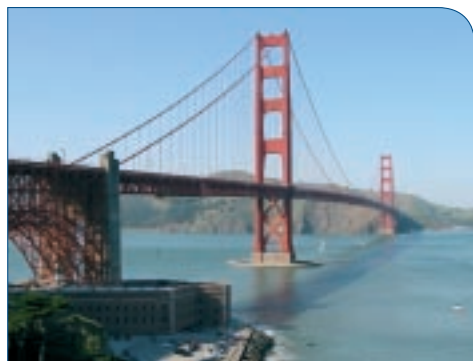
Craigslist (craigslist.org) has plans for 30 new sites in major cities across the US, 4 sites in Canada, 1 for London and 2 in Australia. The company was founded nearly 10 years ago as a free community bulletin board in San Francisco

but has quickly become a commercial success in the job market there and more recently in New York and London.

The free classifieds website (similar to blocket and marktplaats) has the potential to make an impact in the Australian market where the current online job sites both charge over \$100 AUD for 28 days compared with Craigslist which will reportedly be free there. Craigslist plan to open free online community classifieds and forums in Sydney and Melbourne.

Craigslist is a word-of-mouth business model, i.e. they do not use conventional advertising but rely on gaining followers by word-of-mouth. This would be appear to working for the original Craigslist which receives nearly 16 million page views per month.

smh.com.au/PlayonDemand.com



200% increase in interactive advertising

Recent statistics have shown that Fortune 500 companies (traditional advertisers) have focused more on web advertising and being present online.

A 200% increase of 'rich media' advertisements (i.e. interactive ads using animation, audio or video) for which advertisers pay a premium, accounted for 17% of online ads during 2003. The growing availability of high-speed/broadband connections has made this approach a very viable approach for large traditional advertisers when conducting online campaigns.

The Interactive Advertising Bureau and PricewaterhouseCoopers report also noted an overall increase of 4% in the total number of online advertisements, and a spending increase of 20%. That 20% in 2003 adds up to \$7.2 billion (€6 billion) and the current trend continues in an upward rise.

NY Times

THE ROYAL CONNECTION...



Classified media has finally made it into high society, if the calibre of LOOT's advertisers is anything to go by.

The Sunday Times reported that the Duchess of Kent, married to Queen Elizabeth's first cousin, the Duke of Kent, and most well-known for presenting the prizes at Wimbledon each year, recently advertised a fridge for sale in LOOT.

I wonder who would have tried to negotiate the price down?

UPCOMING EVENTS

19 - 20 April

MOVE IT OR LOSE IT?

Theme: Classified Revenues in print & digital media
Stockholm, Sweden
www.wan-press.org

6 - 8 May

THE HAGUE ICMA GENERAL MEETING

Theme: Change
The Hague, The Netherlands
www.icmaonline.org

10 - 12 May

MAKING YOUR WEB SITE A MASS MEDIUM IN A FRAGMENTED MARKET

Editor & Publisher and Mediaweek
Atlanta, U.S.A.
www.interactivemediaconference.com

15 - 19 September

INMA EUROPEAN CONFERENCE

Florence, Italy
www.inma.org

11 - 14 October

IFRAEXPO 2004

Amsterdam, The Netherlands
www.ifra.com

11 - 13 November

ORLANDO ICMA GENERAL MEETING

Theme: Competition
Orlando, Florida, USA
www.icmaonline.org



Newsletter - Colourful No.2/2004

Surely it's difficult to miss but don't you just love our new full colour newsletter? And for those observant readers who may have noticed we have renumbered the newsletter please let us explain.

The figure (e.g. 2) signifies the number of newsletters we have produced during the year. 2004 obviously means the year the copy was produced. So No.2/2004 is our 2nd edition for 2004. So as we produce 4 newsletters annually the next edition will be No.3/2004 and so on... Simple?

Worth noting

Did you know that the average European consumer is bombarded by between 3000-4000 marketing messages per day (compared with only 100 in 1984)?

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ICMA Newsletter

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The publishers cannot accept responsibility for errors or omissions, however the utmost care is taken to ensure that information is accurate and up-to-date.

Next Edition - No.3/2004

ICMA's next newsletter is due out mid July. As always if you have any contributions please send them in by 18 June, 2004.

New contacts

Last Newsletter we had lots of changes to feature, so many in fact that it appears we made a few mistakes. So first up here are some amendments and apologies:

Trade & Exchange Auckland

We introduced the new contact there, Moran Villa. However we inadvertently called Moran a "he" instead of a "she", an insult to any woman! Apologies for that Moran. To set the record straight, SHE'S a very helpful lady and a great addition to the Ad Exchange. Her email address is moranv@te.co.nz



Segundamano, Madrid

Last issue we told you that Gema Romano had been replaced by Christina Zambon as ACP. Gema had been replaced by a Cristina but not Cristina Zambon. Cristina Zambon works for Segundamano Milan, and was most shocked to read about her transfer from Italy to Madrid!

The new ACP contact for Madrid is Cristina Torrente, not Zambon. So apologies to both Cristinas for that mix up. Cristina Torrente can be contacted on Cristina.Torrente@segundamano.es

Segundamano, Mexico

Jose Luis Hernandez has left Segundamano Mexico. The new main contact there is now Pilar Cabrera Amador. His email is PilarC2@segundamano.com.mx

Bazar Austria

As we told you last issue, Johannes Krenn was back temporarily filling in as ACP for Bazar. They have now appointed a permanent person who will take over so Johannes can concentrate on more important things (like his new monster pick-up truck!).

The new ACP is Manuela Horvath. She has worked at Bazar since April 2003 and took over as ACP in January of this year. Her email is m.horvath@bazar.co.at