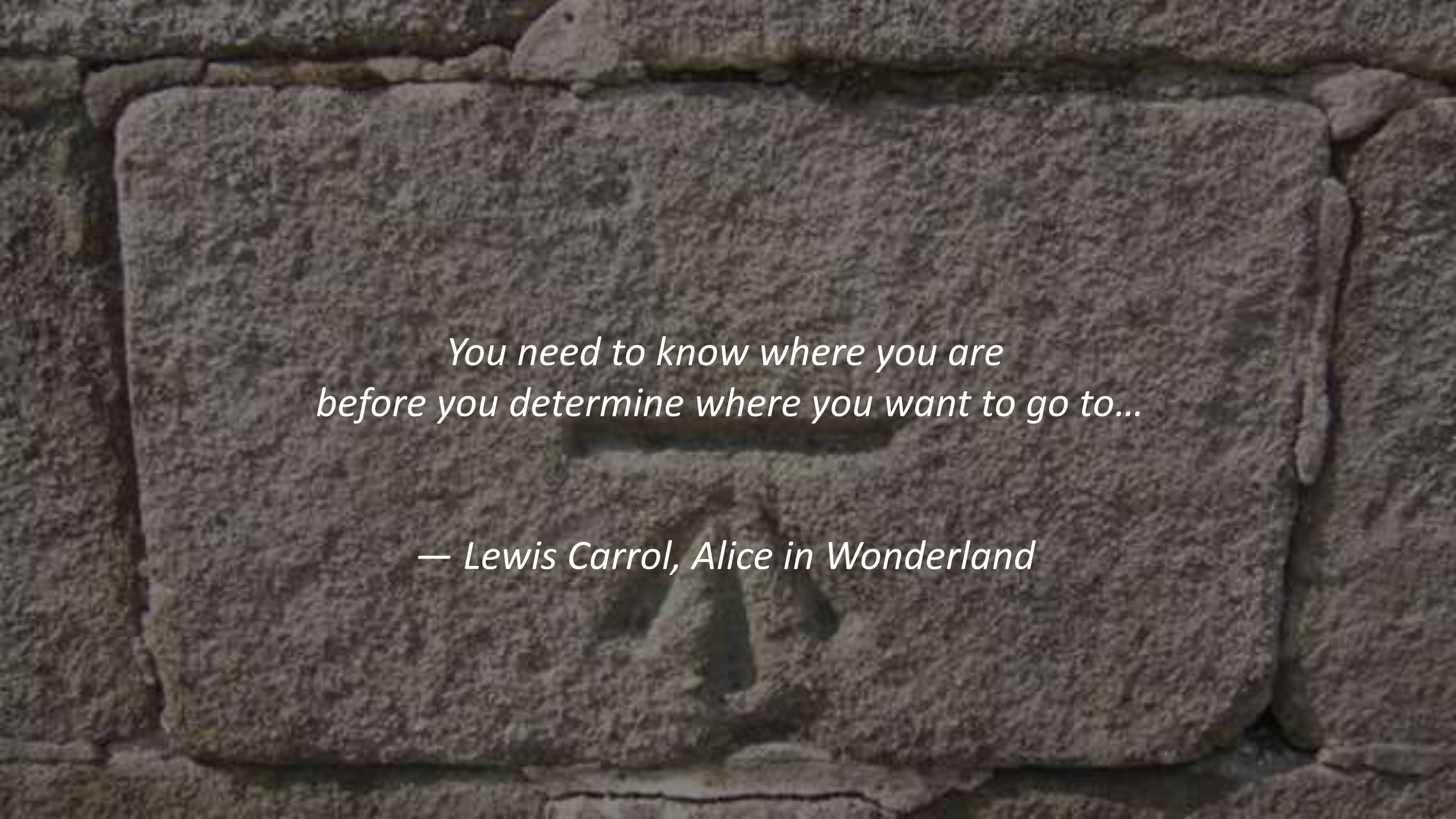


Why Publisher Benchmarks?

Tom Slaughter

Executive Director / Inland Press Association



*You need to know where you are
before you determine where you want to go to...*

— Lewis Carrol, Alice in Wonderland

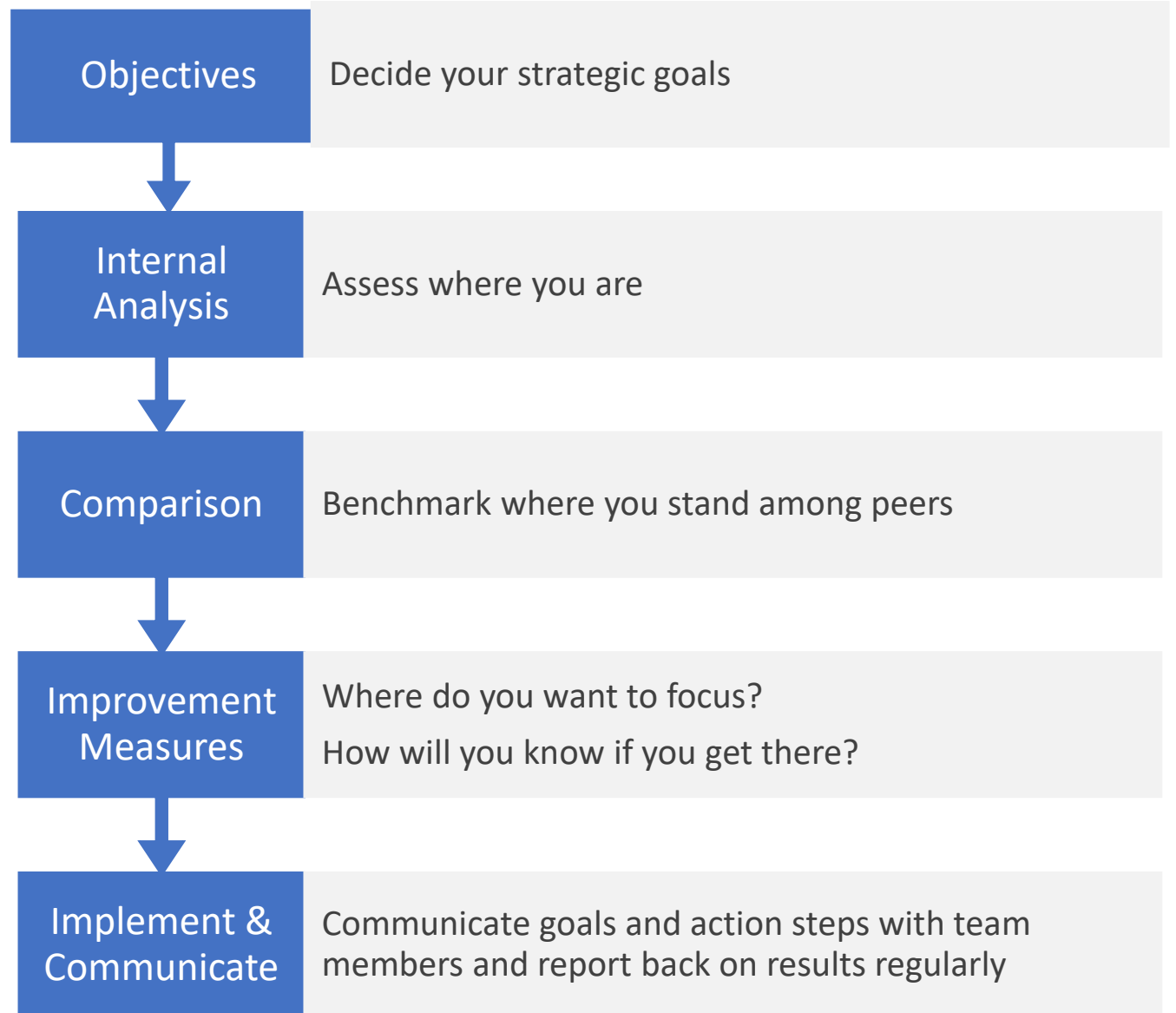


A benchmark is a horizontal mark often chiseled in stone structures by surveyors. It provided a fixed reference point that could be used in the future for topographical surveys or tidal observations.

Benchmarking tells you how you are doing

- Learn what your peers and competitors are doing
- Learn how they are doing and compare their performance to yours
- Companies that benchmark achieve 69% faster growth and greater productivity — Price Waterhouse Coopers

A Successful
Benchmark
Process
Commonly
Involves
5 Simple
Steps





How Two Companies Approach Benchmarking

Sandusky Newspaper Group found internal analysis wasn't enough



Doug Phares
President & COO
Sandusky Newspaper Group

- No two operations were exactly alike
- Publisher Benchmarks gives management a means of comparing apples to apples with other newspapers like theirs
- Each quarter, using Benchmark data, the 10 individual group publishers comb through results
- Once a year the entire team gets together to review results and set goals for the coming year

Southern
Newspapers
tracks
performance
monthly

Benchmark data
available by the third
working day monthly

Part of a
comprehensive
addendum to each
P&L

Group shares data
widely

Over a large number of metrics


- Ebitda
- Salary/Revenue
- Mean ad rate earned
- Days receivable
- Costs by department as a percent of revenue
- Sales costs
- Circulation costs
- Digital as a percent of revenue
- Niche product/magazine revenue
- Classified or small space contracts
- And more...

Southern identified reasons why benchmarks fail



Dolph Tillotson
President
Southern Newspapers

- Not developed as a team
- Numbers held too tightly by managers
- No action plan around the results and goals
- Impatience. Change does not happen overnight
- Failure to do what has to be done



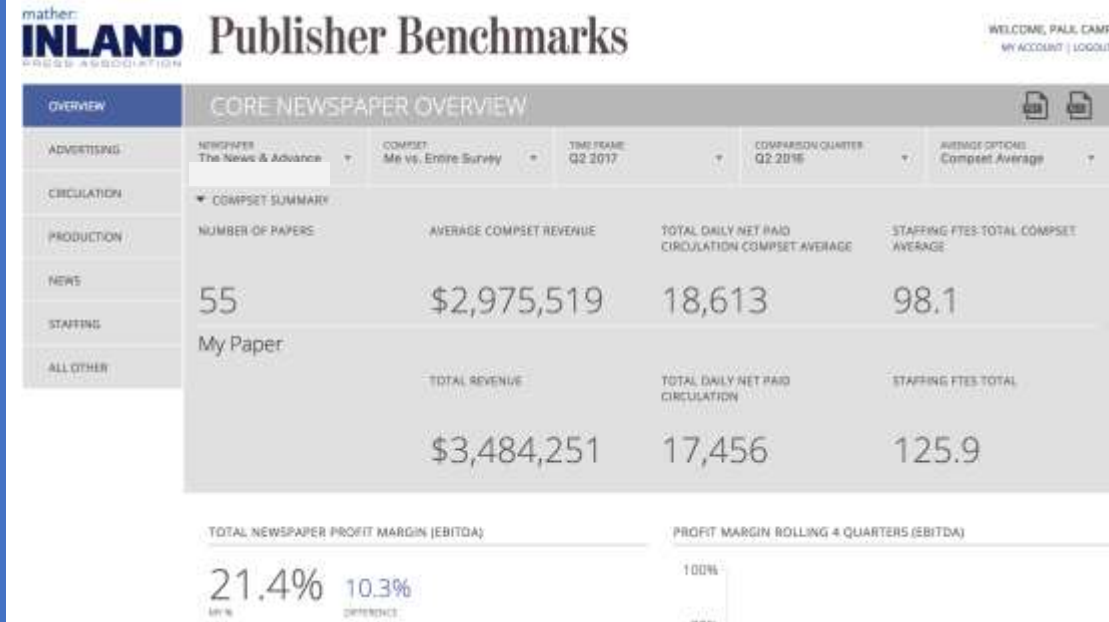
Publisher Benchmarks
By Inland

The Inland Benchmarks Story

- NOFR -- Originally the Inland Cost & Revenue Study
- Partnered with Mather in 2014
- Survey revamped and broadened
- Now quarterly
- Data instantly accessible on an easy-to-use, intuitive website
- Data submission faster and easier
- Just 45 data points deliver information newspaper executives want most

You decide what measures are most important

- Profitability and ebitda?
- FTEs and staffing levels?
- Print vs online revenue?
- Total cost as a % of revenue?
- Compare by circ, region, publishing model, best of breed – and more
- Quarterly or Y-O-Y Comparisons



- OVERVIEW
- ADVERTISING
- CIRCULATION
- PRODUCTION
- NEWS
- STAFFING
- ALL OTHER

CORE NEWSPAPER OVERVIEW



NEWSPAPER The News & Advance	COMPSET Me vs. Entire Survey	TIME FRAME Q2 2017	COMPARISON QUARTER Q2 2016	AVERAGE OPTIONS Compset Average
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No matter what
measures you choose

NUMBER OF PAPERS	AVERAGE COMPSET REVENUE	TOTAL DAILY NET PAID CIRCULATION COMPSET AVERAGE	STAFFING FTES TOTAL COMPSET AVERAGE
55	\$2,975,519	18,613	98.1

- Revisit the data often
- Top down won't work
- Have a clear vision
- Stick to your guns
- Communicate results regularly

TOTAL REVENUE	TOTAL DAILY NET PAID CIRCULATION	STAFFING FTES TOTAL
\$3,484,251	17,456	125.9





Lessons learned?

- Newspapers still value benchmarking
- But, focus is narrowing
- If it's not easy to provide data, papers won't
- Benchmarking approaches vary by company
- Finally, data needs evolving, digital increasingly important

Thank You