



eNewsletter of the Circulation Management Association of Canada

Take a Retailer to Lunch Day - CMC President Rant

December 13, 2007



In the early 90's, the Canadian dollar was low against the American dollar. This of course made imports cost more, especially once the shipping was paid for and all customs duties paid. When buying a magazine, the customer got to see the American cover price, anywhere from \$1 to \$3 lower than the Canadian price. Customers were likely thinking, "I guess I'm having it stuck to me but what can I do, our dollar isn't worth" Book pricing was even worse. Hard covers and paperbacks with two prices smartly printed for all to see (sarcasm intended, please interpret as such). Hard backs selling for \$24.95 in the US but selling for \$37.50 in Canada was certainly marketing at its finest (sarcasm again for those needing it spelled out).

This of course, all taking place at a time when Amazon.com was starting to make waves. Because of our low dollar, consumers began the hunt for the better price, anywhere they could find it. And perhaps they even saved a few dollars now and again and by gosh golly, the shipping was free. Others of course made the trek across the border to find the retailers accepting our dollar at par and then consciously not declaring the item(s) on the way back. And here we're not talking just books and magazines but many higher ticket items that they somehow managed to get cheaper, risking the lack of warranty and a hellish trip back across the border to the US if the item stopped working. Nonetheless, they somehow managed to get it cheaper not factoring in the gas but, hey, they didn't have to pay the Canadian retail price which of course made it all worthwhile.

Fast forward to today. We now wake up to a Canadian dollar worth say \$1.01 or \$1.02 against the American buck. Not something many people could have predicted six months ago...and certainly not booksellers who have to order product many months in advance.

One magazine colleague (who shall remain nameless) told me that effective immediately, he will not be buying books locally until "they" smartened up. To this he added (cryptically I might add), he considered himself an informed shopper so what were the uninformed shoppers thinking?

To which I add -- what in fact IS anyone thinking?

Retailing is tough at the best times. Fixed costs including labour, inventory, heat, phones, potential theft, rent, business taxes, the list goes on - are high. They pay for the location, and then wait for customers to show up. If they don't show up, retailers still have to pay. Quite frankly, it's tough to be a retailer because if it wasn't tough, more of us would put out our shingle, sell our wares and retire early.

Let's just stick with magazines and books. Yes, the dollar is high. And yes, it appears that maybe we're paying a bit more for product than we should, but that's because the prices are preprinted and right there for all of us to see. There are many reasons for higher prices, which we who are informed know about. And I don't expect everyone to get it, but I'm doing my bit and pointing it out to anyone who will listen.

For me, it comes down to this: I don't care if it costs more in Canada. This is my home country, where I need to be supported and also to support the people running and working in the stores. Why? Because I need places to send my product (your product too, quite frankly). If the retailers go down then we're all in trouble. Single copies, already a tough go, will become truly an idea rooted firmly in the past.

So, that's it for me. I've said my piece. Just forget the price differential. In a few months, there won't be anymore dual pricing, certainly not on magazines. But a year from now, we will still need a strong retail sector that is hopefully thriving.

I urge you and everyone you know to go buy a magazine today. Or a book. Whatever. All I ask is that you buy it locally. Why? Because it's our retail community out there, folks. And it's yours too. They really do need your support.

And in turn, that support for them ends up supporting you.

Thanks for listening.

Ron Sellwood

Help Us Update Our List

The CMC's membership base has never been stronger. We believe it's because we provide great value for Canada's professional circulators, and our vendors and suppliers.

Our mandate remains firmly based on three core pillars:

1. **Professional Development**
2. **Recognizing and Rewarding Excellence in the Profession**
3. **Fellowship**

These principals are made tangible, and our commitment to our members is delivered, through things such as:

- The Caren King Scholarship...won by Chris Ellis, the Walrus, 2007
- The Annual ACE Awards



- The Annual Magazine Marketer of The Year Award, won by Tracey McKinley, Rogers, 2007
- Our support for the National Newsstand Awards at Mags University
- The Connoisseur Club Event and a full-slate of Circulation Seminars at MagNet
- Our Fall and Summer Social Events

However, sometimes e-mail addresses change, or circulators get promotions or are hired away by competitors.

Please take a moment now to call Mike Marcos (416) 764 3985 to make sure your coordinates, or the names of other circulators, are on our list! Do it now!!!!

We wouldn't want you, or your colleagues, to miss out on the great stuff the CMC has planned for you!

Please be sure to renew your membership today!

Coast to Coast Publishes Boxscore

One of the best seminars presented at MagNet in 2007 was hosted by Michael Fox, which focused on the state of the nation with respect to newsstand sales. Judging by the attendance at this seminar, newsstand sales remain a hot topic and key source for circulators.

In September 2007, Coast to Coast published, for the first time ever, a comprehensive list of the top 2,700 magazines sold on Canada's newsstands. It's a valuable reference tool that will help publishers, retailers, wholesalers, distributors, and students of magazines learn more about this dynamic source of paid circulation.

To view the data set go to:

www.ctcmagazines.com

We suggest you bookmark it for quick reference in the future.

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Coast to Coast Publishes Boxscore (Continued from page 2)

The Top Ten Canadian Magazines, based on retail sales in 2006 are:

1. Canadian Living #16
2. Canadian House & Home #17
3. Style at Home #19
4. Chatelaine #23
5. Readers Digest #37
6. Hello #41
7. Maclean's #44
8. The Hockey News #47
9. Canadian Living SIP (Special Interest Publications) #59
10. Elle Canada #80

While these accomplishments are noteworthy, keep in mind the gap that still remains to be closed by Canadian publishers. People Weekly, the #1 seller of all magazines in Canada, generated over \$32 million in retail sales. The #1 Canadian title generated \$4.7 million in retail sales...that's a difference of \$27.3 million dollars or a 580% variance.

Mr. Fox was right to draw our attention to the importance of doing all we can to invest the time, energy and resources necessary to keep Canadian magazines top of mind with our retailer and wholesale trading partners.

Stay tuned for more seminars on this, and other important circulation subjects!

Kicking it Off at RAIN!

On Thursday, November 1st, the CMC kicked off the new year early, with our annual Fall Social.

The super chic downtown venue was a hit with savvy circulators: In attendance were: Libby Nixon, Cathy Saad, Sue Phillips and Sarmistha Roy from Rogers. Chris Purcell, the new Circulation guru for Transcon made his debut, as did the new editor of Masthead, Marco Ursi. Melissa Boscarriol from CMMI. Peter Lebensold, Christine Davidson of Masthead, Deborah Brewster of Azure, were seen mingling and making the most of this fabulous networking opportunity.



rain



Idea Board

- Save money on sending gift cards...set-up a web-based download of multiple gift card options like Owl, Chirp and Chickadee did
- Test a Christmas Gift-Giving Cover Wrap or Polybag Outsert to generate gift business...they renew and renew and renew
- Test a Christmas Telemarketing Effort to go after donors starting November 30th
- Test an Orphan follow-up Telemarketing Effort in lat January or early February to get recipients, whose donors failed to renew, to sign up themselves with a special offer
- Start gathering E-Mail addresses anytime a customer calls in to change their address or ask you any question about their subscription
- Map out your Insert Card plan now for 2008 and try to gang print a year's worth of inventory to save money
- Test a Free Issue buckslip or We Pay the GST buckslip in your renewal series to stimulate cash with order or a 2-year renewal
- Find a creative way to bundle back copies...it could be a lucrative revenue source that's just collecting dust in a closet. Hint: Check out Prairies North magazine.

If you have some interesting ideas or case studies that you'd be willing to brag about and share with fellow circulators, please e-mail: cmc@tamicirc.ca



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Cornerstone Group of Companies | Disticor Magazine Distribution

INDAS Limited

MagNet

Canada's Magazine
Conference

La conférence canadienne
des magazines

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Administrator: **Brian Gillett**, cmc@tamicirc.ca
 CMC c/o TAMI, Jackson Place Unit #6, 50 Main Street East
 Beeton, Ontario, L0G 1A0 Tel: 905-729-1046 Fax: 905-729-0227
www.circ.org