

*good paper,
but I question the
droping of the Saturday paper
How about going the
foreward of paper
starting on Sat?*

CASE STUDY ON CHRONACLE, WOODMERE

Since Chronacle is a P.M. paper, I will drop the Saturday edition to begin a Sunday paper on sale Saturday nights. The best time to start the new enterprise will be two weeks before Labor Day. (supposing that the Mall will be open after Labor Day)

My reasons are as follows:

1) We have 55% of the readers supporting the Sunday edition according to our readership study, which means our basic Sunday circulation will be 27,000.

2) We have our daily circulation of 49,200, which is 58% of the readers in Paradise, Woodmere, and the rest of Woodland together. It is safe to believe that the leading weekday paper will lead the Sunday paper.

3) The 25% increase of advertisement in volume estimated by the ad director will means a revenue of \$2.7 million. which will put the Sunday paper in profit.

4) The problem of overstaffed by six persons in production section will be solved by having preprints for Sundays, and the newly developed production capacity will be fully used.

5) The Sunday edition will save the paper from the erosion of advertisement line on zoned ad, which is so vital for the paper.

The only reason opposing the Sunday edition was raised by the business manager, who regarded the Sunday paper as a big gamble. But the profit of the paper was \$1.6 million last year, even if everything goes bad as the business manager predicted, the maximum initial loss of \$600,000 predicted by him will not jeopardize the company.

Based on a conservative estimation of 30,000 Sunday circulation, the revenue from Sunday issue should be \$2.7 million (25% of \$11,050,000) from advertising, and \$1.1 million from circulation. And by dropping the Saturday edition, we avoid a drastic increase in overhead cost, while getting the benefit of a Sunday paper.

The 100-store enclosed mall in the county of Paradise, which will be within five miles of the Woodland County will certainly transform the shopping pattern of the people from Woodland and Paradise counties. If no adaptation is planned, Chronacle will surely lose its present leading position in the readership.

At the other hand, the circulation increase of 10% in Paradise to 10,100 from 9,000 in five years is significant. We should do everything possible to get the attention of the 20,000 persons newly moved in Paradise in the last ten years. The Sunday edition will be the best move.

ADVERTISING

your release

I will start the Sunday edition two weeks before the Labor Day, when it is the best advertising period. A complimentary zoned ad on Thursdays will be offer to new shops that put one ad on the Sunday edition. This will somehow deter the Tribune from putting zoned editions on Thursdays and Sundays.

The Sunday Chronacle should try to suggest some way of cooperation with the free distribution paper. If no agreement can be reached, then Chronacle should offer competing prices to beat it down.

*Can't cooperate
anti-trust
refuses*

PRICE

Too high

The Sunday Chronacle will be sold at 80 cents on newsstands, four times the price of the weekday paper. This price will attract the Tribune readers, because it is 20 cents cheaper; it will attract the Sun readers also, because it is only 5 cents more for a much better quality paper. I will suggest to raise the price of Sunday edition to \$1.0 only when the circulation exceeds 60,000, which means taking over most of the Sunday readers of both Tribune and Sun.

The six-day home delivery including Sunday edition will be \$1.60, only 45 cents more the present six-day price.

good

CIRCULATION

To guarantee advertisers the initial minimum circulation of the Sunday edition, the same \$1.15 will be charged for the existing 44,280 home delivery readers for the first month. After the promotional period, subscribers will have to call to stop the Sunday delivery or else be charged 45 cents more a week.

The Paradise area will get the second edition instead of the first, so that there will be later deadline for news and advertisement from Paradise, which, with its increasing population and commercial importance, has a good potential readership.

CONTENT

I will suggest a strong national and international coverage and a weekly summary of important events to supplant the weakness of weekday Chronacle on these aspects. A news page on Riverdale with special attention on commuter interests should be added for the zone section of Paradise, which has commuters working in Riverdale. Special effort should be made to cover the national sports to win over some of the 28% of readers undecided on choosing the new Sunday Chronacle.

PACKAGING

The Sunday Chronacle will consist of international, national, and local sections, a six-page color comic section, a weekly television-listings supplement, and family-oriented and lifestyle features.

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