

# Clearing up Misperceptions about Magazine Closings

The attention paid to magazine closings has sometimes led to the incorrect conclusion that:

- Magazine closings are primarily consumer driven
- The much-publicized spate of closings over the past year is unprecedented.

**Magazine closings are part of a normal lifecycle more closely aligned to the economy and advertiser demand than consumer demand. Furthermore, facts show that 2008 was actually a light year for magazine closings.**

**Two independent sources demonstrate that consumer magazine closings align with the economy.** According to Ulrich's Periodical Directory (ProQuest), an increase in magazine closings occurs during economic downturns:

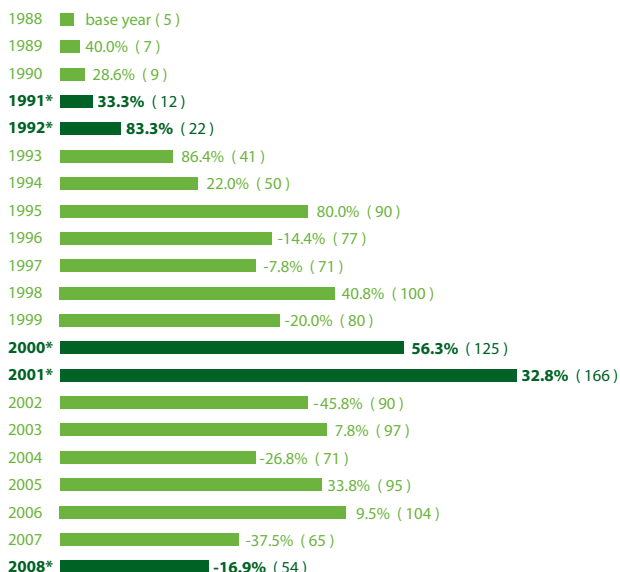
- The biggest year-to-year percent increases in consumer magazine closings occurred around the recession of the early 1990s. In 1992 and 1993 approximately 80% more closings occurred compared to the prior year
- 2000 and 2001, both recession years, represented consecutive years with the largest number of closings
- Given that the current recession is continuing, it is too soon to assess its full impact on closings. However, the 54 consumer magazine closings in 2008 represented a nearly 17% decrease over the prior year. This contradicts the misperception that the number of magazine closings in 2008 was unprecedented.

The National Directory of Magazines does not track closings, but they have reported on the total number of North American consumer magazines each year since 1997. These data confirm the trend from Ulrich's Periodical Directory:

- The largest drop in the number of magazines (-1,802) and year-to-year percentage decrease (-22.1%) occurred in the recession between 2000 and 2001
- 2008 actually showed an increase in the number of consumer magazines (+8.4%) compared to 2007, i.e., more magazines launched than closed.

## Consumer Magazine Closures 1988 – 2008

Percent Change vs. Previous Year (# of closings)

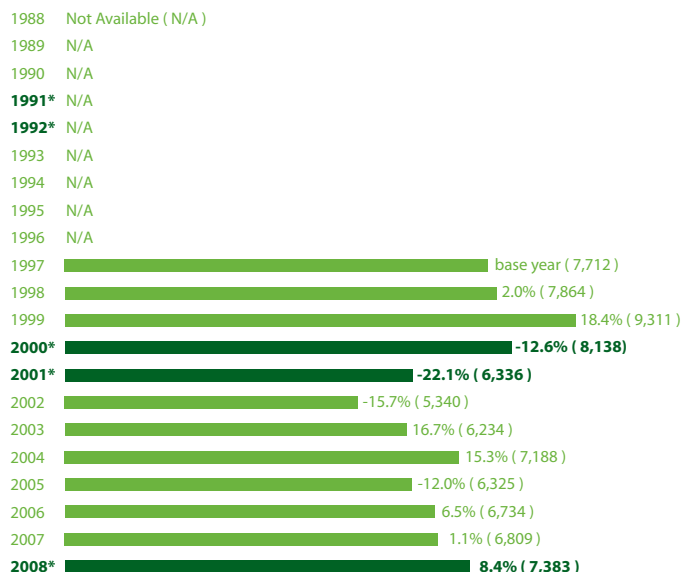


\* Indicates recession year

Source: Ulrich's Periodical Directory (ProQuest)

## Total Number of Magazines 1997 – 2008

Percent Change vs. Previous Year (# of magazines)



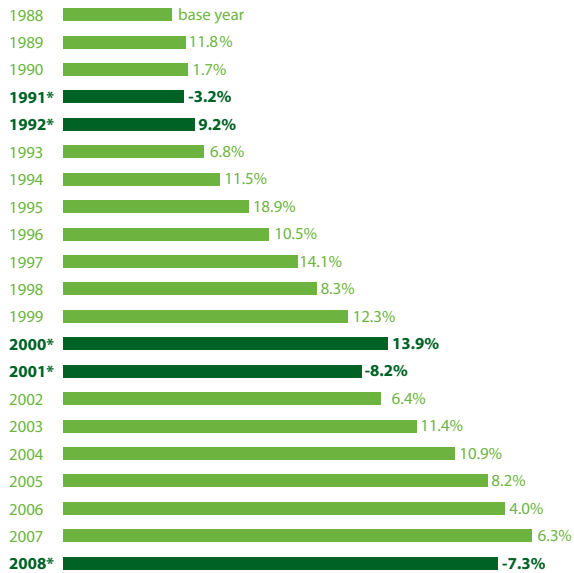
\* Indicates recession year

Source: National Directory of Magazines, 2009, Oxbride Communications

**Advertising is the biggest single factor in magazine closings. Circulation plays a far less important role.** A twenty year trend shows that:

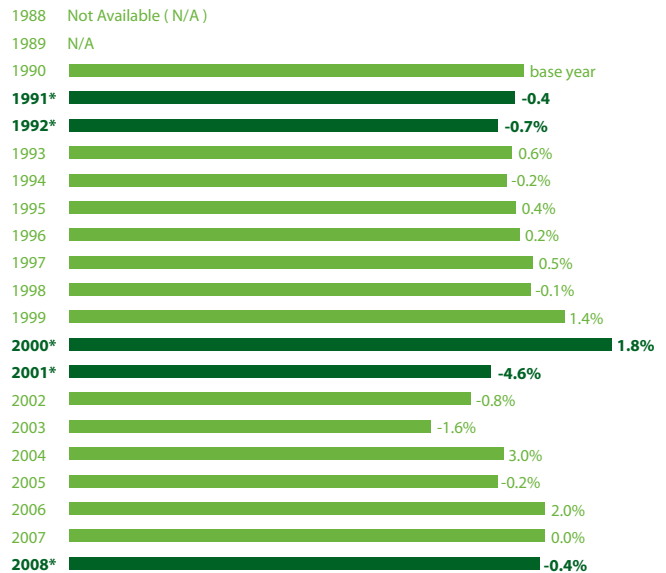
- Advertising revenue declines only occurred during recessions (1991–1992, 2000–2001 and 2008)
- The only period of multi-year circulation drops also coincided with a recession
- Circulation declines were far lower than advertising revenue declines, illustrating that advertising is the dominant factor in magazine closings.

**PIB Advertising Revenue 1988 – 2008**  
Percent Change vs. Previous Year



\* Indicates recession year  
Source: Publishers Information Bureau (data as of January 2009)

**ABC Average Circulation of All Magazines 1990 – 2008**  
Percent Change vs. Previous Year



\* Indicates recession year  
Source: Averages calculated by MPA from each year's ABC Publishers Statements

**Putting Closings in Perspective**

Magazines, of course, are not the only medium to feel economic effects or to face cancellations in properties. Business pressures affect all media, as recent earnings reports demonstrate. Changing consumer tastes and other factors impact usage across media. Using television as an example, according to Media Dynamics, Inc., less than a third of the primetime network programs launched in the fall since 1960 returned the following September. What's more, the mortality rate of new primetime programs making their debut in the fall has risen across this four-decade interval.

For more information, please contact Stephen Frost, Director of Research, Magazine Publishers of America, at [sfrost@magazine.org](mailto:sfrost@magazine.org) or, visit [magazine.org/advertising](http://magazine.org/advertising).