

MTAC Periodicals Focus Group



Product Development

May 16, 2012

❑ Migration to Digital Continues

- Paid digital circulation in second half of 2011 doubled
- New magazines releasing apps for Smartphones and Tablets

❑ Advertising News

- Continue decline in Advertising, 5.9% in May
 - US digital revenue increased 22% in 2011
 - Magazine ad pages down 8.2% in first quarter
- Innovation continues – Wired Magazine

❑ Other News

- Subscription circulations flat in 2011
- Newsstand down 10%
- Increase in subscriptions through digital channels.

❑ USPS Volumes

- Q2FY2012 decline of 3.7%
- YTD Q2FY2012 decline of 5.1%



- ❑ **Periodical Product Sample and Supplement - September 2010**
 - Sealed see-through pouches in Periodicals publications
 - Product samples are permitted to be included in bound and unbound publications
 - Enhance advertising opportunities while removing some limitations
 - Encourage innovation

- ❑ **How this impacted industry?**

- ❑ **Mixed-Class Co-mail – Implemented January 2012**
 - **Co-mailing of Periodicals and Standard mail**
 - Increased opportunity for discounts
 - Fewer packages and sacks
 - Improved drop ship penetration

- ❑ **Adoption progress?**



- ❑ **Enable access to potential new subscribers**
 - USPS retail stores
 - USPS.com

- ❑ **Promotion participation opportunities for 2013**
 - Reply mail promotion

- ❑ **Last PAG meeting held on March 14th**
 - Electronic and hard copy publication changes
 - Sealed envelopes
 - QR Codes ruling

- ❑ **Next PAG meeting scheduled for June 14th to be held at USPS Headquarters**

Agenda:

- 1.Revision of PS-078 Envelopes in Periodicals
- 2.Packets in Periodicals letters and flats