

Irish magazine market ready for shake up

PRINTERS NEED TO BE MORE COMPETITIVE, SAYS NEW CHAIRMAN

For Irish printers to get a bigger bite of the magazine market they need to be more competitive and have a better presence amongst publishers, according to John Mullins, the newly appointed chairman of Magazines Ireland, formally known as the Periodical Publishers Association of Ireland (PPAI).

Founder of Zahra Publishing, John says that price is the simple reason why publishers opt to print both in Northern Ireland and the UK.

'I, as many of my publishing colleagues, would love to print in Ireland but, as with any organisation, when you operate on a tight margin you have to reduce such costs as printing. The sterling rate is also more favourable but there is also the argument that many Northern Irish printers have a greater presence in the south and are competing hard for business.'

Similar to the current restructuring of the magazine industry, John says that the printing sector needs to collaborate, and provide a platform for publishers to choose from.

'I have spoken to some printers about the idea of a portal where publishers can put up a spec on a job and printers quote for work. A sales presence is also important to showcase the work that can be achieved and the rates that can be offered.'

CONSOLIDATION AND CO-OPERATION

John also said that there is a need for greater consolidation in the printing market. 'There are some printers who can print a magazine but outsource the finishing or binding work. Publishers would have greater confidence working with a printer who does it all in-house or has a clear working relationship with others, and given the current market, it just makes more logical sense for a number of them to merge and offer more to customers.'

Having taken the chair of the association during the most unstable and turbulent time of the print industry, John is more than aware that the magazine industry is not without its flaws or troubles.

'Eighty per cent of the magazines on the news stands are from the UK, with the remaining 20 shared amongst Irish publishers. However, such titles as *Hot Press* and *Image* are the biggest sellers in their respective categories, despite such competition from the UK which is led by massive marketing campaigns and aggressive distribution by the likes of Market Force and Comag.'

There are approximately 2,000 magazines on the Irish market, of which around 50 are from Irish publishers. Magazines Ireland represents 44, all of which are feeling the pinch, according to John, with a majority of these titles printed in the UK.

'Advertising has dropped, but publishers are being proactive, have made the necessary changes and are promoting their brand extension. Irish

magazines are solely driven by editorial content and quality - they are relevant to the market here compared to the UK titles.'

Similar to the Print Irish campaign, the newly named Magazines Ireland is aiming to promote a shop local, support Irish campaign.

'There was a struggle using the word periodical within PPAI, while Magazines Ireland gives a better identity to those titles published here. We are in the process of designing a logo which hopefully will be placed on some titles.'

FACING THE BATTLE

Cost may be an issue, but capacity certainly isn't anymore with such operators as Walsh Colour Print in Co Kerry.

The Castleisland-based company, which invested in a web press last year, now prints up to 45 different titles including the award winning *Ireland Golf Digest*, which won the Irish Print Awards in 2008. Managing director Tony Walsh said that many customers are surprised by how competitive they are.

'We have a lot of publishers who want to keep the business in Ireland and are surprised how competitive we are. There is this perception that magazine printing is cheaper abroad and in the North, and we are trying to change that.'

Tony also played down rumours that the magazine industry was on its knees with falling advertising revenues.

'Things are obviously tough but we have noticed in recent weeks that pagination has increased slightly and that is a definite positive sign. Some have gone down to bi-monthly and are using different weights but overall it is not as bad as people make out.'

Colour and quality are a given in the magazine printing sector, and so the battleground is down to price, according to Tony.

According to research, the magazine sector in the Republic of Ireland is the country's third most popular advertising medium and so, when marketing spend finally increases, the sector is to benefit hugely.

THE NORTHERN SITUATION

Competing on price is something all printers are doing, no matter where the location, including Northern Ireland, where even the benefit of the



John Mullins, newly appointed chairman of Magazines Ireland

sterling rate is not helping business, according to Henderson Allan from W&G Baird.

'Falling advertising revenue is affecting every business, and particularly the print trade. Publishers are looking for more competitive rates so they can offset this fall, as they know that with the capacity in the marketplace there is room for negotiations. Loyalty is a thing of the past - it's just down to price.'

Referring to the company as 'an island of Ireland' operation, Henderson says that the market is being squeezed by the UK.

'More magazines are going abroad to the UK than to Northern Ireland as they are bringing the cost down further. With huge publishing houses, and large contracts they are in a position to do that.'

Henderson also agreed that there has been a shift to shorter runs, and more bi-monthly magazines, adding that the Northern Irish publishers are now feeling the full effects of the recession. 'Commentators were saying that Northern Ireland was six months behind the Republic, but the recession has really hit now and all manufacturing industries are hurting. There is talk of a slight growth in the UK but that has not hit here,' says Henderson.

THE WORK THAT GOT AWAY

It has been the case that some of the work that goes abroad never returns, as is the case with the magazines once printed by Microprint, prior to its shock closure last March. Such leading titles as *Woman's Way* and *Tatler*, as well as the state-funded television magazine, *RTE Guide*, were all sent to printers in the UK, and despite half-hearted statements of keeping the work in Ireland, there has been no such return.

All of the magazines under the Harmonia umbrella including *Food and Wine* are now printed in the UK.

Whilst it's now down to price, some publishers are opting for the larger printing houses in the UK such as St Ives as is the case with women's glossy title, *Image* and *Image Interiors*, with the latter recently published as a bi-monthly.

Managing director Richard Power stated that they moved printers in 2007 as the printing and finishing in Ireland was done by a few operators and it was more cost effective and efficient to have it all done in house.

THE ONES THAT STAY

However, other publishers are recognising the advantages of printing on home soil, including Michael O'Doherty who publishes such high profile consumer magazines as the *Dubliner* which he acquired last year. He also launched a new women's title, *Stellar*, adding to his portfolio of magazines including *VIP* and *Kiss*.

All of the magazines are printed at the Boylan Print Group in Drogheda, which also recently won the contract to print the weekly women's title *You* with the *Irish Daily Mail* on Saturday. *Hotpress* and *Business & Finance* are also printed at the purpose built facility. The company also acquired the contract to print the new health magazine, *Life & Fitness*, which was launched in

managing director Gerry Boylan established the company in 1991, they have won a number of key contracts including the printing of insertions for some of the national newspapers. Speaking to *Irish Printer* last year, Gerry envisaged prices would be squeezed by the UK market.

'We print some work for the UK market, however what's been happening over there with Polestar is artificial and not representative of the overall market. Its artificial due to huge economies of scale - no organisation could continue making losses of some stg£70 million pounds per year. Established and well known printers have been falling heavily as a result of intense pricing by Polestar. However, so many UK

TOP IRISH CONSUMER TITLES

TITLE	PUBLISHER	CIRCULATION	PRINTED
Woman's Way	Harmonia	23,182	Bendham Goodhead Print (UK)
U	Harmonia	30,846	PCP Ltd (UK)
The Irish Garden	Mediateam	17,874	W&G Baird (N.I.)
The Gloss	Gloss Publications Ltd	10,909	Polestar (UK)
RTE Guide	RTE Publishing	100,669	Apple Web (UK)
Auto Ireland	Harmonia	35,000	PCP Ltd. (UK)
Build your own house and home	Dyflin Publications Ltd	15,000	PCP Ltd. (UK)
Business Plus	Business Plus	11,640	W&G Baird (N.I.)
ComputerScope	Mediateam	10,554	W&G Baird (N.I.)
Confetti	Dyflin Publications Ltd	15,000	PCP Ltd. (UK)
Easyfood	Zahra Publishing	30,471	Southern Print (UK)
Easyhealth	Zahra Publishing	21,869	Southern Print (UK)
Eat Out	Harmonia	30,846	PCP Ltd. (UK)
Food & Wine Magazine	Harmonia	8,839	PCP Ltd. (UK)
Golf Digest Ireland	Walton Media Ltd	18,000	Walsh Colour Print (ROI)
Hot Press	Hotpress	19,215	Boylan Print Group (ROI)
Image	Image Publications	27,940	St Ives Web (UK)
Image Interiors	Image Publications	15,073	St Ives Web (UK)
Irish Tatler	Harmonia	27,407	PCP Ltd (UK)

(Figures obtained from Magazines Ireland)

the Republic of Ireland in February, and now distributed in Northern Ireland.

Publisher Derry O'Donnell said that quality, price and ease of having a printer on the ground were the main reasons for opting to print in Ireland.

'Having such a facility on your doorstep and quality assurance means a lot more when you are in publishing. It is also easier to work with a printer whom you have a good relationship with and knowing that it's not just another print job.' Following an initial run of 30,000 copies, *Life & Fitness* now prints in excess of 20,000 monthly.

The Boylan Print Group has two Goss M-850 presses, while last year over €5 million was invested in a new Goss M-600 web press. Since

printers have closed in the past year that eventually the print supply into the market will be overtaken by demand. When demand is greater than supply, prices increase. This will push the price of print back up and I can see battered print prices indirectly on the increase over the next year.' Polestar print over 42 million copies of magazines and supplements per week including such titles as *TVTimes* and *Hello!*.

Ireland has a strong trade magazine industry with many such publications printed on home soil, which is in part due to their short runs. Such magazines as *Manufacturing Ireland* are now printed at Wellbrook Press in Kilkenny while *Irish Printer* is printed at KPS Colourprint in Knock, Co Mayo. ■