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*Reuters Institute: 9 trends you
need to know about it*



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Prof. Ing. Karl Malik
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Sustainability of Local Journalism



THE NEWS MEDIA ASSOCIATION has welcomed the launch of a new inquiry into the sustainability of local journalism from the Digital, Culture, Media and Sport Committee.

The Committee announced earlier this week that the inquiry will examine the challenges that local news publishers face and how they can be supported to maintain their democratic function.

News Media Association chief executive, Owen Meredith, said: “We welcome the Committee’s inquiry into the sustainability of local journalism, which underscores the importance of the critical role local media plays in our society and democracy.

“Local journalism performs a vital democratic role, covering local issues, investigating local public bodies and holding the powerful to account. Local news media continues to serve growing audiences in print and online and remains one of the most trusted sources of information.

“The pandemic has only seen the demand for trusted quality journalism increase, while the industry has continued to innovate, with recent developments such as the Public Notices Portal.

“While the Committee inquiry is welcome, what is really needed is urgent action. After years of consultations, inquiries and reports the time to act is very much now.

“The NMA has repeatedly urged Government to introduce targeted tax relief schemes for local news publishers, to rein in unfair competition from the BBC, and to level the playing field

between news publishers and tech platforms.

“Such critical measures would allow publishers to bridge the gap to develop digital innovation and sustainable business models, allowing them to continue their vital work for their local communities.”

“Local news organisations increasingly face competition from social media despite moving their own titles online.

“How can we maintain and protect the type of journalism that reports what your council is doing, coverage that is essential to local democracy?

“We’re asking what more needs to be done to make local news journalism sustainable and what form that support should take.”

The inquiry also seeks to explore how the Government can support local news in developing sustainable business models, how public service broadcasters like the BBC are supporting or disrupting local journalism, whether partisan and hyper-partisan news outlets are disrupting local news production and the role social media plays in local journalism.

The DCMS Committee is inviting written evidence by Thursday 31 March 2022. The NMA will be responding to the inquiry.

Persistance spells success...

Sincerely yours,

Prof. Ing. Karl Malik
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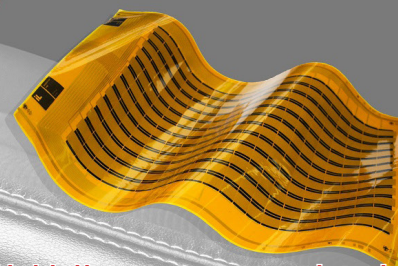
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Reuters Institute predictions for 2022: nine trends you need to know about

We crunched through the latest Journalism, Media, and Technology Trends and Predictions 2022 to round up the most important points publishers need to pay attention to this year

Each year, the Reuters Institute for the Study of Journalism (RISJ) publishes predictions based on interviews with news industry leaders to share knowledge about trends publishers need to pay attention to in the year ahead. For its 2022 report, lead author Nic Newman and his team surveyed 246 news leaders from 52 countries or territories, including 57 editors-in-chief, 53 CEOs or managing editors, and 31 heads of digital or innovation.

Here are the highlights from this report:

1. Subscriptions and memberships are the number one priority

Although news consumption has fallen in 2021 in many countries, including the UK and the US, the majority of publishers surveyed by RISJ (73 per cent) are looking forward to 2022. The main reason for this is that journalists feel their work is more valued by the public and, after two years of uncertainty, more than half of the surveyed publishers (59 per cent) experienced revenue growth.

A lot of this growth is down to money from subscription and membership models. This is not just the case of the giants like the New York Times that reports 8.4 million subscriptions. Smaller digital-native brands like Dennik N in Slovakia or Daily Maverick in South Africa bet on subscriptions as sustainable revenue models.

Why it matters: There is not enough money and people willing to pay for news in the world to sustain all the media outlets. Although nearly four in five publishers (79 per cent) say that subscription is their priority in 2022, many look for a mixed model with display (73 per cent) and native (59 per cent) advertising, events and sponsored activities from platforms. And for a cause - almost half of news leaders worry that subscribe-to-read journalism will only target more affluent and educated audiences, leaving others out.

To counter this, many publishers offer deals to those from disadvantaged backgrounds, like The Daily Maverick in South Africa that offers a 'pay what you can afford' membership, or Correio da Manhã in Portugal that offers free subscriptions to people living in care homes. RISJ predicts this trend will grow in 2022.

2. Mainstream media will poach talent back from platforms

Previous years saw journalists leaving their newsrooms and setting up their own businesses on Substack and other paid-for platforms, but not all of them, have found success. The mainstream news outlets should see some of that talent returning to the newsroom in the year to come, although publishers may need to allow independent creators to continue with their podcasts and newsletters at



the same time.

Another trend could see star journalists group into collectives to monetise large audiences they have amassed on social channels. One example is Puck, a startup created by a former editor of Vanity Fair Jon Kelly, who brought together writers covering Silicon Valley, Hollywood, Washington, and Wall Street. However, these collectives may struggle with the same problems as newsrooms, especially finding enough people willing and able to pay for their content.

3. Podcasts, newsletters and digital videos even more important

If publishers want to monetise all those subscription and membership products, they need to get more readers, viewers and listeners to use them.

To boost audience engagement, four in five surveyed publishers plan to invest in podcasts and other digital audio, followed by newsletters (70 per cent), and digital video formats (63 per cent). Tech investments such as applications for voice and metaverse are largely not seen as priorities.

Social platforms are also investing in new audio creation or curation tools which opens up the content creation market to anyone with a smartphone. This will create tougher competition but also stimulate overall audio content consumption. Moderation will add additional challenges since audio is even harder to monitor than written text. To stand out in the crowded audio space, some publishers like The New York Times and Schibsted are creating platforms and apps of their own. But paid features from platforms like Apple and Spotify will also open up the market for individual creators, much like Substack did for writers, adding to the competition.

Live video is also enjoying a renaissance, partly because of virtual events during the pandemic and news events like the storming of the US Capitol. Short-form video thrives thanks to the apps like TikTok, which now reaches a billion users worldwide, as well as Snapchat. But as RISJ previously found, it is mostly influencers and celebrities that users follow, so it is not quite clear how these platforms are going to be of use to journalists.

What that means: Publishers are still eager to reach younger audiences who are also major users of short video platforms. About a half of surveyed publishers plan to put more efforts into Instagram,

TikTok and YouTube and focus less on Twitter and Facebook. But independent creators may overtake journalists in this space too.

4. Hybrid working is here to stay

Although the industry is recovering from the pandemic, few newsrooms are in a hurry to bring everyone back to the physical office. A mix of physical and remote working is the way most organisations plan to go, while some are going fully virtual. Although many employees find a better work-life balance and productivity while working from home, bosses worry about the loss of creativity, collaboration and communication. To make hybrid newsroom work, leaders have to find better ways to talk to their teams and look after their mental health.

5. More solutions, less confrontation

Both journalists and audiences are exhausted by the relentlessly negative news cycle. RISJ predicts more focus on constructive formats of news coverage that will be partly driven by a greater diversity of newsroom leaders who are questioning traditional assumptions about news production. Efforts to increase diversity at the top echelons of news organisations should continue with hires and promotions of women and people of colour.

6. Focus on safety

As online and offline attacks on journalists continue, publishers step up their support, including security protection and training. Online interactions and polarising debates are also under scrutiny, and many news organisations are looking to tighten up rules for social media use to help curb abuse and boost public trust.

7. Reporting climate change

Although scientific evidence shows action is urgent to prevent dramatic consequences of climate change, publishers struggle to attract audience with climate content. There are several reasons for



that: the slow pace of change which makes it hard to cover it as a news story; gloomy outlook; lack of expert journalists and money to travel to remote places; the complexity of the science; and pressure from owners and advertisers.

Hiring journalists with a science background must become the top focus for publishers. Journalists may also want to experiment with solutions and constructive formats to counter some of the doom and gloom that puts audiences off. To address the lack of money, content-sharing and collaboration between organisations can yield better results. Finally, journalists need to find the right balance between the need to convey the urgency of the situation and campaigning, which can undermine public trust if perceived as a lack of impartiality.

8. Platforms and regulation

With online disinformation around covid or the role of social media in events like the storming of the Capitol in the US, the pressure is mounting to regulate tech platforms. The European Union leads the way with its Digital Markets Act (DMA) which is set to curb anti-competitive behaviour among the biggest players, while the UK is planning to pass its Online Safety Bill which aims to sanction platforms that do not do enough to curb illegal and harmful content.

More countries will be emboldened by the success of the News Bargaining Code in Australia and to the Copyright Directive in Europe, which saw large publishers receive money from licensing content to platforms. However, these deals often benefit only established big players rather than smaller and local publications.

News organisations are also starting to feel the impact of the GDPR as user-tracking becomes harder, which complicates the delivery of personalised services and making money from advertising. As third-party cookies become less profitable - and Google is planning to phase them out anyway - more publishers will focus on building first-party data through interactive features, events and competitions.

9. Artificial intelligence and metaverse

AI and machine learning are gaining popularity in newsrooms. More than eight in ten surveyed publishers (85 per cent) said that it will be very

or somewhat important this year in creating personalised content for news audiences. Organisations are also looking to use AI-powered tools to speed up some of the newsroom tasks, investigative journalism or optimise subscription models. New tools could help original image and video creation which could boost anything from story illustrations to visual journalism. AI can also help journalists experiment with personalisation and story formats.

As Facebook morphed into Meta, there is more focus on metaverse, a shared online environment that connects users through virtual or augmented reality. We may see more interviews done in metaverse featuring avatars of the participants, but it is safe to say journalists are not jumping on the concept just yet. The main exception are sports broadcasters who are adopting mixed reality studios that allow hosts to interact with virtual content and bring in celebrities from remote locations.

Finally, more organisations may want to experiment with non-fungible tokens (NFTs), following the success of publishers like Quartz, South China Morning Post or The New York Times that raised \$860,000 from the sale of NFTs. These digital items range from illustrations to an original news story and can be bought and sold online.

-by Marcela Kunova-





Florian Bauer on pricing strategies

There is no 'willingness to pay' in journalism

PEOPLE
IN
DIALOGUE

PreMedia Newsletter:

Mr. Bauer, there is much debate in the media industry about whether and what customers are willing to pay for journalism. You say there is no such thing as willingness to pay. How would you frame it?

Florian Bauer:

The term willingness to pay is psychologically completely misleading. Microeconomic theory assumes that people have a maximum price in mind that they are willing to pay. This would then be predefined, and companies could only react to it. But people don't operate like that, most of them don't know in advance what they would pay as a maximum. They have a less rational approach to prices and decide much more spontaneously, but quite predictably. That's why we talk about price acceptance.

PreMedia Newsletter:

That sounds like an opportunity. If I want to sell something, how do I go about the pricing then?

Florian Bauer:

Price acceptance is like a muscle that you can train. You constantly increase the weight you are working with. What you



shouldn't do: Lift the same weight for five years and then put on a lot more.

PreMedia Newsletter:

Welcome to the media industry. First the content was available digitally for free, now customers are suddenly asked to pay.

Florian Bauer:

The industry's big mistake was to plan with a reach model based solely on digital advertising revenues and to give content away. Today we have to live with this mistake. It's about evolving the model. This is not easy in an industry that has not dealt with pricing and strategic price management for a long time.

PreMedia Newsletter:

But in the last 20 years, it has dealt a lot with price increases...

Florian Bauer:

Exactly. Let's look at an existing product, the newspaper subscription or the retail price. For many years, it was common to make price increases on the basis of gut instinct. The publisher and the publishing director sat down, analysed the price of paper and inflation, looked at what the competitors were doing and then decided. But what their costs are should not matter at all for pricing, what the competitor is doing shouldn't either. That is an important paradigm shift.

PreMedia Newsletter:

Many people have not yet made this shift, don't you think?

Florian Bauer:

I agree. But the need to rethink approaches goes even further: we advise against proactively justifying price increases, even for subscription prices. Very often the editor-in-chief writes an article to justify the

"We advise against proactively justifying price increases, even for subscription prices."

price increase. He justifies why, unfortunately, the subscription now has to be made more expensive, for example, because delivery costs were rising due to the minimum wage. But an article like this tends to make readers aware of the price in the first place. Suddenly, they might find the product expensive. Or they are disappointed with their newspaper: 'What do you mean, they haven't paid minimum

"Nothing is worse than giving people something they don't want."

wage yet?" It is naïve to believe that proactive justification will lead to greater acceptance. Of course, you have to be able to answer questions if the subscriber asks. But very few do.

PreMedia Newsletter:

The British Guardian, for example, has had very good experiences explaining to its

online readers in detail why good journalism costs money. In fact, they make users feel guilty about freeriding, because you can read the Guardian online without paying. With this strategy, the Guardian has even managed its turnaround.

Florian Bauer:

If you have more fans than subscribers, this strategy may work. You can see that in Germany with the taz. You then advertise for members, not subscribers in the classical sense. Most of the time, however, customers don't want to be members, they just want to be subscribers. In addition, the Guardian's approach to online content must be evaluated differently: here it is often a

question of introducing a price at all, not just increasing an existing price. This is a completely different starting point in terms of decision psychology.

PreMedia Newsletter:

Most media offer their content in different subscription packages.

Alexandra Borchardt speaking with Florian Bauer

Florian Bauer is professor of behavioral pricing at the TUM School of Management in Munich and board member at the consultancy Vocatus.


Florian Bauer:

That is why you have to look at the whole product portfolio. Customers in the media market are socialized differently. On the one hand, there are the readers who want a finite product. The difference between an e-paper, which reproduces the newspaper completely electronically, and the web offer is much greater than that between the e-paper and the printed newspaper. Those who want the e-paper often don't want an app that is constantly updating. Others want a continuous product that is fresh everytime they visit. The risk of cannibalization between these two groups is relatively low. Publishers have to take these different habits into account in product development, because serving and developing habits in a way that matches customer needs is the holy grail in the reader market.

PreMedia Newsletter:

How do you deal wisely with the different groups?

Florian Bauer:

Publishers have a tendency to put everything they have on the counter. In doing so, they mix products and offers into an enormous number of options. That is a mistake. In fact, it's the other way around: the more I put out there, the greater the likelihood that the decision to buy will be postponed because the variety confuses people or at least makes them feel uncertain. Some products are not even relevant for me as a customer. That's why you have to think intensively about what users want and how you can bundle products accordingly. For example, does it make sense to give customers online access in addition to a print

subscription? Nothing is worse than giving people something they don't want.

PreMedia Newsletter:

To stick with the training analogy: What is the entry weight for web customers? In the industry, the monthly prices of Netflix and Spotify are often given as a benchmark, about roughly 10 Euros a month.

Florian Bauer:

It always depends on how you enter and what associations your product arouses. A price of 19.90 euros triggers other reference prices than one of 14.90 euros. This is called the assimilation-contrast effect: you see a price and relate it to something. 14.90 euros can then be a very, very expensive Netflix subscription. In contrast, 19.90 may be perceived as a cheap way to get the expensive print content. To exaggerate a bit: The perception and evaluation of prices is not linear and certainly not rational. Understanding this is enormously important. We actively use this in "behavioural pricing". As a provider, you can influence the reference prices that customers consult through price communication. That is why pricing is more than just defining price points. The mental compartment you address with your offers is quite decisive.

PreMedia Newsletter:

But younger readers don't even know what a print subscription costs. They think of their Spotify subscription.

Florian Bauer:

The decision architecture that you offer customers as a provider very much determines the mental comparison processes.

But you have to understand that this is the case. The task is not solved by putting a product on the table, adding a price and then assuming that the customer will find the right one. People don't want to decide, they want their decision laid out for them. If you don't use these degrees of freedom as a supplier, customers may use unfavorable references.

PreMedia Newsletter:

What do you think of discount campaigns, entry-level discounts, for example?

Florian Bauer:

Basically, good discounts are not price reductions, but rewards for better customer behavior. Far too often, prices are simply reduced because people see this as a panacea. But one has to be aware of the price-psychological effect of different discounts on the one hand — should it be a price reduction or a bonus — and on the other hand decide which discount strategy one wants to pursue before the concrete goal of the campaign — does one primarily want to trigger the decision or differentiate prices. This happens too little. Too often discount promotions are just examples of muscle destruction. If you constantly read: '20 per cent off everything!', then the muscle degenerates. You then read: 'Dear customer, you regularly pay 20 per cent too much!' Unjustified discounts always trigger doubts about the quality of the product. It is interesting to observe this in the furniture industry. It seems to be all about discounts. At least that's what suppliers believe, forgetting that Ikea, the most successful furniture retailer, doesn't give any discounts.



PreMedia Newsletter:

What do you think of dynamic pricing? In the media industry, the New York Times is an example. Customers overseas are offered much lower subscription prices than those in New York City because management calculates that they have to lure an international audience with a different price than the national one.

Florian Bauer:

Price differentiation is the fine art of pricing. Different people or groups have different price acceptance for the same product. But it is very difficult to use this lever without breaking it. Price differentiation has more to do with fairness and habit than with “willingness to pay” in the textbook sense. You have to be used to it in an industry. We are, for example, in the airplane, where we know that the person next to us has probably paid something quite different. It’s similar with hotel prices. With Uber, on the other hand, there was a huge outcry when they experimented with surge pricing, which is based on supply and demand. Price differentiation is an enormous lever and is becoming more and more important for publishers, but successful price differentiation is more than the experimental introduction of different prices and needs a long-term concept.

PreMedia Newsletter:

Let’s take a look at the advertising side. Have the advertising departments done their homework?

Florian Bauer:

Not really. The problem is less the pricing strategy than the sales approach and price enforcement. In Germany, ads are

still often sold by the millimetre and colour. Advertisers are not offered solutions. A needs analysis rarely takes place. What is offered is what the consultant likes to sell and not strategically bundled what the client really needs. And in the end, one meets on the one dimension that both understand — that is then the discount. One sometimes gets the impression that the change from the old “ad acceptance”, where salespeople just had to answer the phone

“In subscription management, the first customer transaction is only the beginning, not the end of the sales process.”

and write down orders, has not really been made yet.

PreMedia Newsletter:

Why has the industry been asleep for so long?

Florian Bauer:

The newspaper industry has been a very stable industry. The product has hardly changed for many hundreds of years. And suddenly everything revolves around products, channels, competitors. The product portfolio has exploded on the reader and ad side, but the customer has often not been taken along. Both customer sides understand the product worlds too little. Many readers still think that the same thing is on the website and in the newspaper. Many do not know what an “e-paper” is. If customers don’t understand the product worlds, they don’t buy. Publishers had to and still have to learn to explain their products, to bring them to the reader. And above all, they still have to learn to develop prod-

ucts in a customer-centric way. What is a good product is not determined by the editors, but ultimately by the customer.

PreMedia Newsletter:

In the case of newspaper subscriptions, people have been relying for decades on the fact that readers don’t even notice that they are being charged regular amounts. With digital subscriptions, the cancellation rate is considerable, many pub-

lishers moan about churn.

Florian Bauer:

Here, too, there is a paradigm shift from classic subscription sales to modern subscription management, as we know it from app providers like Netflix and Spotify. In subscription management, companies no longer live predominantly from new acquisition, which was often enough a premium-heavy revolving door acquisition. It’s all about increasing sales with existing customers. That’s what makes Netflix tick, too, because unit growth in certain markets is finite. Portfolios need to be built to increase monthly recurring average revenue from the customer. That’s how you can grow sustainably. In subscription management, the first customer transaction is only the beginning, not the end of the sales process.

PreMedia Newsletter:

What does that mean in concrete terms?


Florian Bauer:

You have to think in terms of individual sales steps. At the paywall, I don't have to try to sell an annual print subscription or offer the entire product portfolio. At these decision points, I have to offer what the customer needs most. Once the customer has bought the first product, there must be a defined upselling strategy. Of course, only after it has been ensured that a stable usage habit has been formed. You have to understand the respective decision-making situation and therefore offer something different at the paywall than in the shop, for example. This also includes first asking what the customer wants. After all, the first thing the salesperson asks in the shop is: 'What do you want? What do you already have from us? I make myself much more attractive when I have understood a bit about the customer. The shop should not be a shop window, but a decision support machine. That would be a huge step. If you then also manage to speak the customer's language ...

they no longer see this content because at some point they decided they didn't want to pay. But it is important to note that you often come up against this decision point and cannot avoid it per se. For this reason, some publishers are currently discussing metered models again. This is how publishers react to habits that have developed on the customer side. What is successful today as a paywall model does not have to be so tomorrow.

PreMedia Newsletter:

Customers often want to be able to buy individual articles. As we know, this is not profitable for the publishers.

Florian Bauer:

But perhaps a day pass or generally non-subscription-based offer formats are sometimes the right thing to do. After all, newspapers have not abolished single-item sales at newsstands, even though they bring in much less than subscriptions. In the digital business, however, many publishers say you can only become a subscriber. Of course,

sition approaches here in the future.

PreMedia Newsletter:

You want to say that the relationship starts before marriage. What about divorce: Should you make it simple or complicated?

Florian Bauer:

A subscription should not be a prison — that was the "old thinking": "win a subscription with a premium, lock it up, throw away the key and never touch it again". If someone doesn't want it anymore, they should be able to leave immediately. Otherwise, I only make short-term profits, which I pay for with the fact that people won't be so quick to take out subscriptions in future.

PreMedia Newsletter:

But some customers are only after the incentives.

Florian Bauer:

When subscriptions are paired with high incentives, it's an expensive and often deadly model and you educate yourself customers to be gift hunters. The reason for taking out a subscription then immediately becomes the next reason for cancelling. You don't grow sustainably by always shoveling in new people at a high price, but by developing customer relationships. For example, if you have a Spotify subscription, you usually invest a lot of time in your playlist, and you don't want to lose that. If customers invest in the relationship themselves, they never want to give it away again. Selling is not only about the first and last mile, but also about the extra mile: Only when the customers have developed habits have I won them.

"A subscription should not be a prison."

PreMedia Newsletter:

There are fashions in the payment models for digital content. What is the latest trend?

Florian Bauer:

Today, almost all publishers differentiate their web content, so some pieces are not available for free at all. The freemium model has proven itself so many times. But it also leads to people coming to terms with 'plus', they don't even hit the paywall anymore. You could say that

the day pass alone is not a revenue generator. But maybe that's not its function in the portfolio. I believe that non-subscription-based offer formats are often not yet used properly. In subscription management, the products of a portfolio must not be evaluated solely according to their inherent revenue potential, but one must also consider their role in establishing and expanding customer relationships. I think there will be much more sophisticated acqui-

WESER-KURIER to use ppi Media's AdX and AdMan ad solutions in the future

As part of the consolidation of IT systems and processes with the Nordwest-Zeitung Oldenburg, the WESER-KURIER has decided to introduce two ad solutions developed by ppi Media, AdMan and AdX, for the production and scheduling of its ads in 2022.

The publisher of the Nordwest-Zeitung Oldenburg (Nordwest Mediengruppe) and the publisher of the WESER-KURIER (Bremer Tageszeitungen AG) have been working with MSP Medien Systempartner for several years to coordinate their processes in various business areas. As part of the alignment of their SAP systems, Bremer Tageszeitungen AG is now introducing two solutions that are already being used by the Nordwest-Zeitung for print and digital ads: AdMan and AdX.

AdMan enables a continuous ad workflow, harmonizes ad production across different locations and integrates all standard editors and DTP systems. In Bremen and Oldenburg, the special focus is on ensuring the seamless

integration of external typesetting service providers. AdMan is an efficient and user-friendly ad solution with various features such as web-based customer proofreading workflows. AdX is an ad scheduling solution that facilitates automated, cross-media ad workflows, enables the simple planning of complex ad campaigns and provides an interface to commercial systems.

Tim Greve, Managing Director of MSP Medien Systempartner, says: "ppi Media is one of our most important technology partners when it comes to automating our production workflows. ppi solutions are always integrated quickly and efficiently into our existing production environments". Christian Wagner, Head of IT

at Bremer Tageszeitungen AG, adds: "The new solutions enable us to create efficient and transparent ad workflows in all areas. That's how we can offer our advertising customers the best possible service in digital and print".

The WESER-KURIER in Bremen is also using ppi Media's Content-X editorial system.

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The New York Times to acquire The Athletic for \$550 million in cash

The New York Times has agreed to acquire The Athletic in an all-cash deal valuing the sports media startup at \$550 million, the company said Thursday.

Why it matters: It's a huge victory for The Athletic, which had been shopping a deal for

months. The subscription-based sports media company was under pressure to sell in light of how much cash it's lost over the past two years.

► The Times said it expects The Athletic to be "immediately accretive to The New York Times Company's reve-

nue growth rate," but that it "expects the acquisition will be dilutive to The New York Times Company's operating profit for approximately three years, as it scales subscriptions and builds an advertising business, and accretive thereafter."



Budrul Chukrut/
SOPA
©LightRocket via
Getty Images

Details: The Athletic co-founders Alex Mather and Adam Hansmann will stay on after the deal, per a statement. Mather will be The Athletic's general manager and co-president and Hansmann will be chief operating officer and co-president.

- ▶ Mather and Hansmann will report to David Perpich, Head of Standalone Products at The Times, who will become publisher of The Athletic. Perpich currently manages The Times ancillary subscription products, like Wirecutter, Games and Cooking.
- ▶ The Athletic will be a subsidiary of The Times and operate separately.
- ▶ Sources told Axios in May that The Times approached The Athletic following a report about a potential deal between The Athletic and Axios in March.
- ▶ The Information first reported about the final deal price.

Catch up quick: The Athletic was

founded six years ago and has raised around \$140 million to date. It last raised \$50 million in January of 2020, putting its latest valuation at around \$500 million.

- ▶ The company has hired hundreds of journalists across the U.S. and the U.K. to produce quality long-form journalism about sports. In recent months, it's begun experimenting with advertising and investing more in podcasts.
- ▶ Like most digital media companies, The Athletic laid off staffers early on during the pandemic but has picked up on hiring since. The company employs about 600 people full time, including around 400 editorial staffers.

Be smart: The deal makes sense for The Times, which is sitting on \$1 billion in cash and is looking to increase its subscriber numbers.

- ▶ The company has 8.4 million total subscriptions, with 7.6 million that are digital-only.
- ▶ "Strategically, we believe this acquisition will accelerate our ability to scale and deepen subscriber relationships," New York Times CEO Meredith Kopit Levien said in a statement announcing the deal.
- ▶ The Times has said that it

wants to reach 10 million paid digital-only subscribers by 2025. With The Athletic added to its subscription portfolio, it's well on its way to hitting that goals years ahead of schedule.

- ▶ "We are now in pursuit of a goal meaningfully larger than 10 million subscriptions and believe The Athletic will enable us to expand our addressable market of potential subscribers."

The big picture: Consolidation has been rampant in the digital media space in the past few months. Vox Media acquired Group Nine Media. BuzzFeed acquired Complex and went public via a SPAC, months after acquiring HuffPost. IAC's Dotdash acquired Meredith last month.

What to watch: The New York Times has a mixed track record when it comes to deals.

- ▶ It bought the Boston Globe for \$1.1 billion in 1993, only to sell it for around \$70 million in 2013. It bought About.com in 2005 for \$410 million in cash and sold it to Barry Diller's IAC for about \$300 million in cash seven years later.
- ▶ Its more recent acquisitions, like Audm, Serial Productions, HelloSociety, Fake Love and Wirecutter, have been much smaller in scope.

-by Sara Fischer-

Newsquest in exclusive talks with Archant to create regional newspaper giant

Gannett-owned Newsquest is in bilateral discussions about a merger with Archant that would reinforce its status among the

UK's biggest publishers of local news, Sky News learns.

The regional newspaper publisher Newsquest is in exclusive

talks with rival Archant about a takeover that would unite the publishers of the North Wales Pioneer and the Eastern Dai-

ly Press. Sky News has learnt that Newsquest, which is itself owned by the US-based publisher Gannett, has seen off competing bidders to secure a period of exclusivity within which to strike a deal.

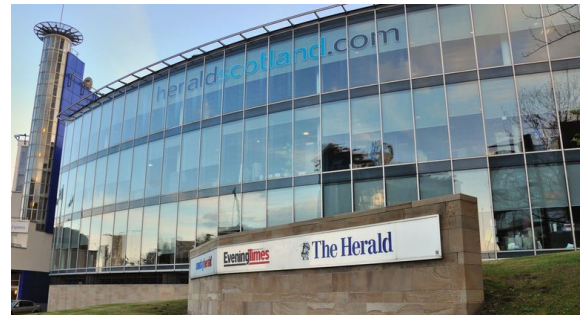
Archant, which was acquired by the turnaround investor Rcapital in 2020, owns some of Britain's best-known local newspa-

pers, including London's Ham & High Express and the Eastern Daily Press.

It began a sale process several weeks ago, and drew interest from the sector's other big players: Reach, the owner of the Daily Mirror and Daily Express, and National World, which owns JPI Media, another of the local news market's major publishers.



Archant, the regional newspaper group, used to own The New European newspaper



For Newsquest, a merger with Archant would fill a major geographical gap because of the latter's big presence in East Anglia, where it is based.

Archant was established in 1845, with the Colman family whose name went on to adorn the famous brand of English mustard one of the company's founders.

Since Rcapital bought Archant, the company has been restructured, with much of its management team being replaced.

-Mark Kleinman-

The Evening Times and Herald offices in Cowcaddens, near Glasgow city centre.

Acquisition of Aachener Verlagsgesellschaft by Mediahuis completed. Mediahuis becomes main shareholder of Medienhaus Aachen

European media group Mediahuis has successfully completed the acquisition of the Aachener Verlagsgesellschaft (AVG). The German media group will from now on be 100% part of Mediahuis, which will also become the main shareholder (70%) of AVG's subsidiary Medienhaus Aachen GmbH, publisher of the newspapers Aachener Zeitung and Aachener Nachrichten.

The acquisition of Aachener Verlagsgesellschaft fits in with Mediahuis' ambition for growth, which is to evolve further as a leading European media player. For the media group, which in recent years has developed in Belgium, the Netherlands, Ireland and Luxembourg, the expansion into the German

region of North Rhine-Westphalia is a logical next step. The German-Dutch border region (Euregio) is geographically aligned with the existing Mediahuis activities. Moreover, AVG's strong brands offer attractive added value to the Mediahuis portfolio. The entry of Mediahuis as the largest shareholder will

enable Medienhaus Aachen to accelerate its digital transformation project, further strengthen its independent regional journalism and successfully consolidate its position in the Aachen, Düren and Heinsberg region. The further digital transition of the German media group will take place in cooperation with



the current management of Medienhaus Aachen, building on the expertise and talent of its employees. Andreas Müller, who has been at the helm of Medienhaus Aachen since 2008, will continue to lead the management team as CEO.

Gert Ysebaert, CEO Mediahuis group: "I am pleased that the acquisition of Aachener Verlagsgesellschaft has been successfully completed and that we can welcome our German colleagues to our group. Together with them and the management of Medienhaus Aachen, we will build a successful and sustainable future. Learning from each other and strengthening each other will be the driving force. Mediahuis believes unconditionally in the power of strong and independent journalism. The knowledge and expertise of

both parties, combined with the synergies Mediahuis can offer as a group, will further strengthen the media brands of Medienhaus Aachen within the current digital context. I look forward to working with Andreas Müller and his team to embed this regional journalism in the North Rhine-Westphalia society in a sustainable way."

Andreas Müller, CEO Medienhaus Aachen: "The entry of Mediahuis heralds a new era for Medienhaus Aachen. In recent years, we have already taken our cue from various Mediahuis brands such as NRC in developing future strategies for journalism. Now we are happy to be the first German media house to join the Mediahuis family. The experience of the international Mediahuis network will help us to further develop our brands and ensure that we can continue to fulfil our responsibility to society, as laid down in the constitution, through our strong regional identity and journalistic independence. I am sure that the readers of our offerings will benefit from this."

Medienhaus Aachen is active

as a leading media group in the region of Aachen, Düren and Heinsberg (North Rhine-Westphalia). Besides publishing the newspapers Aachener Zeitung and Aachener Nachrichten, the Medienhaus Aachen portfolio also includes print, digital media, radio, logistics, fairs and postal services. The Medienhaus Aachen group employs 400 staff (excluding distribution) and has an annual turnover of €80 million.

Since its foundation in 2013, Mediahuis has built a highly diversified portfolio of news media and digital brands. In recent years, the group has made significant progress in the digital transformation of its news brands. Mediahuis is successfully implementing paywalls and digital subscription services on its news sites, driven by an optimal customer experience, combined with strong and independent journalism. Mediahuis' national and regional news titles provide more than 10 million readers with news every day, both online and in print. The group has about 4,300 employees and an annual turnover of more than €1 billion.



“Gazeta Wyborcza” with over 280,000 digital subscriptions at the end of 2021

On December 31, 2021, the content of “Gazeta Wyborcza” in digital form reached over 280,000 subscribers. Thanks to the intensive development of the Wyborcza.pl offer, the daily team remains the undisputed leader in press digitization in Poland and occupies one of the leading places in Europe in terms of the sale of digital subscriptions.

The another record of “Gazeta Wyborcza” in terms of the digital subscriptions proves the effectiveness of our strategy. Thanks to efforts of the entire

team - from the editorial office to technology departments - and its focus on improving our solutions and content, we can expand the base of subscribers

choosing digital editions. We are also improving the efficiency of subscription sales and we have higher revenues from this source - comments Wojciech



Bartkowiak, publishing director of “Wyborcza”. - These successes would not be possible without the highest quality content. This year, our journalists received, among others, six Grand Press awards, including in the News and the Investigative Journalism categories. This confirms that we are not only a leader in terms of digital subscriptions, but also - invariably - a leader of quality journalism in Poland.

At the end of December 2021, the number of daily's digital subscriptions sold exceeded 280,000. The readers most willingly chose the Premium package, providing full access to the Wyborcza.pl - website and application, as well as content from “Wyborcza's” magazines and 33 local websites.

Last year's novelties in the daily offer contributed to another record of Wyborcza.pl in terms of subscription sales – regarding both the quality content, as well as the solutions for users. They were also supported by changes in the daily team.

In 2021, Wyborcza.pl launched six new local websites - in Zakopane, Wałbrzych, Kalisz, Koszalin, Rybnik and Elbląg. The network of the “Wyborcza's” local editorial offices already includes 33 cities. In addition, Wyborcza.pl users can listen to the new series of editorial podcasts – series called „Mistrzowie Słowa”, in which outstanding actresses and actors read the best texts of “Gazeta Wyborcza”, as well as “Warszawa nadaje” - the podcast of “Gazeta Stołeczna” and Warszawa.wyborcza.pl on living in the largest Polish city. “Wyborcza” develops also cooperation with editorial offices and organizations from all over the world. In the fall 2021, the daily organized SubscriptiON Day, the international conference on subscriptions, attended by, among

others, Tara Lajumoke, Managing Director of Financial Times Strategies.

From May 2021 the daily team cooperates with The Conversation - an independent non-profit organization aiming to popularize scientific content prepared by representatives of the world's largest universities, and from October 2021 “Gazeta Wyborcza” publishes the latest texts of “New York Times” translated into Polish. The editors do not forget about important matters and values that are close to the readers - for this purpose, among others, they announced “Wyborcza's” “Climate Declaration” and once again collected funds to help those in need, including refugees in Usnarz Górny, donating over 500,000 PLN to charity in the past 12 months.

The year 2021 was also a time of many journalistic successes of “Gazeta Wyborcza”. Its teams was appreciated, among others, by the jury of the most important industry competition - Grand Press, receiving six awards, including the Journalist of the Year title for Andrzej Poczobut, imprisoned in Belarus. Journalists and reporters of “Wyborcza” tracked the abuses of Wrocław policemen who tortured the young Ukrainian, and the heartlessness of the border services that threw refugees into the forest. They unmasked the career of the President of the Management Board of PKN Orlen S.A. Daniel Obajtek and revealed the fraud of Polish Prime Minister Mateusz Morawiecki, who made a fortune in the sale of church real estate. In the last year, “Wyborcza” also developed the offer of subscription packages and technological solutions. From January 2021, readers who are interested in digital publications of the daily can purchase a subscription to the con-



Editor-in-Chief
and Publisher
Mr. Adam
Michnik

tent of Wyborcza.pl and at the same time join the Wyborcza.pl Club, enabling them to, among others, stay in contact with the editorial office and participate in online meetings. Such an option is provided by the Club Package available in the digital portfolio of the daily, along with the Basic Package and the Premium Package in new versions.

Additionally, Wyborcza.pl introduced new technological solutions, increasing the comfort of website or application users. Thanks to new products, including those in the field of automatic data analysis, it is possible to better adjust the proposed publications to the interests of readers, and to strengthen the engagement of Wyborcza.pl recipients.

The development of Wyborcza.pl subscription offer was also supported by structural changes in “Gazeta Wyborcza's” team, including a combination of organic subscription and marketing departments, as well as product development and IT teams. These changes allowed to intensify work not only on acquiring new subscribers, but above all on increasing revenues from digital sources - copy and advertising sales. “Gazeta Wyborcza” is the largest opinion-forming daily in Poland, the content of which is available both in paper and digital form - on Wyborcza.pl websites, in the mobile application and in the version for e-readers. “Gazeta Wyborcza” is the leader in the digitization process of the press in Poland.

manroland Goss and QIPC-EAE settle disputed copyright infringement cases



The leading suppliers of control and measurement systems for web-offset printing presses, manroland Goss and QIPC-EAE, jointly announce their mutual settlement of certain disputed copyright infringement cases.

The cases concerned the addition of third party solutions that interact with the proprietary

PECOM software of manroland Goss. Such add-on solutions do require a respective interface license provided by the OEM. By their mutual settlement, the parties not only settled the pending court proceedings, they also primarily cleared the way for their customers, to run the printing presses in a legally undisputed manner.

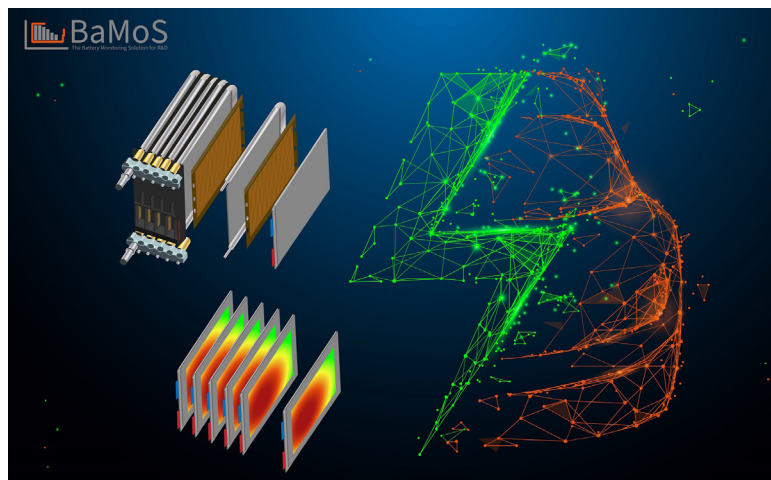
Heidelberg presents printed electronics for the automotive industry at the LOPEC trade show

- ▶ Printed sensors for battery monitoring and RECARO car seats
- ▶ Innovative applications improve safety, comfort and range of electric vehicles
- ▶ Sensors are drivers of digitalization industry-wide
- ▶ High market potential for the future

Heidelberg Druckmaschinen AG (Heidelberg) is pre-

sending innovative applications for the automotive industry at

LOPEC, the leading international trade show for flexible, organic and printed electronics. Together with Heidelberg's InnovationLab, the company will be presenting printed sensors for battery monitoring and RECARO car seats at the end of March. Heidelberg had already set up its own business unit for the industrial development, manufacture, and sale of printed electronics for this growth market and also established production at the Wiesloch-Walldorf site. In the future, electronic components and



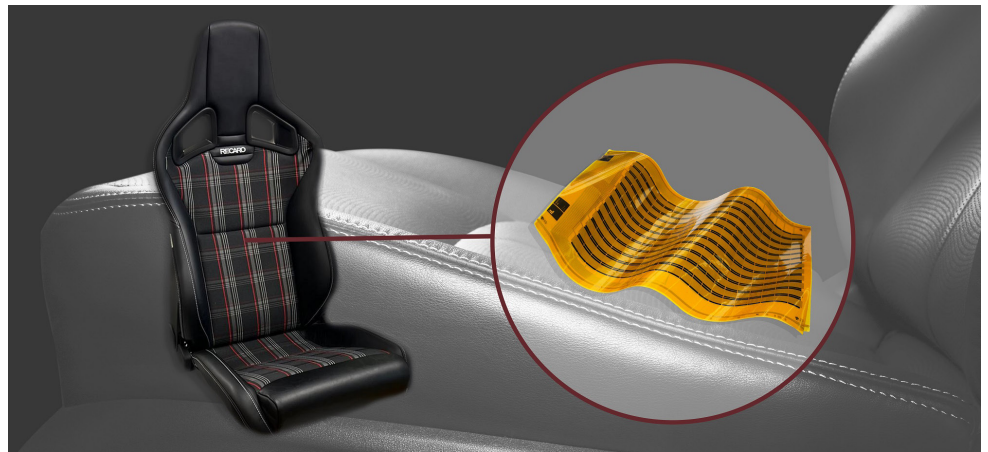
Printed sensors for battery cell level data acquisition and range extension of electric vehicles.

sensors for digital applications, particularly from the health-care and logistics sectors, as well as retail, or the automotive industry, will be produced here using state-of-the-art printing technology.

"The market for printed electronics, especially for sensors, is a future field for Heidelberg," said Rainer Hundsdörfer, Heidelberg CEO. "With the solutions presented for the automotive industry, we have good opportunities to further expand our business in this segment. We see growth opportunities for us as an operator in the production of high-tech sensors in the two to three-digit million euro range."

Using a car seat developed with RECARO Automotive GmbH, visitors can see how pressure sensor foils can detect occupants and distinguish them from other objects. The information obtained can be used for driver assistance and safety systems, such as reminders to fasten seat belts and deactivation of the air-bag when a child seat is detected. The sensor matrix presented also makes it possible to determine which seat position passengers are occupying. This will be particularly important in (partially) autonomous driving for triggering safety systems, as the driver's position will become much more variable.

An innovative battery monitoring solution will also be presented. Printed, ultra-thin pressure and temperature sensors can capture spatially resolved data from individual battery cells that can extend battery life by up to 40%. Printed sensor films are thin enough to fit between individual battery cells and capture detailed pressure and temperature data. This cell-level information provides valuable insights into battery health and



performance, helping research and development teams improve their battery designs - including for extending the driving range of electric vehicles.

"With the industrial production of sensor-equipped functional films, Heidelberg is opening up a new playing field for digital business models. Each square meter of the film is equipped with up to one million sensors that register the smallest changes in pressure, temperature, or humidity. The data obtained in this way is then processed using AI algorithms and delivers information quality that goes beyond discrete measured variables," said Dr. Michael

Kröger, Managing Director of Heidelberg Printed Electronics GmbH. "In the process, the entire sensor technology is printed in a single pass - including all conductive tracks, sensors and the interface to digital end devices."

The LOPEC trade show will be held in Munich from March 22 to 24, 2022. Heidelberg will be exhibiting its range of products and services together with the InnovationLab at booth B0.510. In addition, the CEO, Rainer Hundsdörfer, will give a keynote speech at the congress taking place at the same time: Rainer Hundsdörfer (lopec.com)

Using a car seat developed with RECARO Automotive GmbH, visitors can see how pressure sensor foils can detect occupants and distinguish them from other objects.

Heidelberg production of printed electronics at the Wiesloch-Wall-dorf site.

