

Why Newspapers?

"FREE" DAILY NEWSPAPERS

Change is constant, and energizes daily newspapers and all media. Today's consumers control their media experience, they have a plethora of media choices and they personalize their media environment. Once offered choices, whether related to content or technology, consumers quickly integrate the new options into their behaviour.

"What does this mean for daily newspapers, the oldest medium in the world?..."

It means that newspapers continue to transform their offerings in response to the consumer's migration to the internet and importantly, to their constant and immediate need for information.

Free daily newspapers are available in Toronto, Montréal, Vancouver, Ottawa-Gatineau, Calgary and Edmonton. Initially they were offered to consumers on or near transit systems, for consumers on the go, who are interested in a brief snapshot of the news and entertainment. They have evolved to provide readers with a wide variety of content available in numerous busy locations around the city. They are widely accepted by consumers who have, for the most part, integrated their readership of these products into their larger newspaper reading and media lifestyle.

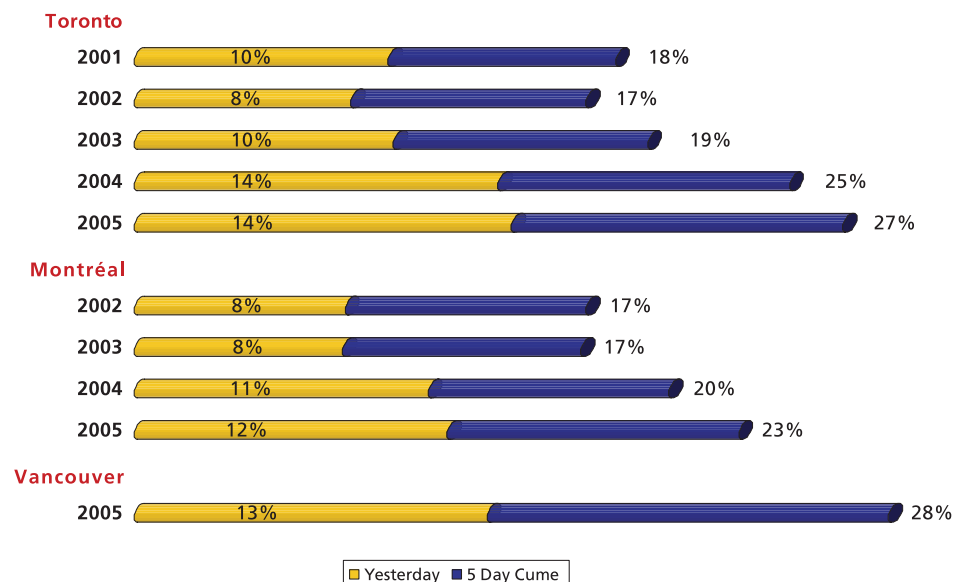
This new format provides advertisers with another option for reaching customers through the daily newspaper medium. Consumers are often exposed to these messages while close to a retail setting. Newspapers and their advertisements are portable, involving, timely, and can be read and acted upon at the readers convenience.

READERSHIP OF FREE DAILIES – 2001 TO 2005

Readership of free dailies has grown steadily since their introduction in both Montréal and Toronto.

In Vancouver the reach of the new newspapers, following their first measurement period in the fall of 2005, indicates a high acceptance of the new products. Weekly reach for the free dailies in Vancouver is 28%, similar to the current levels in Toronto and Montréal, 27% and 23%, respectively.

Readership of Free Dailies 2001-2005



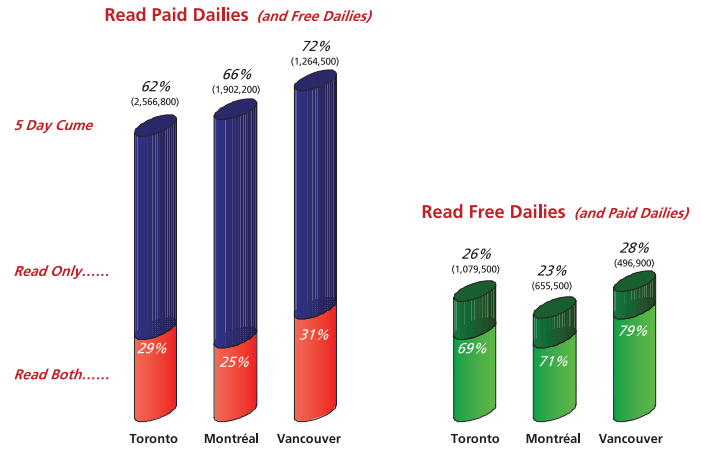
Why Newspapers? is a newsletter dedicated to looking at why advertisers should use daily newspapers to reach their customers.

CROSSOVER READERSHIP

Consumers tend to seek out information from a variety of sources and there is cross-over readership between the free and paid dailies as there is between all media. Readers of free dailies are more likely to also read the paid dailies; 69% in Toronto, 71% in Montréal and 80% in Vancouver than readers of paid dailies are to read the free dailies; 29%, 25% and 31%, respectively.

Readership builds over the week for the paid dailies, whether or not consumers are reading the free dailies. There is, however, a group of consumers, in each market who read only free dailies and while they may not read every day the percentage adults reading only a free daily over the week remains constant and does not grow throughout the week.

	ANY PAPER		ONLY A PAID DAILY		ONLY A FREE DAILY	
	YESTERDAY	5-DAY CUME	YESTERDAY	5-DAY CUME	YESTERDAY	5-DAY CUME
TORONTO	49%	70%	30%	44%	8%	8%
MONTRÉAL	53%	72%	46%	50%	7%	7%
VANCOUVER	57%	78%	43%	50%	6%	6%

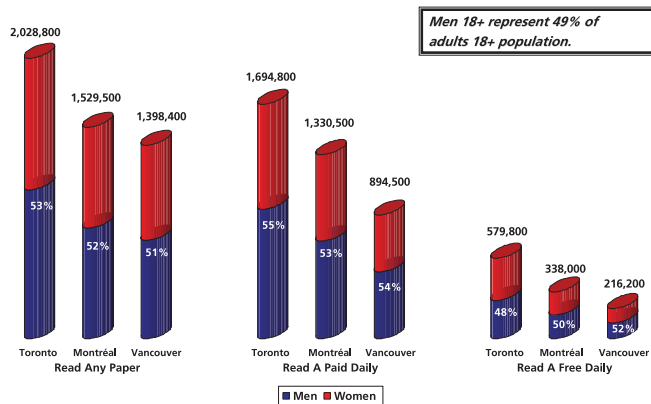


WHO READS FREE AND PAID DAILIES?

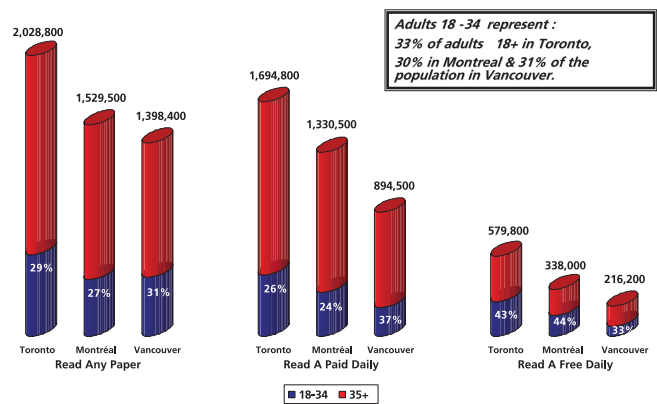
The free dailies were created, in most cases, to build readership among younger adults, particularly those currently not reading the available paid dailies.

Readers do tend to be younger, and female. The extent to which that is true varies by market but is generally the case. The profile of these readers is also fairly similar to the profile of public transit users.

Yesterday Readership by Gender Paid and Free Dailies in Toronto Montréal & Vancouver



Yesterday Readership by Age Group Paid and Free Dailies in Toronto Montréal & Vancouver



WHAT'S NEW IS OLD.....

Daily newspapers provide their readers with news, information and entertainment. There is nothing new about that, what has changed, is the way they bring their products to the marketplace. Newspapers are differentiating themselves from each other based on content, distribution, "look" and in some cases by developing more targeted products.

The aim of the free newspapers is to be in the right place, at the right time, at the right price, for consumers on the run. They tend to be targeted at younger consumers but are read by adults of all ages.

Traditional paid dailies continue to build on their strengths, providing in-depth news and entertainment for consumers ready to relax and spend more time with their newspapers.

Online editions, available for most newspapers, provide consumers with "right now," instant news, and headlines to in-depth reporting.

Something for everyone – whenever they want it!