

PROFILE OF MEPA MEMBER



AL WATANIYA GROUP OF COMPANIES FOR PUBLISHING AND MEDIA DEVELOPMENT

THE COMPANY

- AL Wataniya Group Company is one of the leading Media group in the Middle East and the Gulf region specialized in developing print Media.
- AL Wataniya is specialized in Publishing, developing and marketing print Media. The group is present in 20 cities and 10 countries on the Middle East and the gulf Region, reaching over 100,000,000 consumers.
- Innovate in the print media from a Global perspective towards a more local focus.
- Cater to the Advertiser through smart media buying.
- Present a truly credible product to the readers aiming to increase the interaction with the reader.

GROUP PUBLICATIONS

Al Hayat Newspaper



Al Balad Newspaper



Al Waseet Newspaper



Laha Magazine



Layalina Magazine



CONCORDE



AL Hayat

AL Hayat Newspaper, Daily International and Saudi Newspaper.

In Saudi Arabia Al Hayat publishes 3 editions: Riyadh, Jeddah, and Dammam.

In 2 year, the Daily newspaper ranked increasingly from ninth position to second in each of Jeddah and Dammam and third in Riyadh with a market reach of 270,000 daily copies in KSA and 86,650 worldwide.

AL Hayat Circulation

AL AHayat International Edition: 94,450 Daily Copies

| | | | | | |
|----------|-------|---------|--------|-----------|--------|
| Emirates | 7,850 | Yemen | 7,800 | Jordan | 3,500 |
| Bahrain | 4,250 | Egypt | 9,500 | Iraq | 2,000 |
| Oman | 2,250 | Lebanon | 12,000 | Europe | 16,200 |
| Kuwait | 4,750 | Syria | 4,500 | U.S.A. | 8,200 |
| Qatar | 2,500 | Tunis | 800 | Other W/W | 8,350 |

Al Hayat KSA Edition

270.000 Daily Copies

HOME SUBSCRIPTIONS

Central Area (Riyadh) 80.000

Western Area (Jeddah) 60.000

Eastern Area (Dammam) 35.000

SINGLE-COPY SALES

POS (copies on daily basis) 50.000

SPECIAL SUBSCRIPTIONS

HOTELS, Companies, 10.000

PUBLIC SUBSCRIPTIONS

Government & Airlines 15.000

Other Areas 20.000

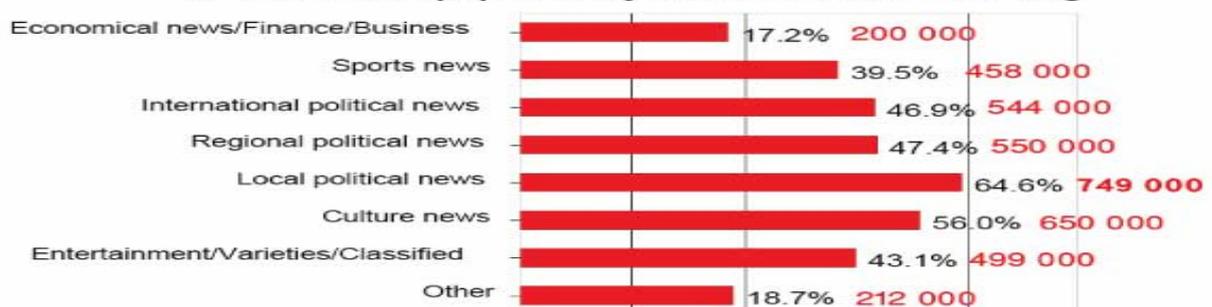
AL Balad

- AL Balad introduced a new form of journalism to counteract the stagnation in the Lebanese print media sector. It expanded into non-traditional areas such as a dedicated lifestyle section and expanded Sports and World Affairs sections.
- Leading the way with vivid color pages and better, reader-friendly content, AL Balad pioneered the idea of a truly popular newspaper.

Al Balad is Lebanon's number one daily newspaper. Launched in 2003, Al Balad quickly amassed the highest circulation in the country, reaching 43,000 copies. The subscription based distribution network grew to cover the nation's widest readership base, with 35,000 subscriptions as confirmed by KPMG.

AL BALAD NEWSPAPER

Al Balad newspaper: Subjects of interest in reading



Al Waseet

- AlWaseet is a free weekly advertising publication, with editions in 21 Arab cities.

Our Mission

To be the leading provider of a tailored and professional service, making it easier for our and learn about existing and new products and services.

AlWaseet suggested a simple and unique Advertising concept with a highly elaborated operational infrastructure. AlWaseet entered each market place by storm, and was able to step strongly and gain advertisers confidence and became the leading reference in classified ads for readers.

In 24 cities, AlWaseet has acquired brand leadership and recognition, as well as public confidence.

CURRENT OPERATION



AlWaseet International

- **AlWaseet International** was created to consolidate AlWaseet various activities, serve as a strategic leader for all the branches, and as an expansion operator and planner.

- **Our Mission**

Is to manage and develop current and future operations of AlWaseet, to diversify, and extend its business range worldwide in the field of Advertising and Marketing.

AWI Corporate activities

- The AWI will be the engine and main driver of AlWaseet expansion. As a strategic guider, AWI will carry on the development plan to reach the desired growth. This will be attained through various projects launched by AWI:
 - Restructure the Operations of AlWaseet throughout the whole region.
 - Launch AlWaseet as a franchise concept.
 - Carry on the expansion plan for AlWaseet to reach 100 branches, and a turnover of 150 Million USD in 5 years.
 - Announce the IPO and introduce AlWaseet publication: TV and E-commerce.
 - Launch AlWaseet Showcase in Dubai to become model for any future Operation.

LAHA the Arab modern woman and family magazine

- Laha is a weekly magazine, launched in September 2002, specially made for the Arab Woman. The magazine caters for women of all backgrounds, whether young or mature, professionals or homemakers as well as their families.

- Laha provides wide ranging content, with topics covering fashion, health and beauty, literature and the arts, decoration, travel and tourism, entertainment and exclusive interviews. High quality pictures, from the region's best photographers, complete the professional look of the magazine.
- For such a young magazine, Laha has quickly grown to become amongst the leading magazine in the region.

Laha Profile

Average issue readership (Weeklies)

Respondent Age (Grouping)

| | | | | |
|-------|---------|---------|---------|------|
| Total | 15 – 24 | 25 – 34 | 35 – 44 | +45 |
| 100 | 45.3 | 29.1 | 14.5 | 11.1 |

Respondent Gender

| | | |
|-------|------|--------|
| Total | Male | Female |
| 100 | 19.5 | 80.5 |

Nationality

| | | |
|-------|-------|------|
| Total | Local | Arab |
| 100 | 83.9 | 16.1 |

Weekly circulation of 135.650 copies and is distributed to 12 markets throughout the Arab world, as well as selected points of sale in Europe and the United States.

LAYALINA

- LAYALINA is the first Arabic people lifestyle magazine that cover most of the social professional and entertainment events in 9 cities with respect to local culture and tradition for each city to become amongst the most preferable monthly magazine in the region.
- LAYALINA catch the moment to make the readers relive their most exciting flash and transfer it into a live memory.
- LAYALINA started in Lebanon with a vision to develop the model in major cities around the world.
- In five years Layalina is in 11 cities and 9 countries printing over 160000 copies per month.

Layalina Subscription and Circulation

Layalina is published in:

- | | |
|-------------|-------|
| • Beirut | 9200 |
| • Damascus | 12000 |
| • Bahrain | 10000 |
| • Kuwait | 15000 |
| • Qatar | 10000 |
| • Cairo | 15000 |
| • Dubai | 10000 |
| • Abu Dhabi | 10000 |
| • Riyadh | 40000 |
| • Jeddah | 30000 |

www.alwataniyagroup.com

NEWS UPDATE

6TH INTERNATIONAL NEWSROOM SUMMIT

19 - 20 April 2007, Paris

This conference aims to show concrete examples of convergent newsrooms, looking at how to develop a convergence strategy, how print/web integrated newsrooms are working in practice, what tools can be used by journalists, how to change the culture within the newsroom and understanding what your audience really wants.



Opening

Telegraph editor Will Lewis opened the 6th International Newsroom Summit by laying out a passionate roadmap for the survival of the newspaper business.

The British broadsheet moved to a converged multimedia newsroom in London's Victoria this year and has ambitiously launched a series of podcasts, weblogs, video and other channels. Thanking Ifra for its help in the project, Lewis said the industry was going through "the biggest revolution since the birth of the printing press".

"We have to face up to the challenge and reinvent ourselves," he said. "The old norms which have guided [us] are being torn up as the internet creates a new generation of consumers and new methods of advertising. The business model on which we have always relied will be replaced by very different types of participative audiences consuming media in a variety of ways.

"We believe we can embrace it as a friend. We face a future not of decline but of optimism. Of course, it will mean change in ways that are entirely erratic. The speed of technological innovation is such that predicting a year into the future is unwise and five years is impossible, but it is a process that can be organic.

"The future of our business is no longer as an imposer of information. We have to be media companies which make available to consumers our content when they want it and in the manner they want it. Not to change is not an option if we are to survive."

Lewis said predictions the internet will "kill" newspapers were like Groundhog Day - the last five years has seen global newspaper circulation rise by 10 percent, commercial newspaper readership rise beyond 1.4 billion and the emergence of more free titles, he said confidently. Even in the more mature US and European markets the number of new print publications is increasing.

But Lewis warned news organizations making the digital transition must both invest in training and be alert to attempts to cannibalize their material.

"Media publishers, more than ever before, are going to have to invest in re-skilling their journalists," he said. "That's something we [at The Telegraph] have been doing in a way that's more comprehensive and dynamic than any other British publisher has done before.



"Our ability to protect that content is under consistent attack from those such as Google and Yahoo, who wish to access it for free. These companies are seeking to build a business model on the back of our own investment without recognition; all media companies need to be on guard for this. Success in the digital age, as we have seen in our own company, is going to require massive investment; [we need] effective legal protection for our content in such a way that allows us to invest for the future."

Source: IFRA

ACTIVITIES AND OTHER UPDATES

8 May 2007, Amsterdam

Digital Trend Day



Web TV strategies for newspapers

- Developing content & programmes
- Distribution of video content
- Advertising models
- Setting up a TV team

22 mai 2007, Paris

Ateliers de démonstrations : Les systèmes et solutions publicitaires pour la presse.

Workshops of demonstrations: Advertising Systems and solutions for the press



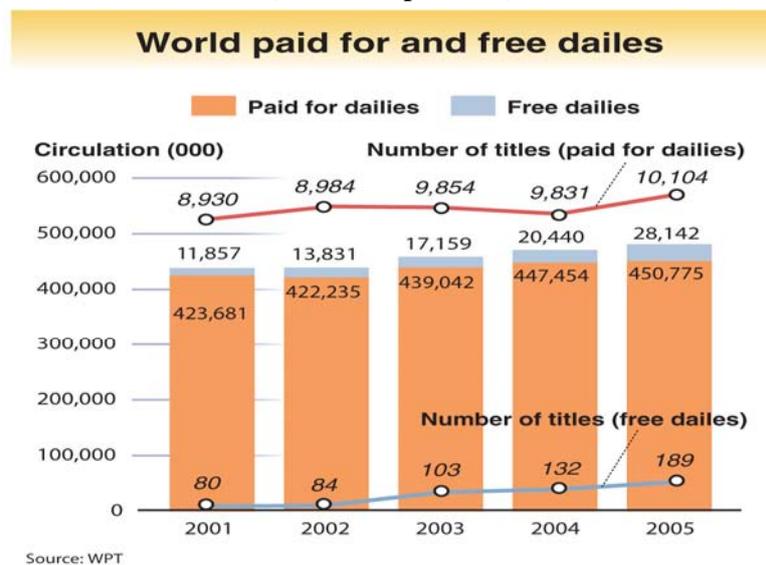
RESEARCH ARTICLE

New Print Products

Profound and disruptive market shifts are challenging the newspaper industry in the 21st Century. Among them, changing circulation patterns and emerging competitors—inside and outside the traditional newspaper industry—are forcing publishers to rethink their approach to how newspapers are brought to market.

Contrary to persistent predictions of the demise of newspapers, in truth, a surge of new daily newspapers has flooded markets worldwide in the past five years. The demand for new printing presses has never been greater. The demand of newsprint is up on every continent except North America, where circulations are shrinking.

(Chart for position)



File name: **SFN_WorldFreePaidDailes**

(Chart showing number of titles worldwide for free and paid-for papers)

According to statistics of World Press Trends, an annual publication of the World Association of Newspapers, updated in October 2006, there has been a quiet revolution in the number of daily launches. This burgeoning growth of daily titles worldwide has largely gone unnoticed by market makers and media pundits obsessed with the digital media revolution. Meanwhile the real-world growth of newspaper titles and circulations continue inexorably.

Consider:

- The total number of paid-for newspapers grew by 1,179, and the number of free dailies grew by 109 titles, between 2001 and 2005.
- In 2005, the total number of paid-for daily newspaper titles worldwide jumped over the 10,000 mark for the first time in history, fueled by a steady 13 percent growth since 2001, when there were 8,930 paid-for dailies.
- Total free daily circulation worldwide has more than doubled from 2001 to 2005, from 12 million copies in 2001 to 28 million in 2005, an increase of 137 percent.

The growth trends are seen in both positive and negative lights. In parts of the developed newspaper regions—Europe, North America and Australia/Oceania— these trends, which are the result of hyper-competition, are causing upheaval. In the developing world, the growth is seen as positive and rife with revenue-making opportunity.

Three key trends are shaping the print newspaper landscape worldwide:

- A proliferation of new genres of newspapers—targeting new audience segments and requiring creative marketing and distribution scenarios
- The surge of new, free titles thrust into the paid-for market are the result of many publishers rethinking the cover-price revenue model in place for more than 400 years
- The trend of the shrinking newspaper format, from broadsheet to tabloid, has challenged publishers to carefully plot out the transition and maximize new advertising prices and distribution strategies

Whilst the number of titles and total circulations are on the upswing, the era of the one-size-fits-most newspaper is on the decline in many parts of the world. A new era is dawning, and it is about launching new, tailored newspapers for targeted groups to complement the general circulation papers. It is about competing in an increasingly crowded media marketplace where readers are in control of their media consumption. With so many media choices, consumers are opting to choose media that “speak” to them, and do not settle for traditional media in the form that they have always been published. Unlike broadcasters, newspapers see fragmentation as an opportunity to aggregate new audiences, improve their relevance to existing readers and provide attractive markets to advertisers.

The new newspaper landscape is about adding to the newspaper company’s stable of new printed products that complement the core product, whilst maintaining their own identities and adding to the newspaper companies’ circulation and advertising market share. For many newspaper companies, this strategy is called the “audience aggregation” or “portfolio expansion”, whereby newspaper companies achieve greater circulation and advertising market share by launching new titles targeted at new audiences. This report will detail the growing strategy of precise audience targeting and aggregation designed to deliver audiences and profits well into the future.

This report captures the art and science of developing a new print title, through scores of case studies and step-by-step phases of newspaper launches in Europe, Africa, Australia, North America, South America and Asia.

The report also looks at specific tactics on how some of the world’s most dynamic newspaper markets are braving new newspaper challengers on the circulation and advertising battlefields. One of those tactics is market “spoiling,” which is essentially the attempt to dilute an incoming newspaper title’s ability to gain distribution and advertising market share by launching a competing title targeted at the same audience and with the same distribution strategy.

One such newspaper market experiencing hyper-competition is the Netherlands. Since 1999, when the free commuter daily Metro arrived on the scene, the advertising and circulation market share started to fracture. Traditional publishers have been fighting back ever since. This report chronicles the launch of a fresh approach to Dutch newspapering, born in March 2006. The title is called nrc next, a quality, paid-for tabloid that has achieved a 70,000 circulation as of October 2006. Another title from sister PCM Uitgivers newspaper de Volkskrant and an outside investor will arrive in early 2007, and is expected to shake up the Netherlands’ free newspaper market with high-circulations—Metro and Spits—each reporting a half-million daily circulations.

This report will feature a chapter on the conundrum of the free newspaper megatrend—the threats and opportunities that lie in “going free,” and the tactics for paid newspapers to compete with free papers. One of the case studies is that of the Manchester Evening News, which has decided to drop their cover price in the centre of Manchester and reposition the newspaper as a free and paid combination in 2007. This report will chronicle the plan in detail.

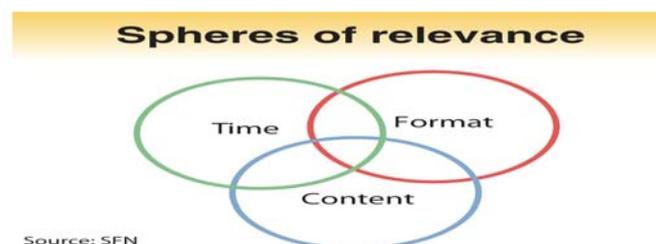
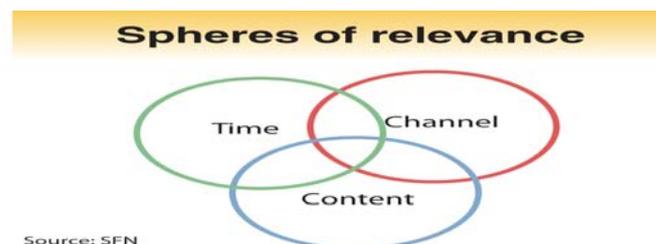
Among the worldwide new newspaper launch case studies are:

- Apple Daily in Hong Kong and Taiwan
- Daily Sun in South Africa
- RedEye in Chicago, USA
- Dato and 24 Timer in Denmark
- Manchester Evening News, UK
- Hoy in Colombia
- Libre and Inquirer Compact in the Philippines
- News Today in India
- Dozens more titles, worldwide

Some industry analysts predict that the over-saturated newspaper markets like the Netherlands, Denmark and the United Kingdom might lose newspaper titles in the coming years. They reckon there is not enough advertising spend to sustain all of them. The report provides a survival guide for newspapers in over-crowded media marketplaces, including business and marketing planning for laser-focused positioning in hyper-competitive environments.

The strategy to develop new print products is deceptively simple. In order to grow a new audience for a new print product, publishers are refining the art of market segmentation. This report details several examples of the exhaustive research conducted on audience segments in order to be successful for a launch of a targeted print product. In essence, the publisher must ensure the product is relevant and compelling to the targeted audience in three key spheres: Content, Format and Time.

(Use the BOTTOM “Spheres of Relevance” graphic)



File name: **SFN_SphereReveance**

At least one element of the newspaper world has remained constant: Content is King. Quality journalism remains the global currency for the newspaper industry. Publishers at winning, new print publications have learned that quality journalism that is relevant and compelling to the daily lives of targeted readers, is key to the success of new product launches.

Among the types of targeted newspapers detailed in this report are:

- Immigrant newspapers in non-native languages
- Commuter editions and other free newspapers
- Youth market and young adult titles
- Lite versions of established papers
- Newspapers for various socio-economic groups and literacy levels

In addition to targeted content, publishers of new titles have learned that the content strategy must be combined with the elements of format and time to ensure an enduring success.

Formats relate to size of the newspaper, including the varying sizes of broadsheet or tabloid, and also paper stock. Most new print products today are launched in tabloid format around the world, the convenient, more condensed and more portable size preferred by a growing segment of readers. This report will chronicle in detail the growing trend of compact formats, listing almost 100 broadsheets re-launched in the past five years, and will profile more than a dozen of these relaunches that have been successful in Europe, North America, Australia and Asia.

(Graphic showing top circulation successes among compact conversions)

| Circulation winners after format changes | | | | | | |
|--|--------------------|---------------|------------|---------------|------------|----------|
| Country | Title | Change period | New format | As broadsheet | As compact | Increase |
| UK | The Independent | May-04 | compact | 226,000 | 260,000 | 15% |
| UK | The Times | Nov-04 | compact | 635,000 | 685,000 | 8% |
| UK | The Guardian | Oct-05 | berliner | 288,000 | 375,000 | 30% |
| India | The Times of India | | dual | 1,284,000 | 2,439,000 | 90% |
| Australia | The Courier-Mail | 3-Oct | compact | 214,000 | 553,000 | 158% |

Source: SFN research

File name: **SFN_CirculationWinners**

Format also is about the editorial formatting—the categories of content; the balance of text, photos and graphics; whether content should be long-form or short-form; and the voice it is delivered in—serious, humorous, edgy or straightforward journalistic style. Time relates to when the newspapers are made available to readers by whatever distribution means, in the morning or afternoon, or during commuter times, for example. The key is to provide them with the product within its window of relevance to their daily lives.

The report also highlights the positioning strategy for new newspaper products among other titles in a media marketplace. Using the classical Kotler model for positioning a product, considerations must be made for pricing and for product type as they would fit in the puzzle of the individual marketplace. The trick is to target a niche that will draw sizable circulation and advertising share.

Never before in the 400-year history of newspapering have there been so many profound and disruptive challenges. It is the successful publisher who seizes on market trends and new audiences to extract greater circulation and advertising market share. Delivering individual audience segments is key by providing audience members with the relevance of content, format and timing that compels them to consume the newspaper.

**Source : Shaping the Future of the Newspaper
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