

an increase of 126 over 1991. The largest number of startups were erotica and life-style/service magazines, but health, food, and children's publications also recorded strong gains. Many of the new magazines were special issues and one-time publications. *Esquire* launched two special issues in 1992, *Esquire Gentleman* and *Esquire Sportsman*. In early 1993, *Scientific American* published *Scientific American Medicine*, a one-time newsstand publication.

Magazines targeted to the baby boomers or their children, the so-called baby boomlets, were successful launches even during the recent recession. Hot magazine groups in the last five years have been children and teen magazines, which have doubled in number. New titles include *The Simpsons*, *Disney Adventures*, and *American Girl*. Spinoffs from established magazines have been popular, with such titles as *Discover for Kids*, *Money for Kids*, and *Field & Stream Jr.* Personal finance titles for the boomers have also done well. New launches, *Smart Money* and *Worth*, were aimed at this group.

A number of magazines targeted age or demographic sectors of the population by publishing a number of special editions. Several parenting magazines, including *Child* and *American Baby*, offered editions tailored to the age of a reader's child. Other recent publications targeted to a niche market include *Emerge*, a newsweekly for Black Americans, *The Senior Golfer*, targeted at aging baby boomers, and *Skiing for Women*.

Several prominent consumer and trade publications ceased to publish in 1993 as cautious advertisers, declining readership, and saturated magazine sectors made the survival of some magazines increasingly difficult. Conde Nast Publications' folding of *HG (House & Garden)*, a 92-year old home magazine, sent shock waves through the magazine industry. Univision publications suspended *Mas*, a general interest, Spanish-language lifestyle magazine with controlled circulation of 630,000. Among business journals, the 120-year old *Home Improvement Center* folded, as did *MagazineWeek*, the only weekly trade title serving the magazine industry. Ziff-Davis, a computer publishing giant, closed both *Corporate Computing* and *PC Sources*.

Acquisition activity in 1993 focused on Conde Nast Publications' \$170 million purchase of Knapp Communications Corp., publisher of *Bon Appetit* and *Architectural Digest*, giving Conde Nast a dominant position in the home decor and epicurean markets. This followed an announcement late in 1992 that Time Inc. would form a joint venture with American Express Publishing to manage several of AmEx's magazines, including *Travel & Leisure* and *Food & Wine*. Rather than acquiring properties, publishers focused on redesigning their publications, creating spinoff magazines and other products, including fax and videotext editions.

Employment and Production Costs

After a three-year period of downsizing to improve efficiency and cut cost, many magazine publishing companies began hiring in 1993. Publishers sought employees who could perform a number of jobs because of lean hiring budgets. Total employment rose about 1 percent to an estimated 109,000. The number of production workers was about 19,300, slightly less than in 1992.

Overall production and distribution costs rose moderately in 1993. Magazine publishers expected some publication grades of paper to rise as much as 9 percent during 1993, but

anticipated no increases in ink prices. No postal rate increases took effect, but Congress passed legislation that would phase in higher postal rates for nonprofit magazines over a five-year period.

ENVIRONMENTAL PROFILE

Recycling has become an important issue. A few publishers have switched to coated recycled paper for their magazines, while others are gradually converting. Still others have no plans to use paper with recycled content. Many publishers are aware that the magazine industry must initiate a voluntary recycling program to keep Congress from enacting mandatory recycling requirements for the industry. Some major publishers are still reluctant to consider using recycled paper because of its higher cost, lower quality, and limited availability. Publishers are beginning to realize that they need to demand more recycled paper before paper producers will begin producing more and better quality recycled paper.

Although the Environmental Protection Agency (EPA) has not proposed any mandatory requirements for printing and writing papers, the agency revised its guidelines for Government procurement of recycled paper in 1993. This was of concern to publishers since any guidelines the EPA sets are likely to become the industry's standards.

According to one industry estimate, U.S. output of recycled printing and writing paper is 6 percent of total production, about the same level as 15 years ago. *Folio Magazine* reports that about 80 percent, or about 6 million tons, of high-grade printing and writing paper is disposed of in landfills annually.

INTERNATIONAL COMPETITIVENESS

Export growth slowed for U.S. magazines in 1993. Exports totaled an estimated \$768 million, a gain of about 5 percent from 1992. Between 1989 and 1992, U.S. periodical exports grew at an average annual rate of 18 percent. The principal markets for U.S. magazines in 1992 were Canada (74 percent), the United Kingdom (7 percent), and Mexico (5 percent). While U.S. exports to Canada rose at an average yearly rate of 16

U.S. Trade Patterns in 1992 Periodicals SIC 2721

(in millions of dollars, percent)

	Exports		Imports	
	Value	Share	Value	Share
Canada and Mexico	573	78.3	83	61.1
European Community	95	13.0	38	26.6
Japan	8	1.1	8	6.2
East Asia NICs	9	1.3	4	3.0
South America	11	1.6	3	1.9
Other	35	4.8	2	1.3
World Total	731	100.0	136	100.0

Top Five Countries

	Value		Share	
	Value	Share	Value	Share
Canada	538	73.6	78	57.6
United Kingdom	52	7.1	20	14.8
Mexico	35	4.7	8	6.2
Netherlands	22	3.1	5	3.7
France	13	1.8	5	3.5

See "Getting the Most Out of Outlook '94" for definitions of the country groupings.
SOURCE: U.S. Department of Commerce: Bureau of the Census; International Trade Administration.