

We'll be ready when new editor gives go-ahead - New Age's Naidoo



By Gill Moodie: @grubstreetSA

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The New Age, the ANC-friendly paper, has been in the news for all the wrong reasons, from musings on its owners' links to President Jacob Zuma to the staff exodus on the eve of its aborted launch in October 2010.



But now it has a new editor, Henry Jeffreys, who starts at the beginning of December, and new CEO Nazeem Howa, who starts in January 2011.

Bizcommunity spoke to managing editor Gary Naidoo, who joined The New Age from Sahara, about the business side of the ambitious new venture.

Bizcommunity: Where are you guys at the moment?

Gary Naidoo: We'd like to get on with the business of putting the paper together. We've managed over the last few weeks to put together dummy copies and send them to focus groups. You also may have seen on our website that we've published an e-paper of that particular edition [that we've done dummy runs for] so you can get a feel for the paper even though you don't have a printed version.



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Biz: OK, what's the feedback from the focus groups?

Naidoo: Well, we're getting feedback in that is both positive and on where we need to tweak and to fix but you'll notice from the e-paper that the look and feel - and also content wise that it differs from the Heritage Day [free] edition [that was distributed nationally]. It's more in line with where we see ourselves going and also taking in feedback from these focus groups.

Biz: Do you guys have an idea of your readers? Might you be creating new readers

like the Daily Sun and do you have a sense of the demographics?

Naidoo: We're typically looking at LSM 5-7.

Biz: Isn't that the same as the Daily Sun?

Naidoo: Not really. I think the Daily Sun goes a bit lower than that. The difference with us... is that we're looking to the aspiring reader, someone who has embraced the new South Africa,[who]that is an entrepreneur or an entrepreneur in the making. He wants a better life for himself and his family. Or, alternatively, someone within the 25-35 age group.

Biz: And urban, obviously?

Naidoo: Yes, correct

Biz: And more black than white?

Naidoo: It would be more black than white because, again, we're looking at a market that addresses the majority of the people of South Africa. And one of our mandates is to educate and grow readership in the country. I think we would look to develop new readers as we go along. We're under no illusion that we're going to immediately grow new readers but I think the format of the paper, the type of content that the paper's going to bring out, would be aimed at targeting new readers.

Biz: OK, you've got a new editor so when is your likely launch date?

Naidoo: We're targeting early December [2010] but we don't want to make any announcements. We found with the last announcement that, with things happening quite suddenly, that it was ill-timed... Remember, Henry joins in December and he's the one who give us the go-ahead in terms of the date that he's comfortable with.

Biz: The drama with the walk-out (of former editor <u>Vuyo Mvoko</u> and four senior editorial staff members) was very unfortunate.

Naidoo: Yes, it's something no one expects but, having said that, it probably happened at the right time rather than happening during the launch phase or when we were up and running... It gave us a chance to reflect and look back and ask: "Do we have the capability to avoid such an incident and what is the backup plan if such a thing were to happen in the future...?"

Biz: The most <u>credible story</u> I saw on the drama was in the Mail & Guardian, which said there was a clash over whether the paper was ready to launch. Is this true?

Naidoo: I think the readiness issue was addressed between the management and the editors at the time quite extensively right up to the Saturday before the Tuesday it [the first edition] was due to be published. That Saturday we were given the final assurance by them that they were ready to go ahead. It was only on Tuesday that we got the about-turn... So this came as a complete surprise to us...

But the most important thing is that the proprietors and the rest of the team are very focused on and very positive and very committed to moving forward with this project. This is a project that has great vision... and even the five that left - especially the ex-editor (Mvoko) - still believed that the vision was the correct one and it was something that the country needed.

We hope that we can put out a product that can make every South African proud and would also be able to improve the media landscape by putting out a quality paper.

Biz: Let's talk about the business side things of things. When the launch of the paper was first announced, you guys said you were investigating buying a new press. How are things going there?

Naidoo: A press is due to come out next year from Europe from Manroland.

Biz: Did it cost a fortune?

Naidoo: Presses are quite expensive but it's the latest and most modern press. We've managed to establish good relationships with some of the suppliers based on our relationship with (equity partner) *The Times of India*. They are one of the biggest customers of Manroland so it helped us in facilitating the order.

Biz: Until then, are you printing with Caxton?

Naidoo: Yes.

Biz: Talking about The Times of India, it seems that they are quite an active partner in the publishers, TNA Media?

Naidoo: They're active in terms of supporting us with suppliers but in terms of the day-to-day running of the paper, no, they're not. They do offer advice and send people over to train in any specific area that we may require - whether it's from circulation or a design perspective.

Biz: OK, what about distribution (which is being handled mainly by Allied)? The Mail & Guardian's publisher, <u>Trevor Ncube</u>, believes that it is crucial to own your own distributors and that was one of the key failings of (the now-defunct) ThisDay - that they were being distributed by rivals. Allied is owned by Avusa and Independent Newspapers, so what are your thoughts on Ncube's view?

Naidoo: Well, I think it's any publisher's dream to have their own distribution network but the realities of the South African landscape are that there are a few people that have entrenched themselves and have the necessary know-how, network and capability to do it. For a start-up like us, it would be premature to believe that we could have our own distribution network and compete with the existing ones.

Ultimately, like with the printing, we'd probably look at alternative channels with distribution... and I think that where *The Times of India* is key as the bulk of their [4.5-million] daily copies are delivered door to door.

Biz: What is the general <u>vacancy</u> rate across all your departments - editorial, advertising, distribution, editorial and finance?

Naidoo: The vacancies are not so much in the back-office areas. It's more a case of adding some extra weight to the regions. We have regional representatives but in some cases we feel we need to add an extra correspondent or probably fill it with a stringer or a freelancer. In Johannesburg, we probably want to bulk up certain desks (in news) as well...

But overall, we're at a point where we've filled most positions that would be able to sustain a daily. The positions that we are still trying get on board are those that would give a greater variety of content.

Biz: So do you guys have bureaux in the provinces?

Naidoo: We don't have bureaux but we have a correspondent in every province. You could probably call Durban, Cape Town and Port Elizabeth bureaux because we have more than one person there and we have some sales and admin staff.

Biz: Let's talk about advertising. You guys are doing the slim Financial Times format and you're selling advertising per square centimetre, like The Times of India, rather than per column centimetre (which is the norm in SA). I presume you've been around to all the media planners so what's the response to this new way of doing things?

Naidoo: Square centimetre is ultimately where we want to go but we're currently taking advertising in both formats... From our perspective it's just a matter of getting them prepared and showing them the benefits of square centimetre. It's something that will develop.

Initially we had a lot of questions (about why we were going that route)... It will take some time. We're a new publication and we don't have the clout to change people's daily routines overnight - of having art work supplied in a certain size - so we're working with them in finding the best way forward.

Biz: What are the benefits of square centimetre?

Naidoo: You can have advertising placed anywhere in the paper. You can have special positions so you can have an ad in the centre of the page, for instance. You have much more flexibility and I think that's what advertisers are looking for now.

Biz: And why the slim format?

Naidoo: The intention is to have an easy read for the commuter market.

Biz: Are you expecting to get lots of government advertising?

Naidoo: I think any player would love to have lots of government advertising. They are a huge player in the printed media and we would love to have a chunk of that, just like anyone else.

Biz: Conventional wisdom says that it takes between three and five years to make a profit in newspapers. What are you hoping for?

Naidoo: We're very confident that we'll be able to put out a sustainable newspaper. From a matter of profitability, I think that's where Nazeem Howa [to whom Naidoo will report] comes in. He has huge experience in the industry and we'll be taking his advice on where to look for profitability from him. Once Nazeem comes on board, he will be able to plan the real business of the paper... and be able to give an indication of those numbers.

But the proprietors [the Guptas, the owners of the Sahara Group] come from a business background. They don't necessarily have a media background but they have a very strong business background - and in different businesses.

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• Bizcommunity Search: The New Age

• TNA Media: www.tnamedia.co.za

• The New Age: www.thenewage.co.za

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