

Addendum to The Daily Targum's concept plan

Section 1. Educational Value

The Daily Targum is a news source focusing on the University, its students, college life, higher education, the surrounding communities and their activities. It's a daily source of information on campus events, campus policy and campus life. The Daily Targum produces about 140 editions each year, some as large as 40 pages, with several dozen news, sports and opinion article appearing daily. Special editions distributed in the summer serve incoming and graduating students, too.

The Targum learns students' opinions of the paper on a daily basis, whether through person-to-person feedback, letters, Targum outreach to student groups or through readership studies and open houses. The Daily Targum is a forum for students; whether in columns, editorials or several dozen letters it receives weekly representing various opinions and sticking up for the student body and arguing their ideas. The Daily Targum is also a place to critique culture, arts and media; or a place for sports fans, following the teams and reading the statistics. Reading the Targum means learning what's going on at the University. It helps its readers become better citizens, informing them of the varied events around the world.

In addition, The Targum transmits the culture and values of this University to its readers, facilitating their navigation through the myriad challenges entailed by those enrolled. In this way, The Targum is the paper of record for Rutgers. Moreover, The Targum covers all constituent groups within the University, showing the diversity of the student body. It is a public service. It informs its audience about what the University is doing, and offers its suggestions on how the institution should best accomplish its mission. This provides a forum for students — and sometimes faculty and administrators — to argue their ideas.

The Daily Targum is a place where the student body can read about the issues that affect them – the articles explain major events, breaking news, ongoing topics, University issues, the surrounding community (New Brunswick, Piscataway, and Highland Park) and its local government, the University's shared governance and college life. The content is a spectrum: a calendar of campus events and investigations into the University's budget changes. All of that content is produced by students. Students sell the advertising, serve as accountants and receptionists and interact with the public.

The staff for the business and editorial departments welcomes and encourages all students to participate in the Targum as a learning environment. Its participants learn how to take photographs, write news articles, interview sources, edit articles, make graphics, design and layout the newspaper, manage a staff, meet deadlines, interact with the public, serve a readership, navigate ethical situations, recruit staff, work within a budget, meet clients, sell advertising space, work in marketing, respond to criticism, apply for awards,

gain professional relationships, create a budget, and gain experience in dozens of other tasks that go into producing a newspaper, ultimately preparing themselves for additional real-world experiences in media, business, sales, marketing and communications.

By reading The Targum, students can learn the full scope of campus life: what happened at the Diwali event, what the Livingston College Governing Association is doing, how students feel about the undergraduate education consolidation plans, whether the latest Jay-Z CD is worth it, and what the football team's stats are. It's the only place to go on campus to get this information daily.

Rutgers students are informed of what's going on in the world around them, what is on the horizon and what the administration is up to. It not only informs: The Daily Targum provides a forum for students to discuss those issues. It is a means to becoming informed citizens of the University. And Targum is a crossword puzzle, too!

Targum staffers have won awards for their editorial accomplishments as well as their business successes. Targum was placed first and second in the past two years as the Newspaper of the Year by the Associated College Press's National College Newspaper Convention. Graduates of Targum have gone on to win Emmys and work at such media as MSNBC, The Star-Ledger, The Asbury Park Press, and Real Sports with Bryant Gumbel. Some of its alumni include the late Milton Friedman, Bernard Goldberg, Herb Jackson, and Becky Quick.

Section 2. Structure

As is described in the Targum Publishing Company's by-laws:

Regular meetings of the Board of Trustees occur no less than two times per semester. In addition, the Board may meet at any time that it deems necessary.

The Board includes student executives: the Editor in Chief, Managing Editor, Business Manager, and Marketing Director. These four student executives are voting members of the board. The Editor in Chief and Business Manager are co-chief executive officers of the Targum Publishing Company.

In addition, student representatives from the four colleges within the Rutgers University New Brunswick and Piscataway campus are selected by the Business Manager and Editor in Chief through an interview process, and are then approved by the Board. These four student representatives are voting members of the board, and are meant to serve as channels of information between their respective colleges and the other members of the board.

Board members are meant to serve as the final authority on matters, which come to their attention. Examples of this may include special personnel issues, final budget

approval, advice on various matters of day-to-day business operations, as well as providing personal, professional experience as a means of suggesting a given course of action.

Section 3. General Policies

The Targum's Policy Manual explains concretely its standards for editorials, news articles, photography, online content, and advertising, as well as job descriptions. The policies resemble the codes of ethics of such professional organizations as the Society for Professional Journalists, The Associated Collegiate Press, and the American Society of Newspaper Editors. It is a living document created by student executives and it totals several dozen pages. It was made to align The Targum's policies with other independent, daily college papers, such as UCLA's Daily Bruin, and also mainstream daily papers such as The Star-Ledger, and media organizations such as the Associated Press, all of which were models.

Section 4. Awards

-2006 (many 2006 awards to be given in January)

- Newspaper of the Year, daily four-year college category, second place, Associated College Press

-2005

- Newspaper of the Year, daily four-year college category, first place, Associated College Press
- General Excellence, second place, New Jersey Collegiate Press Association
- Opinions Writing, second place, New Jersey Collegiate Press Association
- Sports Writing, two awards: first place and honorable mention, New Jersey Collegiate Press Association
- Arts and Entertainment/Critical Writing, two awards: first place and honorable mention, New Jersey Collegiate Press Association
- Enterprise/Investigative reporting, third place, New Jersey Collegiate Press Association
- Photography, honorable mention, New Jersey Collegiate Press Association
- Layout and Design, honorable mention, New Jersey Collegiate Press Association

-2004

- Newspaper of the Year, daily four-year college category, honorable mention, Associated College Press National College Newspaper Convention
- General Excellence, second place, New Jersey Collegiate Press Association
- News Writing, honorable mention, New Jersey Collegiate Press Association
- Opinion Writing, third place, New Jersey Collegiate Press Association
- Sports Writing, two awards: second and third places, New Jersey Collegiate Press Association

- Arts and Entertainment/Critical Writing, third place, New Jersey Collegiate Press Association
- Enterprise/Investigative reporting, third place, New Jersey Collegiate Press Association
- Photography, honorable mention, New Jersey Collegiate Press Association
- Layout and Design, first place, New Jersey Collegiate Press Association

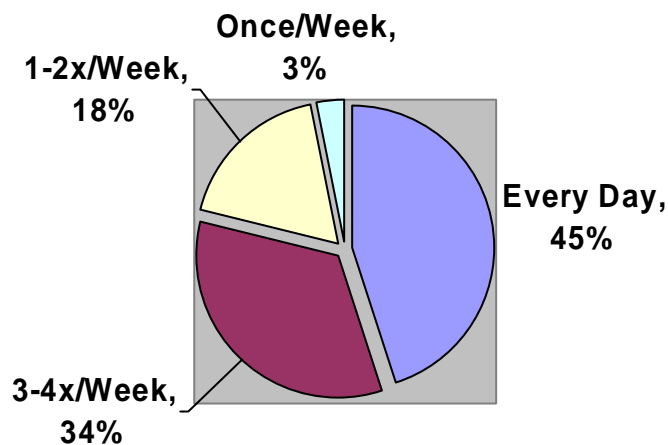
-2003

- Feature Writing, first place, New Jersey Collegiate Press Association
- Sports Writing, third place, New Jersey Collegiate Press Association

Section 5. Newspaper Readership, Online Readership, and other Newspapers

Newspaper Readership

The Daily Targum commissioned a readership study in the spring of 2004. The purpose of the study was to determine readership levels, explore perceptions of, and assess key demographic information about the readers of The Daily Targum. The independent research company, ARC research, conducted 480 15-20 minute interviews with a combination of undergraduate students from all the colleges on the New Brunswick-Piscataway campus (427), faculty (15), and graduate students (38). The chart that follows illustrates how often students read the newspaper:



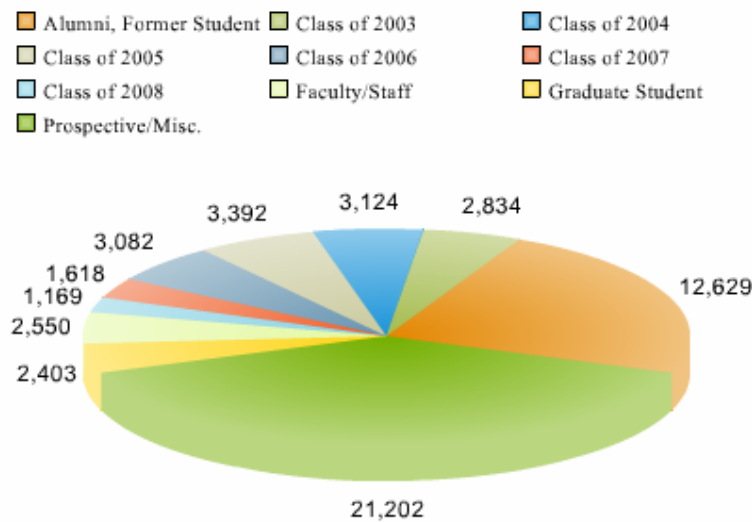
Additionally the readership survey found that the Daily Targum is the newspaper most referred to for students when purchasing products and services in the local area, as well as for information regarding entertainment and leisure activities. The newspapers that the

comparison was based on include The New York Times, The Star Ledger, and the Asbury Park Press.

Online Readership

Dailytargum.com serves as both a source of Rutgers news to the student population, and also a way for alumni and friends of Rutgers to keep in touch with the campus community. Statistics from our website show that there are 54,000 unique, registered users, 24% of which are alumni. The pie chart below shows the demographic breakdown of all registered users of our website.

DEMOGRAPHIC CHART



* 11285 users selected "Other" as their class/group and are omitted from the pie chart.

The Daily Targum website is consistently ranked in the top 20 of most viewed college newspaper websites. The fall 2006 semester has seen a spike of an additional 150,000 unique visitors to the website and a registration increase of 9%.

The Daily Targum compared with other college newspapers

The Daily Targum conducted an informal poll of various college newspapers across the country. According to the responses, the Daily Targum's readership is among the highest in the country. Despite that fact, revenues across the country have fallen an average of 12% from the period of 2002 – 2006. Expenses have also increased for non-fixed, newspaper-specific costs such as printing and delivery by a national average of 13%. Much of the cost increase can be associated with the increased cost of newsprint as well as national fuel costs.

Sources: Syracuse Daily Orange, USC Daily Trojan, Southern Methodist University Daily Campus, Maryland Daily Diamondback.

Section 6. Financials

The Daily currently has a circulation of 17,000, distributed at 150 different on- and off-campus drop locations. The student fee Targum receives has been consistently \$8.25 for the past 6 years. The requested fee for the upcoming referendum has been increased to \$9.75, which is an average 3% increase a year. At this new requested fee, the students would be paying no more than an average of 14 cents per issue compared to the current 11.7 cents an issue.

The attached statements are the Net Operating Income Statements of Targum Publishing Company for the past three years. The following statements display the overall revenues and expenses; showing detail description of its revenues and all expenses. Please note that the format of these statements is inconsistent as different accounting systems have been used for different years.

Additional information responding to Student Affairs Committee requests

What is happening nationally with newspapers?

Internet advertising increased 22% in 2005, while newspaper advertising dropped 4.7%, Add to that some 50 million Americans now turn to the Internet for their daily news fix.

And since 37% of adult Americans now have broadband compared to 10% four years ago, is it just coincidence that advertising revenue growth for traditional media fell last year while on the Internet it soared 22.3%? For broadband Internet users, online news is a more regular part of the daily news diet than is the local newspaper; it is nearly as much of a daily habit as is getting news from a national TV newscast and radio. Those in the Rutgers dorms are on broadband and all or most living apartment's off-campus are also.

Approximately 25% of the growth of daily online news consumption since 2002 is attributable to the increase in broadband adoption.

Almost half of broadband users under age 36 get news online on the average day. Among those Internet users aged 36 through 50, 40% get news online and among Internet users over age 50, 43% get news online on the average day. Indeed, if one were to survey Rutgers students, the figure would be higher than 50%.

As the major advertising forecasters lower their projected 2005 results and cut back on their predictions for 2006 growth, their common thread is that the US traditional media,

particularly television, are going to see their existing advertising monies flow ever more to the Internet, especially to broadband.

In the US, traditional media is suffering from the continuing trend of advertisers to focus ever more spending on the ever-increasing broadband market. Advertisers are taking a strong view of aiming at narrow niche audiences rather than making spending on a medium that may hit a lot more people, but not necessarily the right people.

It's a cycle that sees no end. Costs rise, revenues are flat.

Going for the jugular, Internet is targeting classified advertising revenues—Targum's classified has gone to the online edition but has also diminished significantly.

USA Today has the highest US audited daily circulation at 2,269,509, but that's a 1.3% drop from its previous audit. So how come it is asking its advertisers for a 6% increase for 2007 as it did in 2006? For 2006 many metropolitan US newspapers that had lost circulation saw no reason not to ask for 6% increases.

US newspaper ad revenue fell 2.7% through the first nine months of 2006, yet Spanish language newspapers improving by 9.4% over the same period last year. Local newspapers were down 3.7% in revenue. And with few and far between exceptions, most metropolitan newspaper have reported their 2006 advertising numbers less than 2005. Does it really take an MBA to explain to senior media executives that in this day and age with the Internet snapping away at advertisers' heels; it is a very difficult sale to charge more for less?

What's a newspaper like the Boston Globe to do? In 2005 its circulation dropped 8%, so it modified its 2006 rate increase, asking only a 3% increase. This year advertising is down 10.2% for the year, including October's 11.8% plunge. Daily circulation is down to 414,225 from 451,471 (-8.3%) and Sunday circulation fell below 700,000, from 707,813 to 652,146 (-8.25%).

Moreover, if US newspapers think they have it bad, then they should look across the Atlantic -- In the UK, where advertising is down 16% at three London papers—tabloids all, at Mr. Murdoch's Times and Sunday Times, where the drop has tripled in the past three years, and at the Daily Mail, where cuts to editorial budgets are 20%.

Publishers need to play fair. "If circulation is going significantly south, be careful of [advertising] rates," one consultant warns publishers. "They can't raise rates as they lose circulation."

The Los Angeles Business Journal says that national and local advertisers are ready to take on the Los Angeles Times if it tries to get smart with its 2007 advertising rates. The recent six-month audit for the Times saw circulation down 8%. Macy's now wields tremendous power since it has amalgamated so many different department store brands under just the

Macy's umbrella. It is one of the Times' biggest advertisers and it doesn't see why advertising rates should go up when circulation has gone down.

"Papers, as general rule, are reluctant to identify the exact relationship of circulation to rates, Mike Monroe, Macy's vice-president of media and advertising, told the Journal. "As a general rule, newspapers don't offer decreases in rates. So, whatever rate is paid eventually is something the publisher and the advertiser will agree upon." The deck is stacked against publishers.

Over the last few years, The Wall Street Journal, like many newspapers, has been expanding; adding new sections — even a Saturday edition. Now, with the newspaper industry struggling with economic and technological change, The Journal is about to shrink.

Starting Jan. 2, The Journal, the nation's second-highest-circulation daily after USA Today, will shrink in width by 3 inches, to an industry standard of 12 inches, reducing the space devoted to news by 10%. The changes are being driven primarily by economics. The Journal expects substantial savings from its reduction in size, including \$18 million a year on newsprint. It will also save millions in the cost of distribution; because the now-outsize newspaper is becoming standard width, it will be able to outsource more of its printing, for example.

While The Targum plans to remain at its current size, numerous other newspapers, including The Washington Post and The Los Angeles Times, plan to reduce their size. The New York Times is planning to reduce its width to 12 inches from 13.5 inches in August 2007.