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THE YEAR IN MEDIA

— 2025 —

FLASHES & FLAMES

THE GLOBAL MEDIA BUSINESS WEEKLY

THE YEAR IN MEDIA

2025

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Wilma Jordan, Executive Chair at Jegi Leonis

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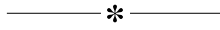
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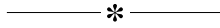
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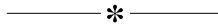
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The Best of The Best

INTRODUCTION



WELCOME TO THE YEAR IN MEDIA, OUR ANNUAL COMPILATION OF THE year's best-read content from Flashes & Flames. In this 2025 edition, you can read and/or re-read about the triumphs and setbacks of a year which has seen the continuing growth of live events, the soaring values of data and analytics, the buoyancy of specialist lifestyle niches, and the agony and ecstasy of digital and print news brands. And some pretty big shocks too.

I hope you will enjoy reading my personal pick of the Flashes & Flames Faces of 2025 on the next pages. Do you agree with my choices? Who would you have chosen as the year's industry stars from across media, information and events?

Hanging in the air over almost every story and every business is, of course, generative AI. But, for all the suggestion that those swollen values of AI specialists are part of a ready-to-burst bubble, we know that AI is part of a range of technologies that can offer so much to media, information and events companies, especially those which have heeded the advice to build first party relationships with their customers and invest in proprietary content and trusted brands. Whatever the short-term blandishments, we know only too well that sharing audiences and revenue with the major platforms risks being only a short-term benefit and maybe not even that.

The success of individual businesses, on both sides of the Atlantic, reinforces the obvious point: well-targeted, innovative, differentiated brands can prosper - even in seemingly unpromising times.

Introduction

CONTINUED

As Flashes & Flames itself prepares to celebrate its 10th anniversary in 2026 (yes), I would like to thank all subscribers, friends, contributors, collaborators and supporters for making 2025 our most successful year yet.

It has been marked by record subscription levels and by the overwhelming success of our first two events in London – Monetising B2B, in May, and The Definitive AI Forum, in November – which were both sold-out weeks in advance. We also celebrated our acquisition of MediaVoices, the sparky podcast, newsletter and event producer, which happens also to be celebrating its 10th anniversary in 2026.

At this time of year-end reflection, thanks for your support and encouragement throughout the year. My very best wishes for a Happy New Year - and please continue to keep in touch.



Colin Morrison

Founder

Flashes & Flames: Global Media Business Weekly

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The Faces of 2025

In a challenging year, we honour four industry leaders of international media, information and events businesses whose distinctive strategies have delivered especially strong performances in 2025, with the promise of even more in the years to come.

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INFORMATION FACE OF THE YEAR

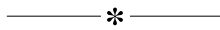
Mark Kelsey, CEO, RELX Risk



KELSEY IS THE 42-YEAR RELX LIFER WHO HAS BEEN quietly responsible for turning the world's largest, primarily ads-funded B2B magazine publisher into the LexisNexis Risk Solutions subscription-based provider of digital data and analytics. What is described as the Risk group of the £10bnn-revenue RELX has grown revenues by 30% to £3.2bn during 2020-4 and is expected to achieve £3.5bn in 2025, with 38% operating profit margins. It's now the largest and fastest-growing part of RELX, the product of a 15-year strategy that began with the £343mn acquisition of the US-based Accuity payments data service (which absorbed the directory Bankers Almanac) and was consolidated in 2018 with the £580mn purchase of the ThreatMatrix digital identity network. The most striking aspect of the Risk strategy – which now accounts for 35% of RELX total revenue – was the far-sighted way it exploited the potential of Bankers Almanac which had been a printed directory for most its 180+ years, albeit as a reference staple for the world's banks. It was a real print-to-digital transformation of a business that had been all but wrecked by the internet and would have been sold by its parent if the price was right. But now it's the jewel in the crown of RELX and does business with 91% of the Fortune 100, 85% of the Fortune 500, nine of the world's top 10 banks and 23 of the world's top 25 insurers. The LexisNexis

Digital Identity Network analyses more than 345mn transactions daily and more than 121bn transactions annually. In addition, LexisNexis operates a (sort of) side hustle of specialist high-value data services in global chemicals, aviation and HR. They're all sectors in which Kelsey once published B2B magazines. This year, the CEO appointed Valentina Isakina (ex fintech executive and McKinsey consultant) as EVP and Chief Strategy Officer of LexisNexis. We might expect her to succeed the retiring Mark Kelsey in the next year or so, after a four-decade career of spectacular transformation.

"How I do it"



EVENTS FACE OF THE YEAR

Greg Hitchen, CEO Terrapinn



TERRAPINN, THE 38-YEAR-OLD, ANGLO-AUSTRALIAN events company this year has US\$150mn revenue and \$30mn EBITDA – almost doubled since 2023. The company is privately-owned by London-based CEO Greg Hitchen – who relocated to the UK from Australia 27 years ago – and founder Tony Steel. It has 90 B2B events, operated variously from London, Dubai, Sydney, New York and Singapore. It is now one of the world's 20 largest trade show organisers whose most successful events include: the World Vaccine Congress, World Aviation Festival, Seamless Middle East, Edutech Australia, Home Delivery World USA, Connected Britain, and Solar & Storage Live UK. Less than 20 years ago, Terrapinn was predominantly an organiser of conferences and training in Australia. Its most profitable brand is the market-leading Solar & Storage Live, a portfolio of 20 global events, including five launched in 2025, with a total of more than 3,000 exhibitors. Hitchen is committed to embedding AI across Terrapinn and “using intelligent tools to enhance event experiences” by supporting discovery, matching, and insight. Much of its recent growth has been the result both of self-funded acquisitions and organic development. Its revenue now almost equally divides between

Europe, the US, Middle East/ Africa and Asia. As the world's largest privately-owned (non private equity-backed) trade show organiser, could Terrapinn be ready for a transformative deal - either buying or selling?

["How I do it"](#)

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NEWS FACE OF THE YEAR

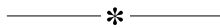
Justin Smith, CEO, Semafor



JUSTIN SMITH IS CEO AND CO-FOUNDER (WITH FORMER New York Times media editor Ben Smith) of Semafor, the three-year-old global news startup. Among the range of digital news startups, it's a standout because it is already profitable and has doubled its revenue for three consecutive years, to an estimated \$45-50mn in 2025. It addresses "the urgent need for new global, trusted, quality journalism that doesn't present information through the traditional Western lens.' That's why Semafor has been able to recruit star reporters from well-known news brands, while employing just 50 journalists (85 total headcount). But Semafor is a very different kind of startup, not least because it's funded by an ambitious events strategy. It launched 50 events in its first year and 12 even before its news service began in 2022. In 2025, it has operated more than 100 conferences accounting for an estimated 60% of the company's revenue. All the events are invitation-only. In a strategy reminiscent of the controlled circulation policies of former B2B trade magazines, the invited delegates are paid for by sponsors. That's the B2B-like media strategy which draws on Smith's publishing experience with Bloomberg and Felix Dennis. Its rising success can be gauged by Semafor's World Economy Summit, held annually in Washington DC. What started as a gathering of 50 of the leading CEOs in the US was this year attended by 300 of them, among an audience of some 3,000 for the three-day event. In 2026, it will be five days. It's gunning for the legendary World Economic Forum, in Davos. Justin Smith says: "When we started Semafor three years ago, we

talked about the idea that the ‘era of the foreign correspondent is over.’ We now have three regional editions and brilliant journalists deeply anchored in their communities and reporting on the ground in the US, Africa and the Gulf with Semafor China coming soon. It’s a new, different, 21st century approach.”

[*“How Semafor does it”*](#)



LIFESTYLE FACE OF THE YEAR

Neil Vogel, CEO, People Inc



THE ALL-DIGITAL DOTDASH’S \$2.7BN ACQUISITION OF Meredith magazines in 2021 was self-confessed bad timing for what became the largest print and digital publisher in the US, now known as People Inc. But its progress in 2025 is marked by continuing digital revenue growth which now accounts for 63% of the total (compared with 48% in 2022). For the first time, it is more than compensating for the loss of print revenue in the past three years. In 2024, its \$295mn EBITDA was 33% up on the previous year and is expected to be exceeded this year. People Inc’s 40+ brands include People, Better Homes & Gardens, Verywell, Food & Wine, The Spruce, Allrecipes, Byrdie, InStyle, Real Simple, Travel & Leisure, Investopedia, Southern Living and the newly-acquired Feedfeed, a 12-year-old food publisher and creator network with some 1,000 influencer partners. Prior to the Meredith acquisition, Vogel had been the CEO of Dotdash, where he had led the company’s transformation from a general information website (About.com) to a portfolio of branded properties and one of the fastest-growing online publishers. The post-Meredith logic of using the content, relationships and brands of long-established print magazines to turbocharge digital media was clear enough. However, the task of fusing the divergent cultures (and locations) of Dotdash and Meredith was complicated by a fallback in digital advertising. But People Inc is now outperforming the market with eight consecutive quarters of digital growth. The publisher of so much food and

drink content recently reported that its new aggregated MyRecipes site had built an audience of 2mn users within six months. The change of company name to People, the country's largest magazine, might provide the motivation (and means) for Vogel to build readership revenues to augment its growing dependence on digital advertising, sponsorship and product licensing. People Inc is at last realising its ambition to be a role model for the digital transformation of magazines. But this year's third quarter fall in programmatic ads (largely due to the AI strategy of Google which once generated more than 60% of People Inc traffic, compared with less than 25% now) was a reminder of the vulnerabilities. The fourth quarter this year, however, will show digital revenue growth of up to 10% and D/Cipher, People Inc.'s ad intent targeting program, is expected to generate new revenue and profit in 2026. You can sense the opportunity for 'relationship' revenue from readers and events. It would fit well with the company which generates up to \$100mn of profit from the product licensing of its principal brands (notably Better Homes & Gardens to Walmart). People Inc – and Neil Vogel - are on the way.

[*“How I do it”*](#)

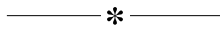
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NEXT

The Pick of 2025

DMG Events out of the shadows

By COLIN MORRISON



THREE YEARS AGO THIS MONTH, THE QUAINLY-NAMED DAILY MAIL & General Trust became wholly-owned by its founding family and delisted from the London Stock Exchange after 90 years as a public company. It was a proud event for (Lord) Jonathan Rothermere, fourth generation, 27-year leader of the company long-defined by the UK's best-selling mid-market tabloid and its transatlantic Mail Online.

He had adroitly cashed-in DMGT's long-running success in B2B media (divesting Euromoney and the catastrophe-modelling RMS) and in venture capital (selling its share of then high-flying Cazoo car etailer) to remould the one-time £2bn-revenue public company into a £1bn private group centred on its news brands – and some remaining B2B interests in property data and trade shows.

The intervening three years might not have been memorable, but for two things.

First, the on-off auction (still pending) of the Telegraph Media Group was initially dominated by speculation that DMGT would acquire the broadsheet news brand which shared the conservative politics of the Daily Mail but also offered the the opportunity to leverage TMG's subscriptions expertise. The possible synergies were mouth-watering.

But the prospects of Rothermere's long-coveted combination of the Telegraph and Mail were seemingly wrecked by the unintended consequences of lobbying (presumably by DMGT and others) to block foreign government

DMG Events

CONTINUED

investment in a UK news brand. The eventual impact of hastily-enacted legislation on the rejected Abu Dhabi owners of TMG is still open to doubt and DMGT might anyway have been blocked on competition grounds. But it seemed ironic that the Daily Mail owner was effectively forced to abandon his pursuit of the Telegraph by the restrictions on foreign funding which he himself may have required in order to strike a deal worth the equivalent of 50% of DMGT's own revenue. Even the UK media's anti-UAE rhetoric might have had implications for what has become DMGT's second largest business. That's the story of the quiet transformation of DMG Events.

The 36-year-old, Dubai-based subsidiary is one of the world's top 20 exhibition organisers, primarily focused on energy and construction events in the Middle East. The latest financials show how the trade show operator (like many of its peers) has come roaring back from the lockdowns with 2024 revenue more than double that in pre-pandemic 2019.

In the year ended 30 September 2024, it increased revenue by 67% to £272mn – and is expected to reach £320mn (18% up) in 2025. The company now has a portfolio of some 100 annual events in 25 countries including Saudi Arabia, the UAE, Egypt, South Africa, the UK, Canada, and Singapore. It has grown revenue more than 3x in the last four years.

But there's more.

The trade show organiser, whose activities were once scarcely a footnote in DMGT investor reports, had accounted for a mere 8% of DMGT's total revenue in 2019. But, by 2024, DMG Events had become 25% of the revenue – and 36% of the operating profit – of the parent company best-known for its newspapers (see table, next page).

Even in the high-return trade show sector whose expansion has attracted (and been fuelled by) salivating private equity, the DMG Events growth has been impressive, more so because it has been almost 100% organic for more than a decade.

DMG Events

CONTINUED

Snapshot DMG Events					
Sept yr £mn	2025*	2024	2023	2022	2019
Rev	320	272	163	100	119
Growth	18%	67%	63%	—	4%
% of parent		25%	16%	10%	8%
Op profit	51	43	21	9	22
Margin	16%	16%	13%	9%	18%
People		556	436	368	393

**Flashes & Flames estimate*

The five largest shows – Adipeec (Abu Dhabi), Big 5 Global (Dubai), Big 5 Construct (Saudi), Gastech (various) and the Egypt Energy Show – account for an estimated 50% of the company’s £300mn revenue and, presumably, for even more of the profit. Most are some 40 years old and underline the DMG focus on slow-changing fundamental industries like energy, construction, resources and infrastructure. The organic success is underlined by the fact that the energy show Adipeec (which attracts more than 200k visitors annually) was once biennial and Gastech was triennial. They, like almost all DMG shows, are now annual which has hugely enhanced both revenue and profit. It is also notable that Big 5 Construct in Riyadh (launched in 2010) now matches the revenue of the 45-year-old Big Five Global in Dubai which itself is estimated to have grown some 8x since its acquisition in 2000.

Much of the 28% increase in headcount during 2023-4 was due to the dramatic growth in Saudi where DMG now employs some 100 people operating more than 30 events, including a new series of food shows.

DMG Events

CONTINUED

The emphasis on organic development (and a continual pipeline of new shows) explains the seemingly low margins for a company which continues to generate annual cashflow equivalent to the profit. You can imagine that any kind of commitment to acquisitions (formerly a big part of the DMG Events story) might have accelerated growth in profit and margins. It would also have made the success in 2023-5 a better-known story in the exhibitions industry and beyond.

But that's where family-owned companies can be different.

Much of the success of DMG Events is attributed to Geoff Dickinson. The British-born CEO was appointed in 2010 after a career journey from computer magazine ad sales to trade shows for Haymarket and the former EMAP before launching his own startups in Dubai. For both DMGT and Dickinson (who has lived in Dubai for more than 30 years), it was a brave appointment of an entrepreneur who had opted out of a corporate career. But he was steeped in trade shows – and in the Middle East.

It proved to be a perfect fit both for the CEO and a parent company that has consistently employed entrepreneurs and founders. It also chimed with the Gulf markets that – for all the rapid growth of recent years – favour people who “belong”. Apart from DMG's success with the Middle East's construction and energy shows (where even the rundown in hydrocarbons is very longterm and, anyway, is generating follow-on growth in renewables), the CEO has led the expansion of the company across the Middle East. They're also growing fast in Africa, especially in South Africa, Ghana, Ethiopia, Tanzania, Mozambique, Kenya and Nigeria (owner of some 6% of the world's oil and gas). Africa may now account for some 15% of DMG's revenue. But the UAE is still an estimated 50% of the company total.

Part of the DMG success in high-growth “new” markets is clearly down to the credentials of the long-established, patiently-investing parent, whose reputation is unaffected by the polarising views of its outspoken Daily Mail in the UK. That's emphasised by the success in the Gulf and Africa where DMGT

DMG Events

CONTINUED

is “only” an exhibition organiser, and also by its management of the United Nations COP climate change events, starting in Dubai in 2023.

DMG Events may now be the largest foreign-owned trade show organiser in the Middle East (Informa has some £200mn revenue there). As it comes out of the shadows of the Daily Mail & General Trust, it seems reasonable to predict that the one-time niche trade show player will – in 5-10 years – have revenue of some £1bn. Whisper it, but the parent might then be better known for its trade shows than for its century-old news brands. Wow.

SnapShot Daily Mail & General Trust			
£mn Yr end Sept	2024	2023	Variance
Revenue	1,105	997	+11%
Consumer	613	625	-2%
Events	272	163	+67%
Property data	219	210	+4%
Operating profit	118	84	+40%
Consumer	53	39	+34%
Events	43	21	+104%
Property data	22	24	-10%

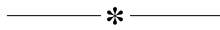
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NEXT

FHM magazine

How FHM magazine got away with it

By **DAVID HEPWORTH**



THEY SAY ‘A GOLDEN AGE’ IS A TIME WHEN THINGS WORK IN SUCH A WAY AS to make you believe they will work that way forever. It was like that with the British magazine FHM. Beforehand, it had been unimaginable. Afterwards, it seemed inconceivable. But, while it was going on, well, it just seemed to be the way of the world for all of us involved in the magazine.

People who worked on FHM at the time look back on its end-of-the-century heyday with sheepish amazement. It had been bought by EMAP, the legendary magazine publisher from a company called Tayvale in 1994 for £1mn; within a few years it was making that much in profit every month.

“It was,” recalls one FHM-er “the best deal since the Dutch bought Manhattan from the Indians.” This is the kind of gag which would have made a perfectly serviceable headline in FHM, containing characteristic notes of worldliness and wiseacre humour; it’s now a thought which would only be permitted within the walls of closed WhatsApp groups.

Like a handful of other EMAP magazines – such as Smash Hits, More! and Heat – FHM rose on the back of gleefully populist editing, artful packaging and an accompanying feeling that the world was changing; it flamed out at the peak of its arc, the victim of formula fatigue and the free availability of that for which it had formerly been able to charge money.

Although the magazine was edited with the hope that it would be “funny, sexy and useful”, nobody working on it would have made the mistake of underestimating the pre-eminence of that middle category. At the time,

hundreds of thousands of young people relied for regular bursts of excitement on the arrival at the news stand of the latest issue of FHM and a few other magazines. Competitors including IPC's Loaded liked to do 'concept covers'. With FHM, the concept was always a famous young woman who was – in the word hardly anyone used at the time – hot. In those last days of magazines as physical objects, glimpsing a new edition for the first time was a thrilling moment. At least 50% of the editor-in-chief's time would be spent securing the right glamorous young female for the cover. The PRs were so sold on the power of an FHM cover as the key element of a media strategy that there were even editions promising "Catatonia's Cerys as you've never seen her before" and "Mariella Frostrup talking dirty".

FHM didn't fall on its formula straightway.

In the early days of EMAP's ownership, its cover stars were the likes of Brit comics Vic Reeves and Harry Enfield and there was much talk about how the readers might 'Be A Man'. That began to change in 1995 with Dani Behr, the first outrider of what would prove to be a leggy battalion of small screen stars the warring TV companies were hiring to bring the boys home from the pub in time to watch high-rating shows like *The Word*.

While earlier glamour girls had their stardom confirmed by being painted on the fuselage of a B-24 Liberator, this new cohort – Patsy Kensit, Gena Lee Nolin, Ulrika Jonsson, Samantha Janus, Denise Van Outen, Melanie Sykes and hundreds more – signalled their arrival in the new, fast-expanding and suddenly babe-hungry arm of the entertainment industry by being immortalised on the cover of FHM in clothes suited to bursting out of a cake at one of Walter Matthau's stag-evenings. They lined up to get into the cake. Indeed, if there was one person more indignant than the starlet, resentful of being leered at by all the young males in the UK the week her new show/CD/movie dropped, it was the one who wasn't there because she hadn't been asked.

There was always something slightly wistful and nostalgic about the version of maleness the magazine tapped into. Mild-mannered men in their

FHM magazine

CONTINUED

twenties who wouldn't hurt a fly aspired to the swagger of Sinatra's Rat Pack, pretended to enjoy smoking cigars and sought prestige among their peers by reciting entire scenes from *Reservoir Dogs*. It was something in the air at the time. 'Britpop' was celebrating the UK's pop music of the 1960s, football was apparently about to come home after thirty years of hurt (the ages since England had won the World Cup) and everything old was new again.



The July 1996 issue, with Samantha Janus on the cover, carried hints of the world which would ultimately sweep it all away. There was an invitation to join FHM Connect, with its promise to get readers on the Information Superhighway via Compuserve. Everybody knew that was coming. However, nobody foresaw the wave of censoriousness which would come with it, in the pitiless glare of which self-deprecating FHM japes like “how to invade a country” would come to be written-off as toxic masculinity and there would be no place at all for referring to Claudia Schiffer as a “curvaceous kraut who’s banging a conjuror”.

Its pictorials may well have featured prominent women in impractical underwear but their style and styling were far away from the genuinely furtive presentation of the top-shelf ‘adult’ magazines. In FHM, you might be in the company of an under-dressed Kylie Minogue but you always felt that the lights were on and there was a make-up artist in the room at all times. It wasn’t sex that the magazine was selling so much as a new form of glamour, a quality owing a great deal to body-conscious clothing and gym membership, which both male and female interest magazines of the time were happy to deal in, with no need to pretend they were doing anything different.

Ultimately, there were two kinds of men’s magazine; the former were those that advertisers liked to think that men read; the latter were the ones men actually did read. FHM was never under any illusion that it was in the latter camp. Conscious of the fact that the popular success of FHM, Loaded and Dennis Publishing’s Maxim exposed the relative unpopularity of their offerings, the likes of GQ, Esquire and Arena retreated into condescension by describing the winners as “lads mags”.

When, in June 1999, FHM marked its Gail Porter issue with the projection of her image on to London’s Houses of Parliament, leading to a sale of over one million copies, the magazine was almost a market to itself and no advertiser selling anything from booze to bikes and watches to fragrances could possibly avoid paying the premium it cost to be in the 300 pages of that issue. By then, the magazine had acquired the insane confidence of its imperial phase, submitting comedy actor Leslie Phillips and ‘Stone Cold’ Steve Austin to its Bloke Test, in the course of which they were asked if they had ever stage dived.

An entire generation of men made the transition from adolescence to adulthood with the help of FHM. Many of these men are now attending parents’ meetings and worrying that their own offspring seem unhealthily attached to screens. Since this was a time when “sharing” was more likely to take the form of buying a copy and taking it back to your flatmates or university hall of residence (where it would be passed from hand to hand for

a week rather than simply clicking and dragging) a magazine like FHM was a genuinely communal experience.

At its peak in 2000, FHM was selling an average 700k a month in the UK and was published under licence in more than 30 countries.

No magazine in the UK long survives selling that many copies and FHM was no exception. Magazines which become phenomena no longer feel like secrets shared with a limited number of readers. As with royalty, it does not do to let daylight in on magic. Ubiquity turns on you. The caravan moves on. The FHM format was exported all over the world. Reality TV formats, in which under-dressed young people were kept under surveillance around the clock in the hope they would couple for the cameras, took over from the sisters of Dani Behr. The then UK magazine leaders EMAP and IPC both made the mistake of launching weekly competitors Nuts and Zoo.

Finally, the arrival of the Internet browser revolutionised the delivery of flesh. The hubbub of British parliamentarians – which had been heard throughout the 1980s and 1990s complaining about the effect that reading magazines was apparently having on the moral fibre of young people – slowly stilled. In 2016, Bauer (which had acquired EMAP's magazines in 2008) discontinued FHM as a print magazine. Magazines themselves were supplanted by forms of media far less public and immeasurably more harmful, most of which were keen to do away with reading in any form.

In the years since FHM's closure, print media has become increasingly prim.

Nowadays, every actor is a social justice warrior, every pop record an act of empowerment and the people who once campaigned for less regulation now argue for more. Around the dinner table, the children of the original FHM readers police their parents' speech. FHM people look back at old issues and wonder how they ever got away with it. They should take another look and realise that, compared with the world in which we now live (the world of deep fakes and Andrew Tate), it was all very tame indeed.

FHM magazine

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David Hepworth is a British music journalist, author and broadcaster. After becoming editor-in-chief of Smash Hits in the 1980s, he was instrumental in the launch of some of the UK's most successful magazines – including Seventeen, Empire, Heat, Mojo and Looks – for the former EMAP plc. Since 2016, he has been author of a series of books about music and pop culture, the latest of which is “Hope I Get Old Before I Die” (Bantam, 2024).

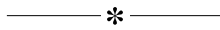
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NEXT

The Daily Upside

Trousdale quietly makes it work

By COLIN MORRISON



PATRICK TROUSDALE, THE FOUNDER OF THE DAILY UPSIDE, REALLY IS A different kind of media entrepreneur. For one, he started out in media by seeking a partner which – after a cold email approach – attracted \$100k (for a 20% shareholding) from The Motley Fool. Then there’s the simple idea of keeping tight on the money and growing slowly and not getting carried away by the thrill of audience feedback. But, then, another reason he is different even from the founders of, say, Morning Brew and The Hustle (which he followed avidly) is that this is his second career.

He was an investment banker whose fascination with the new wave of newsletters was sparked because he had been among the target audience as a young graduate and, then, as an experienced Wall Street executive at Guggenheim Partners. He professionally marvelled at the follies of, Vice Media and worked in-depth on specific markets (including metals, mining, healthcare and media) that made him better informed than most business journalists – and hungry for more in-depth, agenda-setting daily content.

Trousdale developed plans for his start-of-the-day digital newsletter targeting people like himself. His 2019 launch combined his knowledge of investment and of media. He had told Axios: “You have sizzle before the steak at times with digital media. I’d seen that play out a lot of times. So I definitely wanted, from the outset, not to raise a lot of money. It was going to take longer but it was important to find the right model.”

Four years later, newsletter-first media company covers business, finance, and investing, providing readers with perspective and analysis on the news

The Daily Upside

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and themes shaping the business climate. The Daily Upside now has over one million (non-paying) subscribers with a claimed open rate of 50-75% for the flagship daily. Costs are almost equally from content, sales, tech, and marketing, about one-third of the 19 headcount are journalists, and all the revenue comes from advertising and sponsorship.

In 2022, Trousdale acquired Patent Drop, a newsletter focused on disruptive technology that reaches 65k engineers, product strategists, and tech investors. In 2023 The Daily Upside launched Power Corridor which covers the intersection of Wall Street and DC, focusing on the key issues and important players. Recently, he launched CIO Upside and Advisor Upside, which he quietly believes may transform the company (perhaps even doubling it). But, beyond saying he expects “well into double-digit growth” this year, the founder is – characteristically – not getting carried away with the success.

He says: “What really what sets us apart is, the notion that we’re grounding the news in longer-term trends. So, yes, we want our readers to understand what happened yesterday, but we also want them to understand why that matters in 3, 5, 10-year trends. So they get a really broader context when they read our newsletter.”

But, for all his cautiousness, Trousdale has had some real lessons in the pain of startups, notably in 2023. It was a sobering year for the former investment banker: “I learned a lot of lessons that were exacerbated by the generally tough advertising backdrop. Expanding from what I’ll call a micro-headcount (of 4-5) to nearly 20, in a remote environment, was very challenging, and the causes of underperformance were harder to identify and correct. I learned how costly a few wrong hires in key seats can be, and how urgent rectifying mistakes needs to be in a bootstrapped company without a huge capital base. I also learned that straying from your editorial core comes with significant risk – and different types of brand partners (such as those looking to influence policy opinion) require a unique sales muscle.”

His co-investor has been learning too and Motley Fool’s venture partner John Keeling has said he admires The Daily Upside’s ability to write about

The Daily Upside

CONTINUED

complex topics in plain English, with analysis and wit – and the founder’s entrepreneurial thrift. “When you look at media broadly, there’s a signal-to-noise problem, with clickbait and media companies writing for SEO and growing at all costs. Not all businesses are meant to be at Google and Amazon’s scale. So, for those that really build on voice, maintaining that quality of audience, there’s a wonderful business model.”

SnapShot The Daily Upside				
\$mn	2024	2023	2022	2021
Rev	2.5	2.5	2.4	0.4
Ebitda	0.3	—	0.8	—
Margin	12%	—	33%	—
People	18	15	4	3
Ave subs	1mn	1mn	750k	250k

It’s another reminder of the power of well-targeted and insightful niche content and how the economics of newsletters can enable a well-planned startup to succeed relatively quickly – and at low-cost. We can imagine any number of special interest, B2B and professional niches where The Daily Upside’s content, style and playbook would work well.

We reckon the Daily Upside’s lessons for would-be newsletter entrepreneurs are (logically enough): develop a distinctive editorial product and, regardless of the fact that all revenue may be coming from ads, keep building (and funding) quality content; get a ‘compatible’ patient partner with whom you can learn and build an audience; keep the costs (ie staffing) under tight control; and don’t try to go too fast.

The Daily Upside

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More than anything else, though, The Daily Upside is a journalism company (preoccupied with content) not one of the marketing services-like operations that the FT-loving Trousdale is used to seeing at media industry events.

If he manages to get his revenue up to, say, \$4mn and EBITDA to \$1.5mn in the next two years, the founder will own 80% of a six-year-old business worth some \$30mn, having invested just \$100k of Motley Fool funding, \$10k of his own savings and sacrificed his salary for a time. That's all the advice you need. For Trousdale himself, there is perhaps even more expansion ahead than he admits. His nicely growing business must surely diversify into events, as much to foster the strong community he is building as to create new information sources. It's all Upside.

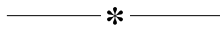
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NEXT

Montgomery Group

Montgomery at 130 gets ready to grow again

By COLIN MORRISON



IT'S 130 YEARS SINCE GREVILLE MONTGOMERY LAUNCHED THE BUILDING TRADES Exhibition in Westminster, in order to help the struggling traders whose Institute of Clayworkers he had founded in 1895 during an economic downturn. He highlighted the plight of the workers by giving them free space at the exhibition which helped him to win election to parliament. That was the start of his career as a popular politician but also as a pioneering organiser of trade shows in 19th century Britain.

Today, the Montgomery Group is said to be the UK's longest-running independent events organiser, a fifth generation business responsible for more than 50 trade shows in food, drink, hospitality, building, photography, packaging, mining and security across 15 countries.

With a long-standing portfolio that includes major biennial, triennial and even quadrennial events, the company's financials have always been bumpy. It has managed to convert some events, profitably, to annuals but old industry habits die hard. However, it's nice that the veteran organiser is celebrating its 130th anniversary with what is predicted to be a record year in 2025 (see table, next page).

Damion Angus, chair and managing director of Montgomery, is focused on the significance of the anniversary, at a time when its family ownership, international focus, and reputation as a good joint venture partner and collaborator make it distinctive.

Montgomery Group

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SnapShot Montgomery Group						
£mnYr to June	2025*	2024*	2023	2022	2019	2018
Rev	42	28.5	28.7	22.9	31.5	17.4
UK			19.3	15.7	20.4	11.6
EU			0.6	0.4	0.5	0.2
Africa			4.7	3.2	8.9	3.8
Asia			4.1	3.7	1.8	1.3
USA			—	—	—	0.4
Ebitda	6.0	2.7	3.4	3.1	3.6	(3.4)
Margin	14%	9%	12%	14%	11%	—
People		150	168	157	162	151

**Flashes & Flames estimates*

He succeeded his father Sandy Angus but says he had never wanted to join the family firm: “I always wanted to work for myself but never had any idea of what I wanted to do. The exhibition industry and Montgomery were never part of my plans but I took a summer job after university and ended up working for Tim Etchells and Simon Kimble (former chair of Clarion Events) who had just launched a consumer golf show. Their Single Market Events was a really fun and entrepreneurial business and I learned a huge amount from both Tim and Simon. The exhibition industry was, however, far too close to home as my father Sandy Angus was very well-known in the industry so I decided to leave. At the time, I was helping Tim with a TV industry event called The London

Montgomery Group

CONTINUED

Programme Market and thought the sector looked really exciting. I ended up moving to a TV production company where I sold entertainment content.”

But he eventually joined the family firm.



Angus: “We’re a very passionate business and keen to make a mark”

In 2005, having taken time out to do an MBA at the University of Cape Town, Angus joined Montgomery and became Group Managing Director five years later. At that time, the company was in flux having just completed a management buyout of some of the UK exhibitions and, therefore, needed to launch new events to re-build the business. It did this predominantly through JVs. It worked with an estimated 40 partners during the following 15 years. Montgomery proved to be a highly effective partner with companies large and small in many parts of the world.

In the last quarter of the 20th century, Montgomery was at the forefront of UK-based exhibition organisers which expanded across the world, propelled not just by the opportunity of new markets but also by the limited venue facilities at home. It made deals with the mighty Reed and UBM and plenty of local partners. It has always had more industry presence than revenue.

There's a reason for that.

In the years before the opening of Birmingham's National Exhibition Centre in 1976, UK companies (unlike their neighbours in Western Europe) were obstructed by the the lack of tenancies at London's aging Earls Court. That's what took Montgomery to JVs in Asia and Africa. Sharing the profits explains why the (still) family-owned business has decades of worldwide experience but a revenue (even in growth year 2025) of "only" £40mn. By contrast, one of its newest London neighbours, the private equity-backed Nineteen Group may this year have twice the Montgomery revenue.

That, arguably, is the strength and weakness of a company with all the expertise, reputation and global view but – by choice – only as much cash as it generates for itself. As Damion Angus discusses the next phase of expansion, he happens to make the Nineteen comparison.

But the 130th anniversary celebrations around its world are acting as a spur for Montgomery which this month appointed Sanjeev Khaira as Chief Growth Officer. He's one of the industry's most experienced strategists, having managed businesses for UBM/ Informa in India and Turkey and recently playing a key role in the quick-fire growth of Arc. His new boss emphasises Khaira's experience in driving growth through launches and joint ventures "as we embark on this new chapter".

So, change is coming.

We surmise that Damion Angus will not only be celebrating this year with record revenue but also with a fresh strategy to exploit Montgomery's prized reputation as a JV partner for companies large and small. He will be targeting the tech-enabled growth sectors (of course) and also Africa, a 50-year Montgomery market which may be set finally to deliver on its historic promise: "We're a very passionate business and are keen to make our mark".

Montgomery Group

CONTINUED

For all the insistence on self-funding, Montgomery might usefully become not only an explicitly welcoming home for a new generation of events entrepreneurs (think about it) but also, perhaps, a steady partner for private equity firms and investors dipping in and out of a market that it knows best of all.

Happy Birthday.

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NEXT

New Scientist

7 MARCH 2025

What's happened to New Scientist?

By COLIN MORRISON

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FOUR YEARS AGO THIS MONTH, THE UK'S DAILY MAIL GROUP (DMGT) WAS feeling bullish. While executives quietly worked on a mid-pandemic plan of asset sales that would culminate in the company's de-listing from the stockmarket and a reversion to the fourth-generation family ownership of Jonathan (Lord) Rothermere, it was celebrating the acquisition of New Scientist magazine.

DMGT – whose bid for the 69-year-old magazine had pre-empted a planned divestment process – was not the only one celebrating. The £74.5mn price was almost 4x that paid to former owner RELX by private investors just four years previously.

But the cash price was said also to be some 3x revenue and 10x the £7mn EBITDA forecast for 2021: a seemingly reasonable price for a long-established, subscription-led brand which Rothermere described as “a world-renowned publication loved by its readers...We are very much looking forward to supporting their exciting plans to grow as the go-to publication for anyone interested in the scientific world around us.”

Former DMGT CEO Paul Zwillenberg said: “New Scientist marks an exciting addition to the DMGT portfolio and reflects our disciplined approach to acquisitions. It's a natural step in our consumer strategy to improve the quality of our revenues through building-up subscriptions and digital capabilities.”

The magazine's then editor was equally enthusiastic: “The two biggest stories in the world right now are climate change and Covid-19, and they're both in

our wheelhouse. So there genuinely has never been a better time to sign up for science mag. This is a brilliant next step in New Scientist's 65-year-long journey towards global (science-related) domination. We are really excited about the new opportunities this move will offer us and we do, of course, remain 100% editorially independent."

It seemed like a great deal for everyone – and a sign of things to come in the new era of DMGT.

The "world's most popular weekly science and technology magazine" had been founded in 1956 for "all those interested in scientific discovery and its social consequences". It had expanded to include events in the UK, US and Australia, including New Scientist Live, "the world's greatest festival of science" in London which had been attended, pre-pandemic, by 40,000 people. It also operated New Scientist Academy courses, online talks, newsletters, podcasts, events, and had more than 2,000 bite-sized videos on YouTube, including new "explainer" clips every week.

It was assumed that the new owner would want to grow substantially in the US and compete more strongly with the mighty monthly Scientific American (2.2mn print readers and 3.5mn monthly uniques), now owned by Springer Nature. DMGT was expected to invest in making New Scientist into a truly global brand.

Flashes & Flames described the acquisition as "a coup for DMGT given New Scientist's hybrid audience of consumers and professionals in science and education. The magazine combines popular science and 'how-it-works' stuff with recruitment classifieds for scientists. The business-consumer-education mix is ideal for DMGT as the owner both of professional information and events and news brands. The deal is also viewed as good value, given the magazine's remarkably steady subscriptions base (almost unchanged for a decade) and uninterrupted revenue growth."



But it didn't quite work out like that.

Six months after the acquisition, DMGT commented (in its last report to shareholders as a public company) that New Scientist would have generated £22.3mn of revenue and £4.7mn of EBITDA if New Scientist had been owned for the whole of the year. But – instead of increasing revenue by what would have been 13% – its 2021 revenue actually fell by 11% with EBITDA nearly halved to £2.3mn. Suddenly, the acquisition looked pricey.

That's how it has continued, with revenue scarcely growing in the past three years and 2024 EBITDA and margin falling to its lowest levels for a decade. Total print and digital subscriptions (excluding Apple News 'All You Can Read' added in 2024) have fallen 8% in the four years of DMGT ownership. Digital subs have increased by only 10% during this time.

SnapShot New Scientist				
Yr to Sept £mn	2024	2023	2022	2021
Rev	23.3	22.9	22.9	17.5
Subs/sales	87%	90%	94%	71%
Events/ ads	13%	10%	6%	29%
UK	67%	67%	69%	77%
RoW	33%	33%	31%	23%
Ebitda	1.9	3.3	4.5	2.3
Margin	8%	14%	20%	13%
TOTAL CIRC '000	166	127	138	143
Print	65	70	79	83
Subs	53	57	64	68
Copy sales	12	12	15	15
Digital	101	57	59	60
Subs	66	57	59	60
AYCR*	36	—	—	—
People	99	92	88	83

*All You Can Read: Apple News+ (78% is ex UK)

But change is in the air. Of course.

Eighteen months ago, Roland Agambar, former managing director of Mail Newspapers, was appointed CEO of Harmsworth Media (publisher of New Scientist) and the editor and US editor are also new recruits. Their task now is to execute an Economist-like strategy of digitalisation and globalisation and, arguably, also blending B2B and B2C. Not easy in a burgeoning world of multimedia brands including National Geographic.

The DMGT 2024 annual report last month quantified the post-acquisition disappointment. It reduced New Scientist's book value by £29.5mn – equivalent to almost 40% of the acquisition price. The write-down was due to “performance against budget, the slower and more expensive than anticipated US expansion plans, and <we> have reduced local management's outlook to reflect actual current year trading performance in line with the strategic review during the year.”

Having AYCR account for more than one-third of digital subs may not be ideal for a brand whose profit has traditionally depended on full-price, direct subscriptions. But Apple News+ may be an effective promotional platform and the growing online audience may be a sign that the US investment will soon bear fruit for a lustrous brand whose 2024 profit was 25% below 2020, the year before acquisition.

As if to underline the contrast between the high-interest in science and tech, especially among young audiences, and New Scientist's dismal financials, the magazine last month announced it had 1mn followers on Instagram. Its video and posts had recorded 99mn views and added almost 300k followers in the previous six months. It claims an all-platform audience of 9.4mn followers including 3.7mn on Facebook and 300k on TikTok. The editor Cat de Lange said the magazine had “found a voice on Instagram which is both authentic to the platform and authentic to New Scientist. In a world where everyone on social media is an expert, we bring people science and health news they can trust. Our videos also inspire

awe and wonder about the world we live in, sprinkled with a healthy dose of humour.”

At a time of growing worldwide (and media) interest in health, AI, renewable energy, space exploration and climate change, the social media success should be no surprise for what is a highly accessible print and digital brand. They’ve just got to get back to growing the financials.

That’s the least we might expect from the famously patient investor DMGT which (lest we forget): stuck with Mail Online for 15 lossmaking years before it became a £170mn global powerhouse, has turned the £300mn DMG Events into its fastest-growing division, and has even returned its Metro commuter tabloid to profit after the pandemic paralysis. Maybe its current success in getting people to subscribe to Mail Online (in the UK and next in the US) will also inspire their stable-mates. They might even come to share multimedia ventures some time.

For the £1bn-revenue DMGT that is one of the world’s oldest media groups, turning New Scientist back into a high-flier shouldn’t be, errr, rocket science.

When’s takeoff?

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NEXT

Mumsnet

14 MARCH 2025

How Mumsnet at 25 is really just beginning

By COLIN MORRISON

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IN TWO WEEKS, IT WILL BE THE 25TH ANNIVERSARY OF THE LAUNCH OF parenting site Mumsnet, in the early days of the millennial web boom. The storied site that aims to “make parents’ lives easier by pooling knowledge, advice and support” is a fairy story and not just because it is still owned by founder Justine Roberts.

She had quit her well-paid career in investment banking in order to enjoy a new career as a freelance sports reporter. But the catalyst for her unlikely startup was a holiday from hell, her first with one-year-old twin daughters. Everything about the family’s choice of luggage, flights, hotel and resort seemed wrong: “As new parents, we knew nothing and ended up choosing the wrong destination, with a terribly long flight. We were sitting around the pool, with other families, all moaning, saying, ‘if only we had known’.

At a time when many of her London friends were plunging into the first wave of digital startups, her big idea in 2000 was helping mothers to tap into the wisdom of other parents via the new fangled internet. Together with a TV producer friend, Roberts launched Mumsnet as an online forum with the co-founders, friends and family initially creating multiple nicknames, spelling out their problems and answering their own questions.

They had tried and failed to raise £4mn for the venture because the first dotcom crash intervened. The digital wannabes instead bootstrapped Mumsnet from a bedroom in the Roberts’ family home. That is where the business stayed for eight years (yes) before renting its first office in 2008. By then, Facebook (launched in 2004) and Twitter (in 2006) were winning

advertisers over to the idea of user-generated content. Mumsnet could start making money.

Its audience grew by word of mouth and was soon marked by endless emails from people saying it had saved their lives, postings from new mothers with nobody else to talk to – and by unsolicited cash donations from grateful supporters. The site had real authenticity, not least because the founders were struggling as much as the young women who depended on it.

But, for all the dreams of digital wealth, Mumsnet has sometimes seemed more like a charity than a business. Its busy founders thought someone, something would help them make it profitable.

Perhaps it had been the same commercial afterthought which tolerated a rival launch (some months after Mumsnet) confusingly called “NetMums”. Although the French-owned competitor continues to be much smaller (less than 30% of Mumsnet’s revenue), it remains a source of confusion for some advertisers.

Mumsnet was just too busy piling up millions of regular users.

But two events gave it national status in the UK. First, a sustained legal attack by a childcare guru which was settled in 2006 after 12 months of acrimony and expense. It was messy fight and was been one of the first cases of a digital platform being held responsible for the views of its users. But the fame brought readers and advertisers flocking to Mumsnet.

The game changer, though, was the 2010 election of David Cameron as the UK’s youngest prime minister for almost 200 years. Ahead of the election, Mumsnet had started doing web chats with politicians and Cameron was among the keenest. What became known as the “Mumsnet election” seemed to cast the new Prime Minister as a modern, digital guy – in the six years before he was blamed by almost half of the UK population for instigating – and losing – the Brexit referendum.

The headlining success made celebrities of the site and of Justine Roberts who was honoured by Queen Elizabeth and in countless lists of the country's most influential media, women and business people. Mumsnet's 10th birthday party was attended by then prime minister Gordon Brown and a host of other politicians and A-listers. Five years later, at Soho House, the 15th birthday was hosted by prime minister Boris Johnson. This summer, they're expecting the current leader, Keir Starmer, to attend the 25th birthday party. How can he resist?

UK politicians love Mumsnet because it delivers a large share of a busy audience that's difficult to reach.

Its built a big reputation with campaigns including "Let Girls be Girls", where retailers pledged not to sell clothing and goods that prematurely sexualised young girls.

The site is also known for its feisty discussions, including topics like unreasonable "bridezillas" or the fear of giving birth during Covid lockdown. It has always been good at getting into arguments on behalf of its users, and some advertisers have even boycotted the site because of user views. Its become famous for a distinctive language of acronyms including AIBU (Am I Being Unreasonable?), DC (darling children) and the ultimate relationship advice LTB (Leave The Bastard). You can see why users are captivated by it. But, more than anything else, they go to the site for advice on parenting or how to cope with relationship fallouts.

Millions of young British women lived the pandemic lockdowns on Mumsnet: "I cannot understand how my husband can't see that the laundry needs doing and the kids need entertaining, and he'll do it if I ask him but why do I have to ask him? On the AIBU forum, women look for validation of their emotions. They're checking to see whether their anger, guilt or relief is justified "and they want a wise crowd to tell them that". Millions are looking for answers among the site's bubbling pool of posts and blogs.

That’s why the UK’s most popular parenting network has 10mn monthly uniques and 1.2bn annual page views of its 30,000 daily posts. Its users spend an average of 9.25 minutes ‘dwell time’ on the site. That may mean it is regularly visited by more than 50% of British women aged 25-54.

The Economist this week celebrated the fact that Mumsnet “retains its oddness. Its very name sounds like an oxymoron—mothers feel domestic, not digital—and its character is little less contrary. Its focus is often on the trivial: users discuss weaning and baby bottom butter—but its reach is colossal. It has around 10m monthly users, and those users trust it. When Mumsnetters recommended Waitrose’s Baby Bottom Butter as a fine moisturiser (for mother’s cheeks, not baby’s) it promptly sold out.”

But the financials have sometimes been less impressive.

In 2010, when the then 10-year-old Mumsnet was credited with mobilising millions of British mothers to vote, it was making only £146k of profit. By 2014, it was making £2mn a year.

But in 2019, operating profit fell back to £1.4mn on revenue of £9.3mn. And Covid all but plunged it into crisis. But, by way of celebrating its 25th anniversary, the debt-free Mumsnet achieved record revenue, profit and margin in 2024:

SnapShot Mumsnet			
£mn	2024	2023	2022
Revenue	9.5	8.0	7.5
EBITDA	3.5	2.8	2.3
Margin	37%	25%	31%
People	66	63	60

Ironically, back in 2013, the founder had recalled the startup's weakness: "It is a rubbish business model. We started just as the dotcom bubble burst and we raised no money at all. Advertising rates crashed. It was done on no cost – but a lot of hours."

Mumsnet is an unmistakeably strong franchise but the founder has always seemed to downplay the commercial opportunity of endorsements: "We don't want to do cheesy endorsements. We are happy to do product tests and pass on the message if our members genuinely liked the product, but it is important that product reviews don't interfere with actual editorial content. We don't want to be under-hand and look like we are endorsing things we don't like. The reason the site works is that it's trustworthy and not about endorsing the product that gives us the most money."

But, strange as it seems, the strong new growth of Mumsnet is only just beginning, after a mere quarter-century.

Fifty per cent of the £9.5mn revenue in 2024 was programmatic advertising, 10% affiliate eCommerce but a growing 40% came from sponsored content and also the endorsements via Mumsnet Rated under which products and services are recommended after tests by users. It's a bit like Good Housekeeping's testing programme in the UK and US but, arguably, much more in line with the attitudes of Mumsnet's own followers. A key question they ask the 250 testers is: 'Would you recommend the product or service to friends and/or family if it came up in conversation?' Getting the Mumsnet Rated badge depends on 80% support.

You sense that – sometime in the future – Mumsnet could launch a fully-fledged, data-driven market research and consulting business serving companies targeting its large, engaged audience. That would become another lesson for B2C magazine companies which eschew B2B monetisation in order to schmooze reluctant advertisers.

Right now, though, the increasingly versatile Mumsnet is motivated by the fact that some 75% of users want advice, 96% trust its product recommendations

and 80% say they would not make a purchase without consulting either Mumsnet or a(nother) friend.

This year, it's targeting four new areas of growth: MumsGPT (data-led insights based on its proprietary Q&A tool built with AI models), Performance Advertising, Brand licensing (its launching a range of baby and kids meals with the retailer Iceland Foods in April) and data licensing.

That ambitious agenda comprises many of the Mumsnet lessons for magazine-media brands that once grew fat on advertising, still have large digital audiences but are now searching for a viable business model: reader interaction can be the ultimate winner in generating content, data and revenue.

The persistent campaigning is another Mumsnet standout. She declares that she would not “work with” some companies, including Clarion Events (which organises The Baby Show, targeted at Mumsnetters) because it also organises defence industry exhibitions.

On a broader scale, her current ‘Rage Against The Screen’ campaign says that Big Tech’s indifference to the impact of social media on children compares with the longtime seeming indifference of the tobacco industry: “For companies like Meta and X, an algorithm-addicted child represents a lifelong cash cow”.

Justine Roberts’ brainchild has never lost its sense of purpose. That’s another reason why so many of the media which once wowed the same audience have been eclipsed during a momentous 25 years.

Happy Birthday, Mumsnet.

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NEXT

Jonathan Weiner

28 MARCH 2025

Is this the future of trade shows?

By COLIN MORRISON

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JONATHAN WEINER IS THE SCIENCE GRADUATE WHO TURNED DOWN A LUCRATIVE first job at his university which – ahead of its time – was creating remote learning programs with videos of classes and discussion groups. He was determined, instead, to break out of the US state of Massachussets in which he had grown up and been educated. His ambition took him to the UK in the late 1990s, where he became involved in pre-internet computers and technology.

That, ultimately, drew him back to the US where he became a co-founder of pre-paid card pioneer Clarity Payment Solutions. It was sold for \$53mn in 2004 which let the young founders buy their first homes. That was the start of a career in fintech startups, including as co-founder of the Money 20/20 exhibition which captured the imagination of a the fast-changing payments and banking industries. That was the event (acquired for £100mn in 2014 by the former Ascential) which set him on a path to co-creating new events, including Shoptalk (sold to Hyve Group for £110mn in 2019), HLTH (also to Hyve on an earnout for possibly \$250mn, in 2024) and his latest launch HumanX, for the AI industry.

Hardly known outside the events industry, Weiner is an investor at the \$5bn Oak HC/FT fund and an angel funder in more than 150 companies. He has had successful exits to Google (TxVia), TSYS (Clarity Payment Solutions), Informa (Prepaid Media) and Ascential.

Since 2011, Weiner has been focused on creating companies that organize the largest events in various industries. He has said: “Both Money 20/20 and Shoptalk really filled the void on what was lacking across the fintech and retail

Jonathan Weiner

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categories. We were able to grow Money 20/20 from 1,000 attendees to over 10,000 attendees in a really short time-frame.” It neatly exploited the soaring growth of smartphones and apps, cloud computing and the rise of machine learning, all of which had a seismic impact on financial services – accelerated, of course, by the pandemic which turbocharged the growth of Apple Pay and G-Pay.

Weiner has created a new style of event, characterised by high-profile speakers, strong branding and creativity but also by the sheer scale of shows in, for example, Las Vegas and on both sides of the Atlantic. His events are focused on a high-priced meetings format that exploits the technology of a sector. The compelling events are an antidote to what he describes as “traditional, boring shows”.



Weiner: “Everything at our events starts with the content”

This week in London, Weiner outlined his approach to me: “Everything starts with the content, the conference sessions, the learning. We don’t have any of those ‘pay-to-play’ talks at conferences. We put together important speakers with real insights and knowledge, we hold the events in places where delegates stay involved after hours so they don’t just leave the event and go elsewhere to a hotel. We look after the social aspect of their time at an event and make

Jonathan Weiner

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sure it's also a fun experience. We curate everything carefully and we provide high quality food and drink and all of the networking events as part of the ticket price so we are making it an enjoyable and valuable event. Although we are targeting C-suite executives, we recognise that we are catering for startup entrepreneurs as well as CEOs of big corporates. That's why it helps to have everything included in the ticket price."

Weiner makes the point that planning and curation of the events is totally geared to ensuring results: "Everything is about RoI and using tech to bring markets and people together, including in one2one meetings, to help deliver results." "The days of serendipity are over". The distinct approach extends to the continuous all-year dialogue Weiner's shows seek to maintain with participants: "We invest in high-quality digital forums so that we have a continuous relationship. I believe it will get harder and harder in the future for trade show companies which do not do that."

Nowhere is this approach clearer than in the seven-year-old HLTH which its creator has described as "the largest and most important conference for health innovation. It's an unprecedented, large-scale forum for collaboration across senior leaders from established payers, providers, employers, and pharma services, as well as from disruptive startups, prolific investors, representatives from government, academia, health associations, business groups, media, and industry analysts. The event is unique in creating a marketplace for the key stakeholders leading the dialogue and development of a new health ecosystem. HLTH's mission is to be a catalyst to drive substantial reductions in health costs and dramatic increases in health quality." What I saw developing at other healthcare conferences was a huge gap around discussions that involved innovations in healthcare. A lot of the events today simply miss the mark on building a valuable forum to exchange ideas and to provide RoI. The days of serendipity are over."

Weiner described this month's launch of the HumanX AI event in Las Vegas (backed by \$6mn of venture funding) as "a multimillion dollar launch with 3,500 attendees, 200+ hours of content, and over 200 media attended in

Jonathan Weiner

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our first year. Our aim was to plant a flag in the ground for the must-attend AI event in the US. I believe that, with the caliber of speakers, media and attendees, we delivered on this. We plan to invest a lot more in the brand and grow it around the globe.”

His events are, among all else, 21st century shows for new generations of digital native executives. Other such new-wave trade shows – including, for example, Hyve’s Possible (marketing industry) and Matt Middleton’s Future Proof (investment) in Miami Beach – help to create a new flexibility for events once confined by the limitations of purpose-built exhibition halls. We might also assume that Informa’s launch of its Festivals division (to include its acquired Cannes Lions and Money 20/20) will spawn further innovation.

Jon Weiner co-funds his events with longtime fellow investors and is as passionate as any trade show executive about the industry in which he has been operating for more than a decade. His approach is distinctive but he’s no outsider: “Events transcend more than just transactional interactions or educational opportunities; they serve as gathering grounds where like-minded individuals connect and form meaningful communities. This makes them not only memorable but also remarkably enduring with sustained revenue streams. An asset class most investors overlook.” Beyond his own projects, he’s a member of Events Venture Group – alongside Marco Gilberti, Douglas Emslie and others – seeking to invest in new events across the world.

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NEXT

Sean Griffey

‘B2B is changing less than you think’

By COLIN MORRISON

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SEAN GRIFFEY WAS THE CO-FOUNDER AND CEO OF INDUSTRY DIVE, THE B2B newsletter publisher. An economics graduate with an MBA, Griffey had spent nearly 10 years as a consultant before his start in media at FierceMarkets where, as president, he oversaw the launch of more than 25 digital brands. He launched Industry Dive in 2012 and sold it in 2022 for an estimated total of \$500mn to Informa, whose CEO Stephen Carter said “Industry Dive ... has repurposed the traditional B2B publishing model for specialist markets in the digital age.”

The estimated 15x EBITDA for the maximum earnout price (in 2024) was considered a high multiple for a business that derived almost all its revenue not from readers but from marketers. The acquisition price was also believed to have been at least 5x its funding valuation less than three years previously. But Griffey and his co-founders were being rewarded for the build-up of the high-quality content marketing / sponsorship which, arguably, merited the description of “recurring revenue”. Industry Dive marked its 10th anniversary in 2022 with forecast revenue of \$110mn, 30% EBITDA margins and 30% profit growth.

It had come a long way from its \$900k bootstrapped launch to a portfolio of 27 B2B email newsletters in 23 verticals with a claimed readership of 13mn. It was the ultimately memorable first decade for the company whose snappy newsletters became the 21st century version of the trade magazines which had defined B2B verticals for previous generations of professionals. Last year, the Washington DC-based company was transferred to the Nasdaq-listed Informa TechTarget which (as TechTarget) had been a runner-up bidder for Industry Dive in 2024.



Griffey: “We were lucky not have to got VC money”

What’s the secret sauce of Industry Dive?

To be completely honest, there is no secret sauce. I think the media industry wastes a huge amount of time trying to find the magic bullet that will solve all of our ills. There isn’t a magic product or platform out there that makes this easy. We spend far too much time quickly bouncing from video to podcasts, from Instagram to Tick Tok, etc. The media industry has become just like crypto investors trying to find the next meme coin to make themselves rich.

The truth is far less sexy and much more boring. Thriving over time comes down to creating something that your audience values, building direct relationships with them, and being consistent over a very long period of time. It’s not hard but it isn’t the answer that anyone wants. If Industry Dive did anything right, it’s that we stayed focused on who we were, our strategy, and what gave us the right to succeed.

In what ways were you lucky?

Our biggest stroke of luck is that we were unable to raise venture capital. Back in 2012 when we were starting, BuzzFeed, Gawker and other B2C

traffic engines were all the rage. No one wanted to talk about niche media publications covering the electric utility space, waste and recycling or construction. We quickly struck out trying to talk to VCs.

In hindsight, this was the best thing that could happen to us. A lack of funding forced us to be scrappy but, more importantly, gave us the space and time to build a real audience and a real company. We wouldn't have made it under artificial venture capital timelines.

What was your best decision?

The real answer here is picking the right set of co-founders and our early team. It's common knowledge that people drive everything in this business – and we got that right.

But perhaps a more interesting answer is that, from the very start, we very deliberately set out to build a real platform that could work across multiple markets. Many in media claim to have a platform, but they are actually a collection of independent brands. There is a real difference.

We went to great lengths to make sure everything we did would scale across markets. The meant that we had to pass on some meaningful opportunities, but it proved valuable as we gained momentum.

How difficult was it to continue working with Industry Dive after the sale to Informa?

Not difficult.

I'll be the first to admit that there was a bit of a culture shock from going from a small US-based upstart into a large publicly-listed, London-based company. There were plenty of things we each did differently, but at the core we were very much the same. Go to Informa's website and the first thing you'll see is "Championing the Specialist." Without using those words, that is exactly

what we always tried to do at Industry Dive. So, the mission was the same. There was tremendous opportunity for Industry Dive and our team, and the people at Informa were incredibly talented, well-intentioned, and had the utmost integrity. It wasn't hard to buy-in and keep going.

I'm proud to have been a part of Informa and will always consider myself part of the extended family. The good news is that they haven't disowned me yet!

What are your best lessons?

The number one thing I tell people today is to keep things simple. Media isn't a complicated business...it's an execution game. The more you can do to make execution easy, the better off you will be. That means simple products, simple org structures, simple tech stacks, simple messaging, etc. When we took the time to simplify the business, we always saw results.

In terms of what I'd do differently, I honestly think that I held back the business by being too cautious in the early years. Looking back, it's easy to see that we should have invested more and pushed harder earlier but we never wanted to get too far ahead of ourselves. It's a hard balance to strike in real-time.

Informa's part-acquisition of TechTarget changed its plan for Industry Dive. Why?

I participated in the discussions regarding Informa's decision to pursue a combination with TechTarget. I was a huge proponent of the decision at the time and remain so today. The combined reach, capabilities, and possibilities are unmatched in the market. There is foundational work that needs to be done to reach the full potential of Informa TechTarget but no one has more opportunity.

As a founder, you always wonder what might have been had we continued to go it alone. But, when you think about the legacy we are leaving for Industry Dive's employees, audiences, and customers, I can't think of a better place to be.

How is B2B media changing?

My biggest prediction is that it is changing less than people think.

We are always looking for the newest trend that will “change everything.” We point to the internet, mobile, pandemics, or now AI as the disrupters that alter the foundation. But the truth is that the fundamentals of B2B media haven’t changed in the last 100+ years.

If you create great content, build real audiences, and are deliberate in your monetization model, you’ll be in great shape.

Which B2B companies will be the future winners?

I think companies that are successful will have the following characteristics:

- They will think about their audiences at a niche level. For B2B media, that means thinking about your audience at the job title level...not simply as part of a large industry.
- They will have real actionable control of their first party data.
- They will think about community in deeper ways than we do today.

Which media companies do you most admire?

This is my least favorite question because I inevitably forget someone, then kick myself about it later. So, apologies to the great companies that I’ve missed. But here are a few that I currently admire:

Informa TechTarget – I’m clearly and unapologetically biased, but this is the largest and most robust newsroom in B2B media. It has the opportunity to do something special. It’s just time to earn it.

Skift – they don’t get as much hype as they did a few years ago but they continue to dominate their industry and everything they do is high quality.

They also aren't afraid to take risks, push new boundaries and innovate.

Semafor – just really tremendous execution so far. From a content standpoint, I find myself reading stories you don't often see in the US. From a business standpoint, they quickly found their footing despite challenging market conditions.

Puck – I must admit, I was wrong about them. I really didn't think that they would have staying-power but they appear to be building a solid business. I think they are doing a great job, both building an overall corporate brand and also leaning into individual voices and creators.

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NEXT

GlobalData

How vulnerable is GlobalData?

By COLIN MORRISON

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THERE'S NOTHING LIKE THE WORD 'DATA' FOR EXCITING INVESTORS. IT triggers thoughts of exclusive content, the very antidote to AI's commoditisation of information.

Perfectly good companies feel the need to reassure investors that “our AI capability is embedded across the portfolio and, through investment in technology stack and enhancing AI powered solutions, we are now offering a more personalised experience to customers... This success is driven by our AI experts.”

Those honeyed words came this month from the 2024 annual report of GlobalData Plc, “a leading data, insights, and analytics platform for the world's largest industries”. The UK-based, but increasingly international, company last year reported £285.5mn revenue and £116.8mn EBITDA (both 5% ahead) with a margin of 41% and no debt. The performance was attributed to “our unique data, expert analysis, and innovative solutions into an integrated suite of client solutions and digital community platforms”.

Mike Danson, founder, CEO and majority shareholder of the listed company, described 2024 as “transformational” following the mid-year sale of 40% of its (largest) Healthcare division to Inflexion private equity for a net proceeds of £434mn.

The divestment had been born of the founder's frustration with a sluggish share price which, with raised interest rates, had constrained the M&A of a company that has completed 30 deals in the last 15 years. Acquisitions had been getting just too expensive.



Danson: a second business transformation

Continual approaches from private equity, either to take GlobalData private or to divest key assets, are believed to have made Danson think about the alternatives. The upshot was an approach by his M&A director Mark Thornton to a former 3i private equity colleague, David Whileman, now a partner at Inflexion. His Partnership Capital Fund had created Curinos, the \$243mn retail banking data business, from a 2021 merger of Informa's FBX and Novantas, with the listed Informa retaining 56%. Whileman jumped at the chance to do it again, with GlobalData. The deal was signed just 77 days after the first discussion.

The transaction transformed GlobalData's balance sheet from net debt of £230.8mn (as at 30 June 2023) to net cash. As well as improving its profitability and cash flow, the "new" balance sheet created M&A opportunities for the rest of the company too.

It was a great Christmas present for Danson and his shareholders.

But the deal must have reminded him of the time – 17 years previously – when he had sold his Datamonitor company to Informa for an eye-watering £513mn (7x revenue). Some of the buyer's major investors had voted against the

top-of-the-market deal. It was also bad timing for Informa which ended up cutting its 2008 dividend and having a rights issue in the global banking crisis that followed. Two years later, Danson implied to the FT that Datamonitor's value would have been halved by the banking shocks.

The fact that, eight years later, he bought back what were arguably the best bits of Datamonitor for just £25mn has been used to illustrate a degree of M&A recklessness by Informa (in the years before it was re-born as the trade show world leader). Danson's opportunistic buyback was the start of GlobalData whose leading brands now include: Canadean, Kable, Celent, LinkUp, Verdict, Current Analysis, PharmSource, MEED, and MarketLine. Its customers are neatly spread across Europe, the US and, increasingly, Asia.

Some 75% of revenues are annual subscriptions from member companies which have access to substantial volumes of news, analysis, original data and research, high-value consultancy, and networking events. GlobalData uses a single scalable platform across all market sectors "to create differentiated and actionable insights". It claims to offer 5,000 corporate customers "a single user-friendly interface, an end-to-end view of your entire industry value chain: from suppliers, manufacturers, channels to end-users (being consumers, patients, customers), all in one place and easily shared with colleagues."

It's just the latest company that claims to be building the kind of 'platform dependency' that has, for generations, grown customer loyalty for Bloomberg and Reuters in the financial markets. Of course.

But, perhaps, Informa's disastrous acquisition in 2007 also had something to do with Datamonitor itself? What might the episode mean for GlobalData?

There are some simple reasons to question whether GlobalData is really much more an aggregator than a large-scale provider of exclusive information.

For all the undoubted strengths of a 'one-stop-shop' platform across 20 sectors, the levels of information vary from sector to sector on the GlobalData

platform. But, while that might (or might not) create a challenge for the company in its sector-by-sector competition with the best specialists, the greater concern might be the way that it has sometimes acquired businesses that don't seem to fit the strategy.

Two particular GlobalData deals make you think.

First, was the 2022 acquisition of Media Business Insight for about £23mn. Its primary B2B brands are the long-established print-digital magazines Broadcast and Screen International, together with a database of programming and producers, and some events. Few who knew the £7mn-revenue company (once owned by the former UK publisher EMAP) were prepared for Danson's description of the acquisition as "bringing new and unique gold standard datasets across the film, TV and media markets to GlobalData. This, combined with our existing technology content, provides the group with a new vertical with deep media sector intelligence and related services while strengthening clients' access to a more comprehensive range of industry expertise."

It seemed an unlikely description of MBI. Three years later, MBI itself is still going strong but there seems to be no trace of its information or brands on the GlobalData website. Perhaps we shouldn't be surprised because the GlobalData annual report describes MBI as "inherently different to the Groups' main offering, and the brand, strategy and management of the business is separate from the rest of the Group." Whatever happened to the "gold standard datasets"?

The second deal which raises eyebrows is yet smaller but even more curious. In August last year, GlobalData announced the £10mn acquisition of Business Trade Media International Ltd (BTMI). The company was unknown to most insiders, simply because the name had been changed just weeks before the deal was announced (although its former website is still online). GlobalData acknowledged that BTMI was being sold by CEO Danson himself. But that was not especially surprising given the group's history of dealings and cross-charging between the founder's private and public companies.

But more striking was GlobalData's description of BTMI as giving the platform access to "a greater audience across our vertical coverage". It claimed the deal added "a number of established digital media and industry news brands, which align to our sector coverage, and brings an additional annual digital audience of 4mn business leaders and decision-makers". Given the "vendor's" £3.6mn of accumulated losses in the few years before it was acquired by GlobalData (and its lack of any balance sheet cash at all at the end of 2023), it is interesting to see that BTMI is said to have generated £3.7mn of revenue and £0.8mn in 2024, according to GlobalData's latest annual report.

But there's also the ultimate guilty secret at BTMI.

The "new" company was not some kind of digital provider but the publisher of 25 print magazines. Yes. Its brands included: Laundry & Cleaning News, Tunnels & Tunnelling, Nuclear Engineering, Cranes Today, Business Car and Packaging Today. Most of the B2B magazines were light, to say the least, on anything that might be described as "data" – and all had free circulations (no subscriptions) of just a few thousand copies each. Saying that the portfolio included 30 websites only added to the sense of flim-flam.

But there are three reasons why these, admittedly small, acquisitions might raise questions about GlobalData (although this is one listed company that doesn't much like to answer questions).

First, it does seem as though GlobalData is sometimes buying up relatively low-grade information assets in order to create 'top-of-the-funnel' B2B news services in each of its sectors – at a time when such content is becoming commoditised. Second, many of these brands are simply not high-value sources. Would GlobalData have acquired all (or any of) these printed magazines if not from its own principal shareholder? Third, the MBI claims of "gold standard" data might just cast doubt on some of the other content similarly described on the GlobalData platform.

To reiterate: Among much else, the acceleration of AI is sharply reducing the value of “nice to know” information while turbocharging “need to know”. Lest we forget, the future for so much business and professional media is all about information you really cannot get anywhere else: everything else is, increasingly, everywhere else.

But GlobalData is a successful business. Look at the numbers.

In five years, GlobalData has increased its revenue by almost 80%, doubled its EBITDA and pushed its profit margin up from 34% to 41%. As if that was not enough, its Pharma division was valued at 22x EBITDA. You might think that investors (who normally salivate at the mere mention of “data”) would be dying to get their hands on some of Danson’s shares when, as seems likely, he reduces his stake to improve the company’s rating when it joins the main London stock exchange later this year. But, despite, paying £79mn to buyback stock during 2024-5, GlobalData’s share price is down 32% YTD and its enterprise value is just £1.1bn (see table, next page).

GlobalData and others have benefitted from the growth in demand for information, helpfully fuelled by the volatility of times like the banking crisis and the covid pandemic. Such economic shocks have tended to add to the volatility of advertising-funded and consumer media. By contrast, they have enhanced the business of information providers which help corporates to understand the present and forecast the future.

That’s the information-hungry world in which GlobalData has become a £1bn international business, with 41% margins and a subscription-funding which means the company has, for example, already collected virtually all of its revenue for 2025.

There is real value in having comprehensive reference material for B2B verticals in one place but, inevitably, this approach represents the bundling of what may be high value data with other, more generally available news and information. The lessons of such bundling is that

digital consumers (let alone savvy business information users) eventually get smart and won't pay much for non-exclusive information and for the simple convenience of aggregation.

SnapShot GlobalData Plc			
£mn	2025*	2024	2023
Revenue	338	286	27
Health	126	109	103
Non-health	212	176	170
US		35%	35%
EU		27%	27%
UK		15%	16%
APAC		10%	10%
Ebitda	138	117	111
Margin	41%	41%	41%
People	3.8k	3.7k	3.5k
Cash (debt)	22mn	10mn	(244mn)

*Flashes & Flames estimates

Indeed, AI may increasingly enable corporates themselves to access much of the information currently aggregated by companies like GlobalData. This post-digital attack on content bundling must surely risk upsetting the business model by reducing the value of aggregation and depressing prices.

That's the point.

Danson identifies his customers as being either corporates (competing as principals in one or more sectors) or business services firms with broader but, perhaps, shallower interests. But there is a third group (perhaps more numerous than the others) comprising people trading with those same corporates. If major auto companies, for example, are the primary, big-spending customers for automotive data and insights, there are many times as many suppliers and manufacturers involved say in rubber, metals, engine components or other materials. They are the tens of thousands of companies needing to keep abreast of developments and also hungry to get an instant fix on sectoral innovation. Arguably, that is the mass market in which GlobalData is thriving with its 5,000 customers, whereas the very high-priced data of individual sector specialists are further up the value chain. Mostly.

The issue is a live one, not just because of our own questions about ho-hum content v 'real' data.

Analysts (and the investors they advise) are seemingly more cautious than you might expect about GlobalData because slowing growth rates have implied narrowing scope for price increases. The question for Danson is, therefore, whether his company – which has made such a good act of building and projecting its unified, easy-access platform – might profitably choose to compete more directly with some of the powerful single-sector specialists, especially in sectors like technology, energy and food. Can it turbocharge growth now by de-merging not just healthcare but other sectors too?

Not for the first time, we remember that information providers (like most other companies) must either be low-cost, broad market providers OR

high-value, high-priced specialists; those in the middle get squeezed. And ‘bundlers’ of information must eventually offer customers the opportunity to pay only for what they actually want, not for the whole mixed bundle. Mike Danson, a virtuoso packager of business information for decades, knows this better than anyone.

Will his healthcare windfall be the catalyst for strategic change (from multi-sector aggregator to higher-value, single-sector specialisation)? Or can Danson’s idea of building his brand (and subscription traffic) by providing B2B news and information free at the top of the marketing funnel work after all? Or will he sell – again?

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NEXT

Broadsheet

29 MAY 2025

Aussie Broadsheet warms up in London

By COLIN MORRISON

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NICK SHELTON, FOUNDER OF BROADSHEET, THE AUSTRALIAN FOOD AND culture site, has relocated to London to manage his first international launch. This week, he announced the appointment of editor Sonya Barber (ex Conde Nast Traveller and Time Out) as editor of the London site. She is one of six recruits expected before the September launch, alongside the commercial director Paul Davison (ex Vice Media).

Broadsheet is also planning to collaborate with Clerkenwell Boy, an anonymous and influential creator of photography and video. In addition to its web site and distribution across Instagram, TikTok, YouTube and a newsletter, Broadsheet will publish a free quarterly print magazine with “tens of thousands of copies” distributed principally through cafés, bars, shops, clubs and hotels.

Shelton said this week: “Broadsheet London will focus on culture across food and drink, fashion, art and design, travel and entertainment. In Australia, we commission leading local and international writers, photographers, and videographers – and invite industry experts, including chefs and designers, to contribute their perspectives directly. Broadsheet takes a curated approach to content – covering only what its editors genuinely rate, never what they don’t.”

He had chosen London for this first expansion outside his native Australia because “This city is bursting with creative and cultural energy. Our aim is to help Londoners live their best lives by championing the best of this city. Broadsheet has always been about celebrating the people and places that

Broadsheet

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shape culture – and now, we’re bringing that mission to London, which we believe is now the most exciting city in the world. There’s just so much happening, even though, like every city in the world right now, it’s got its challenges. It’s an unbelievably exciting city culturally. And we feel that the role we play in Australia – which is a dedicated culture guide to the city – isn’t really being served here, and there’s an opportunity for us to do it really well.”



Broadsheet’s Nick Shelton “in world’s most exciting city”

Although Broadsheet’s official launch is in September, the team have already started commercial discussions with sponsor and advertiser customers from the Australian editions. Shelton says: “We’ll start rolling out some content in the next couple of weeks, just dribbling some stuff out. We’re referring to this as getting the content engine warmed up, so there’ll be some pieces on social and the website will have a soft launch in the next month or two.”

Broadsheet

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He says the London launch, which has an estimated annual cost base of up to £1mn, is being financed from the company's own resources: "Our philosophy has always been to exist within our means. So, if we make a million pounds revenue, we'll spend less than a million pounds. If we make two million pounds, we'll spend less than two million pounds. And we'll just grow as our revenue grows. We're bullish and confident but, at the same time, I don't think we're being unrealistic."

What about the competition? "There is a wide range of smaller publishers that, in many cases, do very good work. And a lot of them are, for instance, on social. There are Substack newsletters and blogs which also do good work. And the broadsheet newspapers do a wonderful job of covering London. I think that the FT's, new food section is brilliant. How wonderful for London to have all those things. But I don't think we will step on each other's toes because we don't do criticism, or reviews or a lot of what they do. I think people are going to really enjoy having Broadsheet in London."

Shelton founded Broadsheet 16 years ago in his Melbourne hometown. After university, he had been living in London, admiring Time Out magazine and working as a barista at Flat White, the Australian-owned Soho cafe that is credited with introducing Brits to their favourite coffee back in 2005. On his return home, he launched with a A\$20k bank loan (secured on his parents' house). It became a stunning creative and financial success with solid profitability by Year 3.

Broadsheet in Australia is currently believed to be generating some A\$15mn revenue (from advertising, content marketing, eCommerce and sponsorship) and an estimated A\$4mn EBITDA. It is currently promoting membership with which he expects to generate 30% reader revenue within a few years. In January, Broadsheet had some 1.5mn online visits from an audience that is predominantly aged 25-34 and 60% female.

Shelton still owns 100% of the company and is now enjoying the city he last inhabited as an impoverished graduate.

Broadsheet

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He can't have failed to notice that the pioneering Time Out (in digital not print and supported by eponymous food markets) became lossmaking in its latest financials; and that the once pervasive London Evening Standard is now a weekly whose website still lists the circulation and audience claims of the former evening newspaper.

Nick Shelton can't wait to get started.

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NEXT

Price Reporting Agencies

5 JUNE 2025

Why price data has never been so pricey

By COLIN MORRISON

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IN THE OPAQUE WORLD OF COMMODITY TRADING, KNOWING THE PRICE OF RAW materials is surprisingly difficult. Unlike stocks or bonds, which trade on public exchanges with transparent pricing, many commodities change hands in private bilateral deals.

Enter Price Reporting Agencies (PRAs), peculiar entities that have become some of the most coveted assets in business information services. These firms collect data from traders, apply proprietary methodologies and publish benchmark prices that underpin trillions of dollars in global trade.

And everyone, it seems, wants to own one.

The reasons are not hard to discern. PRAs enjoy enviable financial characteristics: high margins, subscription-based revenue and near-monopolistic market positions, once their benchmarks become industry standards.

S&P Global's eye-watering \$44bn acquisition of IHS Markit in 2022 demonstrated how valuable these businesses had become. Other notable transactions include News Corp's purchase of Oil Price Information Service for \$1.15bn, Deutsche Börse's acquisition of ISS for \$2.3bn and Astorg's purchase of Fastmarkets for £735mn.

PRAs, which began as humble industry newsletters, now wield extraordinary influence. The price of Brent crude published by S&P Global Commodity Insights (formerly Platts) determines the value of oil cargoes worth billions

Price Reporting Agencies

CONTINUED

daily. Fastmarkets' assessment for aluminium sets the settlement price for contracts on the London Metal Exchange. These published prices establish the “market” in countless commodities, determining who profits and who loses in global trade.

The business model is splendidly resilient.

When commodity markets boom, PRAs benefit from heightened trading activity and demand for data. When markets crash, they remain essential as hedging instruments and contract references. As one industry veteran puts it: “Whether people are making money or losing it, they still need to know the price.”

Two competing philosophies have emerged in this lucrative corner of financial information. On one side stands General Index, founded in 2020 by Neil Bradford, the former Argus Media CEO, which represents the data-first, technology-driven approach. On the other is Benchmark Mineral Intelligence, which epitomises the traditional model of expert analysts and field reporting in specialist markets.

General Index launched with the provocative claim that commodity price assessment needed disruption. Its founder argued that traditional methods were too opaque, relying excessively on subjective judgments from journalists. Instead, General Index proposed a more algorithmic approach, using automated data collection and statistical models to generate price assessments with greater transparency. Its methodology documentation explicitly outlines how prices are calculated—a deliberate contrast to competitors' more cryptic explanations.

The data-first approach offers significant advantages. Algorithms can process thousands of inputs simultaneously, potentially improving accuracy. Technology enables rapid expansion into new markets without proportional increases in staff. And the methodology's transparency addresses concerns about discretionary decisions influencing prices.

Price Reporting Agencies

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Speaking to Flashes & Flames' Monetising B2B Information & Events in London last month, Bradford said: "Energy and commodities account for around \$5 trillion worth of world trade, and price benchmarks are used in the majority of those contracts. Historically, these benchmarks have been created manually by journalists in traditional media organisations. The industry has found this inconsistent and expensive – often being forced to pay tens of millions of dollars for this data. This is exactly what GX is here to disrupt! We're bringing technology to produce better benchmarks, that objectively price the world's trade."

After successful spells at FE fundinfo in addition to Argus, Bradford was able to bankroll General Index for the first 18 months, but has raised a total of \$20m from venture funds, Chalfen Ventures and 20VC Fund (seed funding in 2021, followed by series A raise in 2024). With a team of 50 and revenues in single figure millions of dollars, he admits breakeven is still one to two years away – but only because the business continues to invest in new pricing products (each takes a year to create, and then another year to build a trading history).

Bradford points to the deal General Index agreed last year with Bloomberg as evidence of real success. Under the agreement, the 370,000 users of the Bloomberg terminal have access to 400 live spot oil and refined product price assessments. Overall, General Index currently has 4,100 commodity prices, two-thirds of which are around fossil fuels with the remainder energy transition. GX integrates price information from 225 data partners globally.

Yet critics argue that commodities are not financial instruments that can be reduced to data points. Each cargo of crude oil and each shipment of lithium carbonate possesses unique characteristics that affect its value. Markets often incorporate non-quantitative factors that algorithms struggle to capture – a brewing conflict in a producing region, for instance, or a change in Chinese export policies.

Benchmark Mineral Intelligence exemplifies the alternative approach.

Price Reporting Agencies

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Founded in 2014 by former Fastmarkets executive, Simon Moores, the company has established itself as the authoritative source for prices in battery materials and critical minerals – markets that barely existed a decade ago. Its rise has been meteoric: from a small consultancy, it has become the reference point for materials underpinning the energy transition.

Rather than relying primarily on automated data collection, Benchmark deploys specialist analysts who combine transaction data with on-the-ground intelligence. They visit mines in Argentina’s lithium triangle, refineries in China’s Jiangxi province and battery gigafactories across three continents. This approach is labour-intensive but particularly valuable in emerging or opaque markets where reliable transaction data is scarce.

When Chile’s government designs its new lithium policy or Tesla negotiates supply contracts, they reach for Benchmark’s data. In markets like lithium, cobalt and graphite – where quality specifications vary enormously and supply chains remain complex – such expert analysis commands a premium. Benchmark’s success highlights a fundamental truth: in some markets, data alone is insufficient without contextual understanding.

Benchmark’s success over the past decade has largely gone under the radar but was brought sharply into focus in November 2023 when it announced the specialist technology PE fund Spectrum Equity had bought a 20% stake in the business, valuing the company at “up to \$500mn”.

Benchmark says it spent four years finding the right PE fit and Moores sees Spectrum as a true minority equity partner. “The Spectrum deal, arguably, made Benchmark the most valuable pound-for-pound business in the PRA and commodity publishing world. If anyone doubted what we do and how we do it – mainly our competitors – those doubts evaporated in that moment!”

The Spectrum deal was quickly followed by Benchmark’s \$50mn acquisition of one of its peers, Rho Motion, in June last year. The deal expanded its market coverage by providing downstream visibility of electric vehicles (EV),

Price Reporting Agencies

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powertrain technology, energy storage systems (ESS), rare earth permanent magnets, EV charging ecosystems, semiconductors and renewable energy. The combined organisation employs around 200 people and is estimated by Flashes & Flames to have sales of some £45mn in 2025.

SnapShot Benchmark Mineral Intelligence					
£mn	2025*	2024*	2023	2022	2021
Rev	45.0	33.0	16.4	12.9	5.1
Ebitda	12.0	8.0	0.8	3.4	0.3
Margin	27%	24%	5%	26%	20%
People	200	140	89	35	17

*Flashes & Flames estimates

The contrasting approaches of General Index and Benchmark reflect deeper questions about price formation. Is a commodity’s “true” price best determined by averaging verifiable transactions, as General Index suggests? Or does it require expert judgment to interpret limited data points in proper context, as Benchmark argues? The question has more than philosophical importance; billions in contract settlements hinge on the answer.

In practice, the two models are beginning to converge.

Data-centric PRAs are hiring more specialist analysts, while traditionally expert-focused firms are investing in sophisticated data tools. The ideal approach likely combines both—robust data collection with expert interpretation.

This convergence is hardly surprising. Commodity markets themselves operate at the intersection of data and judgment. A copper trader might

Price Reporting Agencies

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analyse thousands of data points before making a decision but will ultimately rely on experience and market knowledge when executing trades. Similarly, the most successful PRAs will harness both algorithms and expertise.

For investors, PRAs represent rare businesses that combine defensible market positions with exposure to growth in global commodity trade. As the energy transition accelerates, demand for new benchmarks in battery materials, carbon credits and recycled commodities will only increase. Meanwhile, traditional commodities face unprecedented volatility as supply chains reconfigure and geopolitical tensions rise.

All of which explains why everyone wants to own a PRA.

These unassuming arbiters of price have become indispensable to global commerce—and extraordinarily valuable businesses as a result. Whether powered by algorithms or expert analysts, their essential function remains the same: bringing transparency to markets that would otherwise remain opaque.

In an uncertain world, the ability to answer the seemingly simple question “what’s the price?” has never been more valuable.

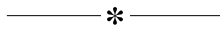
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NEXT

Financial Times

How FT became an events leader

By COLIN MORRISON



LIVE EVENTS ARE HOT DIVERSIFICATION FOR MEDIA COMPANIES. AXEL Springer's US-based Business Insider tried to soften the blow of its recent 21% redundancies by announcing the expansion of events, the three-year-old (profitable) Semafor global news strategy has been 50% funded by events, and even the subscriptions-rich Economist generates an estimated 10% of revenue from its 130 events. Axios and Bloomberg are claiming double-digit events revenue growth and Digiday (itself an events-led business) has reported that 70% of publishers now have at least some events revenue – 50% up in the past year. The would-be buyers of the UK's Telegraph Media Group chose to emphasise events as being among their expansion targets.

Unsurprisingly, it's a growth market also for the Financial Times which this year paid an estimated £80m (4x revenue) to acquire Invisso, the former Euromoney-owned portfolio of events for the structured finance, bond and private credit markets. Its FT Live subsidiary is believed now to have annualised revenue of some £60mn – doubled in the past three years.

The FT may be the first legacy daily news brand to generate more than 10% of its revenue from events.

FT Live is organiser of 300 events, including: Commodities Summit, Global Banking Summit, Global ABS, ABS East, The Covered Bond Congress, The Central & Eastern European Forum, The Global Borrowers and Bond Investors Forum, Future of the Car, The Global Boardroom, Hydrogen Summit, Women in Business, and the FT Weekend Festivals in London and Washington DC. It also organises highly-profitable, one-hour webinars on

behalf of sponsors (some of which are said to pay £40k+ for the privilege). Separately, the FT's TNW ("the next web") annual conference and exhibition in Amsterdam attracts some 10,000 delegates and 200 exhibitors, a 17-year-old mecca for European startups and investors.

The Invisso acquisition may be significant because it has provided two of FT Live's five largest events and has tipped the clear majority of revenue to 'owned' rather than the sponsored, agency-like events that have provided much of the growth in recent years.

Interestingly, the FT Live managing director Orson Francescone (who joined in 2019) is a former Euromoney executive. But the real significance of the deal is that FT Live – now with some 300 events, principally in the US, EU and UK (in that order) – now has about the same revenue as the former Euromoney generated from all its events in 2021. Arguably, the FT has filled the gap left by the breakup of Euromoney, which had been a global pioneer of large-scale, sponsor-fuelled B2B conferences.

FT Live is now believed to be considering the development of complementary digital content "products" in joint venture relationships with FT Specialist with which it already collaborates on events.

Significantly, these two Financial Times divisions may now account for about £140mn or 30% of the group's £500mn revenue and, presumably, EBITDA margins of some 20%. The FT's Longitude Research (£10mn revenue) and Strategies consultancy (biggest client: Google) may take this diversification total to some 35% of group revenue. These 'ancillary' businesses will, inevitably, account for more than 100% of the total profit of a group whose operating margin is a mere 6%.

Next month, Jon Slade succeeds the 19-year CEO John Ridding. As chief operating officer, Slade's direct responsibilities have included FT Specialist and FT Strategies. Can we expect further non-news acquisitions as the group seeks to grow profits and diversify further from the distinctive salmon-pink newspaper?

Financial Times

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Critically, Nikkei's acquisition of the FT – for £844mn in 2015 – was still 28x operating profit eight years later. The real hope of increasing the payback (after a decade) depends on the continued growth of the FT's Live, Specialist and Strategies subsidiaries. More M&A in 2026?

SnapShot Financial Times				
£mn	2023	2022	2021	2020
Revenue	510	460	440	370
Op profit	30	29	31	(21)
Margin	6%	6%	7%	—
Paid readers mn	1.3	1.2	1.1	1.1
People	2,900	2,669	2,296	2,182

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NEXT

The Independent

13 JUNE 2025

How UK's Indy was digitally transformed in 10 years

By COLIN MORRISON

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TEN YEARS AGO, LORD (EVGENY) LEBEDEV'S DREAMS OF OWNING A successful UK media group seemed to be crashing when he announced that his newspaper The Independent (popularly known as The Indy) was going all-digital. It seemed to signal the eventual end for the then 39-year-old national daily which had peaked at 428k copy sales. In 2015, sales were said to have fallen to just 30k.

The decision to cease printing had come six years after Lebedev's bold move to switch the London Evening Standard to free circulation. That move had magically seemed to turn the evening paper profitable for the first time in years. But it didn't last and the turnaround, ultimately, didn't work. In the 14 years since, the Standard has lost more than £130mn. What was once the flagship of the Lebedev media group has now become a mere tabloid weekly. Its become another lacklustre media project alongside the owner's London Live TV which was sold in 2024 after 11 years.

The media losses have punctuated Lebedev's personal challenges.

He has battled the controversy of friendships with former UK prime minister Boris Johnson (who made him a member of the parliamentary House of Lords, complete with title) and a Saudi Arabian investor and for his links with Russia (home of his father and onetime investor in the UK media group), especially following the invasion of Ukraine in 2022. His chosen title of "Lord Lebedev of Hampton and Siberia" (and his dual Russian and UK nationality) may not have not helped.



Lebedev: Real success but not quite the media empire he wanted

Despite asserting his Britishness, Lebedev's media ambitions have been splashed by the UK government's sharply reduced tolerance of Russian citizens and investments. In 2009, Evgeny Lebedev's father (commonly described as a former KGB agent whose son was educated in the UK while he was based in Russia's London embassy) acquired a majority share in the Evening Standard. Russian industrialist Roman Abramovich had already become the celebrated owner of Chelsea premier league soccer-football club, and many other Russia-born business people lived and invested in London. But almost everything changed with the Ukraine invasion and sanctions (in the UK and elsewhere) against Russia, its citizens and their money.

In the intervening years, most of the Lebedev family's media ambitions have foundered. In the last six years, the holding company for the (Evening) Standard and London Live has suffered aggregate losses of more than £80mn. But there has been one substantial success: the all-digital Independent.

In the past 10 years, it has become, arguably, the world's most successful print-to-digital transformation of a daily news brand, a standout in the Lebedev media portfolio. It has been a stunning 10 years.

The Independent

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It is believed that the 2024 financials of Independent Digital News & Media – due to be released shortly – will confirm that revenue matched the £53mn achieved in the final year of printing its newspaper. But, whereas in 2015, the company made EBITDA losses of £4mn, the same revenue will have produced a profit of £4mn in 2024.

The results will show that Independent revenue has increased steadily – by 29% since 2021 – and has been profitable ever since going all-digital in 2016, despite consistently growing the headcount. But the financials will also show how the once exclusively UK news brand has become increasingly international, with the US now accounting for 25% of revenue. The Independent, whose c22mn monthly uniques make it one of the UK's four leading digital news brands, is also a top 50 news site in the US.

SnapShot Independent Digital News & Media					
£mn	2024	2023	2022	2021	2015
Rev	53	46	46	41	53
UK	65%	70%	63%	57%	100%
N.Am	25%	18%	19%	19%	—
RoW	10%	12%	18%	24%	—
Ebitda	4	4	2	6	(4)
Margin	8%	9%	5%	14%	—
People	345	299	304	244	314

The US performance is especially striking at a time when UK national daily news brands are dreaming of transatlantic expansion. RedBird Capital, the

(presumably) soon-to-be US owner of Telegraph Media Group, is just the latest to highlight its apparent opportunities in the largest English-speaking market. You can sense just how significant this strategy is to the RedBird plan to monetise its £500mn investment.

The sheer scale of the acquisition seems to justify a major Telegraph splash in the US. But the Independent's steady growth shows, not for the first time in the era of digital news, that a careful strategy can be more important than a big budget.

Independent's secondary shareholders include Saudi investor Sultan Muhammad Abuljadayel, who bought a 30% share in 2017. Lebedev himself now owns 41% with UK director Justin Byam Shaw on 26%

In view of the lossmaking Lebedev media investments elsewhere, it is ironic that the quiet success of The Independent has been self-funded. It is assumed that investment in geographical expansion has depressed profits and that the underlying EBITDA margin may be something like 12%. If so, the Independent could have produced some 40% (£6mn) additional profit in the last four years.

Aside from ensuring a consistent surplus – a distinctive achievement in itself in the international news market – the strategy implemented by CEO Christian Broughton and chair John Paton is now delivering diversified revenues and growing profitability, including:

US: In 2023, former CEO Zach Leonard moved to the US to lead the expansion which included poaching the Daily Mail's US editor for a similar role. Its ex-UK editorial team has now doubled since 2018, primarily in the US. But, although the US accounts for 25% of revenue (targeting 30% in 2026) it is just 20% of the total headcount. In September 2024, Comscore data showed the Independent had 41mn unique visitors, ahead of both The Guardian and the Daily Mail. The monthly scores fluctuate, of course, but the stats show just how serious a competitor the Independent has become for the two British news brands that have long been most prominent in the US.

Studio: The podcast/video production division accounted for some £6mn revenue (more than 10% of the total) in 2024 and is said to be growing this year by more than 50%. It is believed this audio-video activity might generate some £12mn in 2025 (at least 20% of the total). Continuing growth like that could make it a game changer for the company's valuation.

Independent TV: a dedicated online video channel launched in December 2020, saw revenue growth of 30% year-on-year in 2023 and hit a milestone of 100 million views per month on The Independent's website (excluding other platforms). In 2023, TV revenue had increased by 30% due to growth in iuts documentaries.

The relatively low-cost strategy of Independent Digital News & Media might be instructive for the new Telegraph owners, even though they will want to be bigger and bolder. Given the political differences, you can certainly also bet against a Telegraph acquisition of Lebedev's most successful media venture.

Of the other UK operators which might envy the Independent performance, could The Guardian (itself with c£40mn of all-digital US revenue) be interested in consolidation? Maybe its recent troubled divestment of the Observer Sunday newspaper would squash the mere idea. But the UK's largest newspaper group, Reach Plc – which is chasing transatlantic revenue with its Express and Mirror news brands – might relish the opportunity of acquiring an all-digital news business with so much US and international potential. An acquisition of, perhaps, £60-70mn could help to shift Reach's revenue profile away from its UK-based, no-growth legacy print to a much more global, digital and audio-video brand with plenty of growth potential.

The Indy's award this week as the UK's 'Best Digital Publishing Company' might just make them think.

Perhaps even the mighty Axel Springer (publisher of Politico, Business Insider and Morning Brew as well as its dominant German news brands) might be interested. CEO Mathias Döpfner told the London Sunday Times this week

The Independent

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that “The likelihood that we are going to make acquisitions is very high.” But maybe Evgeny Lebedev is not yet tired of being a media owner and is, instead, celebrating one of the least understood successes in UK media. Just watch.

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NEXT

1440 Media

13 JUNE 2025

What 1440 means to all media

By COLIN MORRISON

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IT'S A NEVER-ENDING CHALLENGE FOR ESTABLISHED NEWS MEDIA, SEEKING TO compete with disrupters while defending their still-profitable traditional brands. The growth of daily newsletters has been a challenge for newspaper-centric brands many of which use the inbox channel to promote – rather than compete with – their legacy news.

The battle continues – and it's not all about AI.

In the US, the milestones of news media disruption have, arguably, been the \$525mn (5x revenue) sale of the now nine-year-old Axios which had been profitable since Year 2. The acquisition by Cox Enterprises was in 2022, the launch year of Semafor which also became profitable in Year 2, courtesy of an B2B-like events strategy which might now be generating 50% of its estimated \$20mn revenue.

To this list, we must add the eight-year-old (and still under-recognised) 1440 Media which has built an audience of some 4.5mn (95% in North America) and an estimated \$25mn revenue and maybe \$10mn EBITDA. Wow.

Axios, Semafor and 1440 share a characteristic which, arguably, poses a yet steeper challenge to traditional news providers taking sides in the growing culture wars of politics: they are rigorously non-partisan, unbiased and are also committed to what Axios has trademarked as “smart brevity”. They're almost the polar opposite of many daily news brands.

1440 is even more different.

1440 Media

CONTINUED

It contains no original reporting. Who said aggregation was dead? Its claim to provide coverage that’s “an inch deep and a mile wide” also seems counter-intuitive in a world of specialist media success. You know what we all say about “the riches are in the niches”?

Instead, 1440 offers “news without motives, edited to be as unbiased as humanly possibly”. Its Daily Digest email tells readers everything they need to know by selecting the most important stories of the day, summarising them and linking through to publisher sources.

The audience (said to be growing at about 1mn free subscribers per year) is fairly evenly split between genders and political views. That’s something else that is counter-intuitive because you might have assumed that 1440 was targeting those who, say, opposed Trump politics in an era of increasing polarisation.

But almost everything about 1440 is surprising – right from the fact that it’s led by someone without any kind of media background.

Named after the number of minutes in 24 hours and also the date of the first printing press, 1440 Media was co-founded by former political adviser and private equity fund manager Tim Huelskamp, with editor-in-chief Andrew Steigerwald. He raised “a small amount of capital, via equity and debt” for the Chicago-based startup that is majority-owned by the founders and employees. It’s a lean and focused operation with a team of just 20 generating a revenue more than \$1mn per person. It hasn’t needed to raise any money since launch.

The inspiration for 1440 was Huelskamp’s personal desire for unbiased news: “1440 operates on the premise that profitable news doesn’t have to be polarizing, nor does it require lengthy engagement to achieve scalability. This guiding principle drives our unwavering commitment to honesty, objectivity, and transparency across all our practices. We have successfully cut through the noise to deliver a top-tier offering that resonates with individuals from diverse backgrounds, all done by delivering a high-quality daily newsletter

1440 Media

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that is concise, accessible, and easily digestible in under five minutes. What sets 1440 apart is its commitment to providing an impartial view of global events, catering to a diverse readership.”



Huelskamp: “News doesn’t have to be polarising”

He told the MediaVoices podcast (see below) : “We have really smart people on our editorial team that are reading the entire internet every day, and they’re looking for fascinating insights or updates on what’s happening in the Middle East, and then they’re basically summarising it. They’re saying, ‘This piece of content is the best thing we found on the internet. And you should read if you’re going to invest 10 minutes of your time learning about the topic’.”

1440 has been profitable almost since the start.

Advertisers pay only if the email is actually read — so the open rate has to be high enough to ensure the ad revenue is greater than the cost of acquiring the reader. Huelskamp says he achieves a daily open rate of about 65%. He is focused on the cost per acquisition and per click and the lifetime value of subscribers. The rigorous economics is what has made 1440 highly profitable, of course. But no less important is the simple fact that advertisers – many wanting direct-response – like what they regard as a safe place for their

brands. They advertise on a monthly, quarterly or annual basis. Monthly deals account for 50% of the revenue.

Tim Huelskamp gave Flashes & Flames his tips for would-be news providers:

1. Respect your readers' time first and foremost: People lead busy lives, and if you can get them the facts and any other information they need to live more informed lives without wasting their time, you're going to keep holding their attention.
2. Focus on quality and clarity: Prioritize delivering high-quality content that is clear, concise, and easily understandable. In a world filled with information overload, readers appreciate well-crafted news that respects their time and attention.
3. Strive for profitability and sustainability: While maintaining a focus on journalistic integrity, it is important to build a sustainable business model. Seek avenues for monetization that align with your values and audience expectations, ensuring long-term viability.
4. Continuously innovate and evolve: Stay curious and adaptable in the face of a rapidly changing media landscape. Embrace new technologies, experiment with different formats, and be open to feedback and iteration.

In October, when it announced it had exceeded 4mn free subscribers, 1440 launched its first web product – evergreen ‘explainers’ called 1440 Topics. That was the start of verticals which diversify the news service beyond the inbox, presumably, on the way also to audio and video.

The growth trajectory of 1440 Media – not to mention Axios, Semafor and others – demands the attention of legacy news publishers for their success in captivating readers and advertisers, and for building a highly cash-generative business model.

Matching these vigorously independent media providers may be a challenge for large news providers with such a lot still to lose. But Industry Dive and SmartBrief, in the US, and the UK's much newer Trending Now are a potent

1440 Media

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reminder of how B2B verticals (and, perhaps, some specialist consumer audiences too) are also potentially receptive to the 1440 quick-fire approach to daily reading habits.

AI has plenty of opportunities and threats for legacy media, but there are others too.

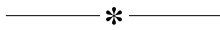
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NEXT

The Economist

Why The Economist is a role model

By COLIN MORRISON



THE ECONOMIST IS A DIFFERENT KIND OF WEEKLY MAGAZINE. NOT JUST because its own editors insist on calling it a “newspaper” but because it really does justify the descriptor “legendary”. Its status is born of the seemingly effortless evolution of a news brand which – for most of its 182 years – has been as much about politics, technology, business and culture as the economics it was launched to address.

The Economist is admired by many more people, princes and presidents around the world than have ever read a whole issue. Its reputation has been burnished by a liberal-ish, often contrarian viewpoint – and the critical and sarcastic tone of the (never by-lined) content. Then, there’s the distinctive use of smart puns in headlines and on incisive, eye-catching covers that, for example, greeted a return of Berlusconi with “Mama Mia, here we go again” and urged America to “Trump Donald”. It was once criticised for “peddling conventional wisdom to US professionals so impressed by its British accent and Oxbridge-style swagger”. But, in its third century, The Economist can fairly claim to be a publication of the world. It now gets twice as much revenue from North America as from either the UK or EU.

The legend has been cemented by its unchanging, trademark white-on-red logo and decades of smart advertising urging would-be readers to “Lose the ability to slip out of meetings unnoticed”- and (you might think) by its insufferable self-confidence.

Much more than that, however, is the fact – wouldn’t you know it? – that The Economist is successfully navigating the digital rapids that have wrecked

so much traditional media. Despite some previously bumpy times and erratic M&A, the publisher (which once generated 66% of its revenue from advertising) has survived the onslaught of digital platforms to become a multi-media brand and a highly successful global business – now with 66% from subscriptions.

Its financial results for the 12 months ended March 2025 are emphatic.

The Economist Group this week reported £368.5mn revenue and £48.1mn operating profit in 2024-5, both up 2%. At constant currencies, the profit would have been 11% higher. Subscription volumes were up 3% to 1.25mn, with digital subs up by 8% – and accounting for 85% of new subs in the year.

In so many ways, the current frenzy of international politics and economics plays more to the fiercely independent global journalism of The Economist even than to the quality newspapers, many of which are enjoying strong digital subscriptions growth. The Economist's financials, arguably, also reflect a more durable multi-media business model than the daily news brands which have been grabbing short-term “licensing” payments, first from Meta and Google and, now, from AI. And you won't find The Economist on cut-price, ‘all-you-can-read’ digital platforms.

Ten years after the appointment of Zanny Minton Beddoes (as only The Economist's 17th editor-in-chief) and six years since Lara Boro became CEO, the group has become a role model for legacy media everywhere, illustrated by its development, under four headings:

Strategy: Beyond the digital, multi-channel diversification which has delivered 1.25mn subscribers, 68m social media followers, 270mn app visitors and 3.5mn YouTube subscribers, The Economist Group generates 39% of its revenue (and, maybe, 50% of its profit) from B2B information and events. In a revamped management structure, Boro (ex Informa and FT) has brought together the B2B activity (30% of which is the 80-year-old Economist Intelligence Unit) under president Leon Saunders Calvert

(ex Thomson Reuters/Refinitiv). This creates obvious scope for organic growth and acquisitions in data, research, advisory, training and events for what is already one of the largest UK-based B2B companies. Its 2,000-member Economist Intelligence Corporate Network (operating in cities across Africa, Asia and the Middle East) has great prospects at a time when such executive expertise-sharing is hot. The fledgling Economist Education courses (2,000 students so far from 100 countries) is accounted as part of The Economist magazine business, under new president Luke Bradley-Jones (ex Disney/ Sky TV). But online executive education also represents an increasingly powerful B2B activity.

Innovation: The Economist's status owes much to its unchanging approach to journalism. But its 21st century success increasingly depends on a determination to have a matching authority across digital text, audio, video and live events. It produces two daily and five weekly podcast shows (100mn annual downloads), three daily and 17 weekly newsletters. Subscribers get exclusive Economist Podcasts+ and events hosted by journalists. Its video strategy began three years ago on TikTok, since when it has produced more than 250 short videos with five new ones weekly. The video output has now been viewed for 9mn minutes by subscribers. Last year, it established a video carousel on the app and website, where subscribers can access the latest content. The way in which The Economist is prepared, if necessary, to break with long-held tradition can, perhaps, be gauged by the revamped podcast version of its fusty Bartleby management column as "Boss Class", recognising the power of personality with new audiences. The fully-staffed "new media" operations and state-of-the-art studios underline the extent to which the multi-channel output is core business, not a mere ancillary to the mighty magazine brand. The introduction of Student Espresso, providing free access to high school and university students worldwide (including in AI-powered languages) is a fascinating investment in The Economist's future.

Accountability: For a private company controlled by two of Europe's biggest business families, the Agnellis and Rothschilds (albeit with the safeguards of long-established employee trusts), The Economist Group

might just be a model of accountability. In the past five years, it has reduced annual greenhouse-gas emissions by 34% (despite the growth in the whole business), some 40% of its 25% best-paid people (and 52% overall) are women, and 48% of all employees are black, Asian or diverse ethnicity. In a broader sense, The Economist Group's level of accountability to shareholders, employees and others might be measured by the detail and explanation in its 150-page annual report (produced just 10 weeks after the financial year-end). It's a level of accountability and transparency that would embarrass many listed companies with more shareholders to inform and persuade.

Financials: The Economist group's expansive investment in multi-media activity has been achieved with revenue which has increased by 21% and operating profit by 14% in the last five years – and dramatic growth in digital subscriptions. The legendary brand knows its value and has, for example, increased the US digital subs price by 70% to \$229 in the past six years. The UK cover price of the 80-page print magazine has doubled to £10. The group's 13% operating margin (high by the standards of many news brands) is marked by the fact that cashflow represents 78% of the profit. The net cash has more than doubled in the last three years and the company is now debt-free. But, if you had thought that the steady, unchanging ownership of The Economist – with its high-flying global mission and a tradition of investing in high-quality systems and people – was an easy ride for its executives, you should know that the annual dividend to its high-priced shareholders has often been 70% of net profit and is more than 90% this year, boosted by divestment proceeds.

It's a journey, of course. But The Economist Group is one high-performing media business which is shifting successfully from print to all things digital, energetically cultivating a new generation of supporters, and creating fresh opportunities for growth in a challenging world. A real role model.

SnapShot The Economist Group			
Yr to March £mn	2025	2024	2023
Revenue	368.5	359.5	367.6
Subs	66%	65%	69%
Magazine*	61%	61%	56%
B2B	39%	39%	44%
UK	20%	20%	19%
N. Am	40%	39%	40%
EU	21%	22%	22%
Op profit	48.1	47.1	42.2
Margin	13%	13%	11%
Net cash	37.7	24.8	17.6
Subs mn	1.25	1.22	1.18
People	1,540	1,581	1,641

*includes The Economist in print, digital, audio, and Economist Education

27 JUNE 2025

How social networks can propel B2B

By COLIN MORRISON

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THIRTEEN YEARS AGO, THE LAUNCH OF INDUSTRY DIVE HELPED TO REVERSE the reputation and revenue shrinkage of B2B media. The startup's fast-growing portfolio of newsletters for industry verticals showed that the niche markets, increasingly abandoned by longstanding 'trade magazines', had never gone away; the business model had changed but not the appetite of B2B professionals for information, community and inspiration.

Over the following decade, Industry Dive's founders – Sean Griffey, Ryan Willumson, and Eli Dickinson – built a brilliant post-digital version of the once so-profitable, multi-niche portfolios of B2B publishers on both sides of the Atlantic. The secret sauce was using mobile to capture booming lead gen budgets. The key ingredient for good lead generation is discovery and Griffey spotted that the smartphone had become a powerful discovery device.

They set up the company not just to own a single market but to apply the infrastructure, learnings and technology across all of them. They launched with five industries: construction, electric utility, solid waste and recycling, marketing and education. It seemed ambitious to start with so many verticals, but they wanted to prove that the model could scale across different industries. As Griffey said: "There is no magic bullet to developing an audience. First and foremost, you have to deliver something that adds value to your readers on a daily basis."

Industry Dive's success was crowned by Informa's 2022 acquisition for a cool \$500mn. Email newsletters – already hot for consumers – were becoming big business almost everywhere. By then, Substack – which itself had launched

in 2017 – was becoming a flagship of the newsletter economy which has since changed the face of so much media in B2C and B2B.

There's enough of a connection between Industry Dive and Substack, of course. But the ancestry of a four-year-old Austin, Texas-based company can be traced not only to these two dissimilar newsletter platforms but also – surprise – to Tripadvisor, the \$2bn travel review site which this year celebrates its 25th anniversary.

Enter Adam Ryan and Becca Sherman, former colleagues at The Hustle.

They're co-founders of Workweek, an all-in-one platform which aims to give writers, industry experts and creators support—salary and benefits—so they can focus on what they do best: it offers together the freedom of Substack and the job security of Industry Dive.



Ryan and Sherman: inspired by Industry Dive and...

Workweek hosts a community of commentators on B2B verticals, writing newsletters covering eight industries including HR, healthcare, fintech and marketing. They're said to reach 200,000 (mostly non-paying) subscribers with content and – now you will get the TripAdvisor link – online peer-to-peer

communities where professionals can share ideas. Most of the revenue is advertising, sponsorship and lead gen for the newsletters and podcasts.

CEO Ryan is keen to compare the monetisation of this verified audience (think controlled circulation in the B2B media past) with how Industry Dive developed. But – for all the standardisation of platform and management approach – Workweek’s output is deliberately more individual. So, click on HR Leader and your main reading is I Hate It Here – ” a safe space for jaded, overworked and emotionally burned out HR people”. Healthcare participants are wooed by Hospitalogy (an appropriately more serious approach to “expert analysis on healthcare M& and strategy”. And content marketers are regaled with Contentment “about how to produce scalable content that doesn’t burn you – or your team – out”. Nobody is pushing the Workweek brand.

You can sense the empathy of industry experts helping to cultivate not just communities of readers but also of people wanting to connect with their peers in order to become better at their jobs and managing their careers.

In a reflection of the world of Tripadvisor recommendations, references and referrals and also the networking of organisations like World50, Vistage and Gartner’s C-level communities, Workweek claims to be addressing the need for people to be more connected at a time of decentralised teams, WFH, endless Zoom meetings and some sense of professional isolation.

Ryan makes the point: “Workweek is a lot of fixing of the scars of my past workplaces. I started my career at Spiceworks, which was a professional community for IT. It was later acquired by Ziff Davis and was incredible. It had an orange dinosaur as a mascot which had people questioning things but that’s how IT people related. We didn’t make ads with suits. We put them in Star Wars shirts. I fell in love with this kind of authenticity: you can have people that make, literally, eight-figure purchases of software and hardware, and they still are nerdy Star Wars fans. And speaking to them in that way really resonated. In the end, they raised way too much capital and there’s other issues from which I learned. But it was there that I fell in love with niche B2B.”

Amid a typically bumpy entrepreneur's journey, Ryan spent four years at Sam Parr's The Hustle newsletter startup (leaving before the \$27mn sale to Hubspot in 2021). Today, some one-third (9) of The Hustle's former team are now at Workweek, the company built to address what he sees as a yawning gap in many B2B verticals: "Everybody really appreciates the news, and that plays an important role. But to do their job day-to-day, there's no better way to learn the good and the bad than to talk to people who do that job themselves. When I started, I would ask people 'Well, who's the smartest person you've ever met with? Tell me who they are. I want to go talk to them'. And I'd email that person and say 'why don't you have a podcast? Why don't you have a newsletter?' It's what I call the 'knowledge expert paradox'. All the really smart people who've done the job for 20 years rarely have the time and the financial motivation to ever share that expertise. So, we have created those opportunities and a business model where these folks can become by far the highest paid people in the company. I really took inspiration from what sports has done with TV. They sign these athletes for an insane amount of money, and it doesn't make sense. But, then, when you look at the ratings and you look at why it works, it does work. People want to hear from them. And because of that, we were able to sign-up these folks."

Workweek is expected to have revenue this year of some \$17-18mn, with the strongest results coming from HR and healthcare. The stated objective is to get all of the verticals to \$10mn. But the chances are that some will not make it and will be replaced, for example, by one for Chief Financial Officers (believed to be on the shortlist of next launches). The company knows how to cut its losses and closed no fewer than eight of its verticals in the 2023 downturn. This next 1-2 years might become similarly challenging times for Workweek as it pushes towards profitability.

The company has raised some \$14mn in funding (most of it in 2024) and the co-founders are believed to hold 50% of the equity, whose total valuation is probably some \$70mn. You don't have to consider the still-lossmaking Substack, whose latest funding round risks heavy dilution for its founding shareholders. But, during 2026-7, Workweek may just reach the very point at

which – having proved the basic viability of the business model – the startup needs to start generating real returns. That might still mean some shuffling of the verticals – as well as the addition of events which could help to diversify revenues but and also enhance the company’s valuation.

Although some Workweek subscribers pay \$300-500 annually for membership. Ryan himself seems ambivalent about subscriptions revenue. Although anyone can signup for the newsletter, they must qualify to join the community. To date, he says only some 50% of applicants have been accepted as members of the communities. The slightly confusing strategy might just be fuelled by the success of the two companies the founder most admires: Industry Dive (without reader-member revenues) and Doximity whose 15 years as a soaring digital platform for medical professionals is wholly propelled by recurring revenues.

Ryan is advised by Industry Dive co-founder Ryan Willumson. But he identifies, as his primary inspiration, the US listed Doximity, whose co-founder and ex clinical publisher Jeff Tangney is still CEO.

It’s a carefully chosen role model because the \$11bn company provides its verified clinical membership with digital tools enabling them to collaborate with colleagues, stay up-to-date with the latest medical news and research, manage their careers and conduct virtual patient visits. Doximity’s mission is “to help doctors be more productive so they can provide better healthcare for their patients” and its network now includes more than 80% of US physicians and 90% of all medical graduates. The platform – which has a quarterly audience of more than 600k “active providers – owes its brand to its creation of “proximity within our community of doctors and medical professionals”.

What is sometimes described as “LinkedIn for doctors” had been created by combining hundreds of medical databases and journals onto a single platform. Doximity immediately had detailed background and professional information on nearly every physician in the US. It enabled doctors to find any doctor, regardless of whether they had signed up for Doximity. The result was that,

within two years of launch, it had become one of the largest networks of US healthcare professions – and it has just continued to grow.

The 2025 financials show that revenue and EBITDA have increased 5x and 12x respectively since 2020. Doximity has, incidentally, beaten revenue and profit forecasts for the past 16 quarters. Its revenue (95% of which is recurring and described as ‘subscriptions’) comes mainly from pharma companies. It has increased by 36% to \$570mn in the last two years. The results emphasise Doximity’s consistent ability to grow profitably (something relatively uncommon in US healthcare IT) and its market dominance:

SnapShot Doximity Inc			
Yr to March \$mn	2025	2024	2023
Revenue	570	475	419
EBITDA	314	230	184
Margin	55%	48%	44%
People	830	827	977

The stunning story continues. Doximity, whose share price has more than doubled in the past year, is forecasting a 10% increase both in revenue and profit for 2025-26.

Its cloud-based platform is free to join for US medical professionals who (once verified) gain access to the network, newsfeed and – depending on their credentials – the workflow tools, including the voice and video telehealth product. This enables Doximity to sell marketing services to subscribing pharmaceutical companies which purchase programs on a brand-by-brand basis. It also offers hiring solutions to subscribing health systems and medical recruiters.

The number of pharma companies paying at least \$500k (yes) has grown steadily in recent years. Last year, some 116 of these customers accounted for 84% of the total revenue. This was 43% more premium accounts than in 2023.

Healthcare is, arguably, a market unlike any other. But the Doximity financials might be all the proof you need of the possibility of creating new services, even in a long-established profession, seemingly well-served by a myriad of information companies.

At a time when the potential challenges of AI, inevitably, reinforce the focus on proprietary information, Workweek is reminder of the importance of ‘relationships’ in the whole process. Lest we forget, it is the quality of relationships that generate the intelligence and insights that help Price Reporting Agencies, for example, to build some of the most valuable data of all. Human inter-action helps to create what we might describe as “proprietary relationships”.

Let me explain.

One of the underlying social media trends continues to be the way that consumers everywhere value personal recommendations – even when they may know little about the people making those referrals. While that might explain the success of so many online “influencers”, it is obvious that most people will attach yet more importance to the testimony of those they either know or can identify with.

Nowhere is this search for informed objectivity potentially more valuable than in B2B. Arguably, the growth of the web which, after all, has internationalised many previously domestic companies, has also enabled business people to look further afield for knowledge, insights – and recommendations. That’s been the propulsion for those international executive networks, essentially the 21st century version of trade associations.

These relationships can help to cement strong communities for information providers. The ‘User Generated Content’ (which once seemed the province

only of consumers on Facebook et al) can hugely enhance the quality of information and can even become more valuable than the information itself. One of our own favourite examples of a – still relatively small – business which has created a powerful global network is SelectScience.

The UK-based company has variously described itself as the “TripAdvisor of science” (yes) and now promotes its role as “the fastest way to expert opinion”. That neatly summarises how its careful curation of reader-users opinions on laboratory equipment and applications provides scientist users with “the power of peer-to-peer recommendations”. To say that SelectScience has a wealth of freely provided and verified first-hand “evidence” is only the half of it. The users also rejoice in being active members of a worldwide community. Imagine how effective that is for the companies which pay SelectScience in order research, promote or sell their products and services. Just like Doximity.

B2B media and events providers, which are wondering how to combat any kind of AI-propelled commoditisation of information, should follow Doximity, Workweek, SelectScience (and others too) in building relationships and communities with those who know their sectors best. The professional isolation and craving for a sense of belonging can be gold for information providers.

What are you waiting for?

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NEXT

Felix Dennis

3 JULY 2025

The crowded legacy of Felix Dennis

By COLIN MORRISON

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IT'S 11 YEARS SINCE THE PREMATURE DEATH OF FELIX DENNIS, ONE OF THE world's most successful entrepreneurs in the heyday of magazines. The boistrous publisher, who made a billion dollars on both sides of the Atlantic, once boasted of having spent £100mn on 'sex, drugs and rock n roll'. His legacy is marked by major media milestones. It's 40 years since the launch of Mac User, 30 years since Maxim and 25 years since he made his first fortune with MicroWarehouse. It's also 30 years since the launch of The Week which he rescued soon after launch and – typically – made a winner in the US and UK.

Dennis' success surprised many Brits, not least the sneering high court judge who had described him as “very much less intelligent” than his co-defendants in an obscenity trial over the short-lived Oz magazine. The insult rankled and he mentioned it frequently over the years. Perhaps it fed his own self-image and determination as a perpetual under-dog alongside a tough childhood with a single parent mother. It gave him an insatiable demand for comfort, extravagance and security. That may have been the source of his entrepreneurial drive. Certainly, education didn't do much for him.

He had left art college in London to be a not-so-hot drummer in rock bands. It was the end of the 1960s and he moved from job to job, dressing shop windows, cutting grass and eventually graduating (as a high school drop-out) from a street seller to becoming co-editor of the edgy, satirical magazine Oz, which had been transplanted from Australia by Richard Neville. He was jailed along with his two colleagues after the infamous obscenity trial over the magazine's Schoolkids' Issue. The three were freed on appeal in 1971, a replay of Neville's experience in Australia eight years previously.

Felix Dennis

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Two years later, Dennis launched Kung Fu Monthly. The new poster-magazine (pin it on the wall after reading) had a budget of just £50. He need not have worried: profits reached £60k within six months as the fledgling Dennis Publishing racked up 14 international licenses – including a Cantonese edition in Hong Kong. The new company followed up with fan titles for Star Wars and ET movies. The search for more durable magazines led to the acquisition and launch of young men’s hobby magazines in bikes, cars, music, computer games and gadgets. He was looking everywhere and listening to anyone who had a magazine idea. In 1978, he struck gold with Personal Computer World (PCW), the UK’s first ‘microcomputer’ magazine.

It had been launched by a Croatia-born newsagent. PCW’s first issue cover model was the NASCOM-1, a long-forgotten British home computer kit costing £197.50. Dennis paid the grateful retailer £100k for PCW and then flipped the booming magazine to Dutch publisher VNU the following year for a cool £3mn. His new company was up and running.

That was the start of a pattern for Felix Dennis of being early into markets, forming productive partnerships, being focused on what readers most wanted, always passionate but never slow to sell a much-loved asset if the price was right. Another part of the pattern was a relentless enthusiasm for the American market, graveyard of many another UK company. Dennis’ success across the Atlantic started with Kung Fu Monthly when he teamed up with New York-based Peter Godfrey and Robert Bartner, introduced by longtime friend and Time Out founder Tony Elliott. In 1985, Dennis launched Mac User – just 21 months after the world was introduced to the Apple Macintosh computer. Within three years, Dennis had sold the magazine’s US and worldwide rights to Ziff Davis for a cool \$23mn.

In 1987, just as Felix Dennis gratefully banked Bill Ziff’s cheque, he and his American partners launched MicroWarehouse which rapidly became the world’s leading direct mail catalogue retailer of IT products and services to business. At the height of its dominance in a pre-internet, computer-frenzied world, MicroWarehouse had 3,500 employees in 13 different countries.

Felix Dennis

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By 2000, it had worldwide sales of \$2.6bn. But, by then, the publisher and his partners had cashed in on a successful Nasdaq flotation, making him at least \$100mn richer.

Meanwhile, he had continued his Anglo-American strategy by launching his own Computer Shopper in 1988 (same name, same formula as Ziff Davis's winning US monthly). Ouch. By the 1990s, the UK magazine was selling over 120,000 copies and regularly publishing issues of more than 500 pages, the majority of them ads (arguably, what the readers most wanted).

For his next trick, Dennis jumped into the men's magazine market. It already seems difficult to believe exactly what happened for the brief, shining moment (well, 10 years, then) when men's monthly magazine profits dwarfed most others – and then all but vanished. It all started in the UK.

First came Loaded which roared into life from IPC in 1994 and leapt to sales of 450,000. Hot on its heels came EMAP's relaunch of FHM whose UK sales reached almost 50% higher and then added 31 editions around the world. And, in 1995, along came Maxim, Dennis's clever international brand, no.3 in the UK but which scored biggest in the US and, within 10 years, had a combined 3.8mn circulation through international editions in 19 countries. By 2007, when the men's market was in sharp decline, Felix Dennis sold his US magazines (Maxim, Blender and Stuff) to private equity firm Quadrangle for a reputed \$300mn.

By then, he was already on his way to a new publishing fortune, courtesy of a brilliant weekly.

The Week once had many claims to be the world's most successful magazine. This clever, well-written news digest ("All You Need to Know About Everything That Matters") was launched in the UK by a former Daily Telegraph newspaper editor in 1995. Dennis was an early investor and subsequently bought the under-funded magazine outright. Another great deal. Although its record UK sales of some 190k are in the past, it is only

Felix Dennis

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four years since Future paid £300mn for it with the rest of the former Dennis portfolio.



Felix Dennis: always in a hurry

Dennis built a fortune (he was said to be one of the UK's 100 wealthiest people) by flipping media business backwards and forwards across the Atlantic when publishers as diverse as Richard Desmond (founder of OK! Magazine) and EMAP could warn you of the perils of even trying to be that clever. He had taken on challenges that initially looked at least dubious (Auto Express which had failed when he bought the licence from Axel Springer, and of course, The Week itself). And, for an ageing hippy, he succeeded in motivating a painfully young team even while looking after long-term partners, friends and employees.

But that is only part of the story.

In case you had missed it, this publisher-above-publishers wrote some powerful and evocative poetry which he had performed with actors from the

Felix Dennis

CONTINUED

Royal Shakespeare Company, throughout the UK; and also coast-to-coast in the US. And, in 2006, he wrote a bestseller “How to Get Rich” which, among much else, described his crack cocaine addiction (and the abrupt ending of it) and the admission that he had spent over \$100m on drink, drugs and women.

Then there is his forest and another 30th anniversary. Dennis began planting trees in 1995 and cemented his passion for British forestry by setting up a charity dedicated to planting a substantial native broadleaf forest (mostly oak and ash trees) around his home in Warwickshire, in the English midlands. Between his former country estate and his Heart of England Forest, some 2mn trees have so far been planted on more than 7,000 acres of woodland.

Almost exactly 11 years after his death, we can see that the business success of Felix Dennis was born of his high tolerance for risk, and his ability to attract and motivate people who had something to prove to themselves. He was brave, bold, competitive – and also lucky. One former colleague says: “He was a voracious reader, people watcher (his first major success was inspired by watching a long line of fans queuing to see a Bruce Lee movie) and he listened to a surprising amount – given how much he liked to talk. He allied this with a razor sharp intelligence; in the heyday of magazines, that and his appetite for risk gave him the opportunity to launch quickly and capture a trend. His bravery and success in launching Maxim in the US was probably the pinnacle of this combination.”

Part of the Dennis drive came from the speed with which he lived his life and managed his business. He was in a hurry and always presumed he would die young. He had a voracious appetite for life and his hedonistic lifestyle filled the newspaper columns. But his impressive discipline enabled him to complete so many things.

He wanted to be seen as a maverick and was described by one friend as “A happy pirate”. But – despite his sometimes wild spending on drugs, sex, fine wine, and luxury cars – he was fairly conservative in his business. He gave his word and honoured it. He identified and nursed talent by encouraging a ‘do

Felix Dennis

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it now' attitude. He was kind, generous and loyal but would never 'share' the risks of the business – because he did not want to share the return either. He simply did not want to be hostage to anyone and believed that ownership was everything. He was always his own boss.

Perhaps surprisingly, his people skills were superb – despite the loudness and language. He had never attended a single training course but could 'read' people and a room perfectly. As a result, he was a great motivator and his 'fire and brimstone' approach was seen by many as refreshingly honest and straightforward. But he could be impatient. He was always keen on doing something now and his hunger for action sometimes strained the finances of his companies over the years. He could drive his accountants mad. Deep down, though, he knew the limits and never gambled with the survival of his business.

But, much as he loved his magazines, they were always the means to an end, not the end itself. That's why he sold even some of his best brands when offered what he thought were crazy prices. Everything was for sale at the right price. Like many another loud entrepreneur, however much he was talking, shouting and laughing, Felix Dennis was always listening.

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NEXT

Hearst

18 JULY 2025

How Hearst will change

By COLIN MORRISON

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A +E GLOBAL MEDIA – THE 40-YEAR-OLD US TV NETWORK OF LIFETIME, History Channel, Biography and Vice TV – is being put up for sale by its owners Hearst and Disney. In a reflection of the way that streaming has slashed the profitability of US cable TV, A+E is widely believed to have revenue of some \$600mn – compared with \$1.4bn just five years ago. It may, therefore, fetch only \$3-4bn – less than 20% of its \$20bn value when NBCUniversal sold its 15% stake in 2012. That was the year of Netflix’s international launch whose success has, ultimately, prompted not just the sale of A+E but also the cable TV operations of Comcast and Warner Bros Discovery. They’re all rushing for the exit.

The A+E auction is not a game-changer for Hearst whose TV profits have long been buoyed by its 20% share in another Disney business, the ESPN sports network – which is not being sold. The future success of ESPN may, however, rest on its new ESPN+ streaming service (and reduced dependence on cable TV subscriptions). Last year, Hearst’s ESPN shareholding was estimated to account for \$480mn of operating profit – a 3x increase since 2000.

Hearst’s 25 wholly-owned local stations are believed to have had \$3.5bn revenue in 2024. Its cable and broadcast TV – including the Disney-related shareholdings – are estimated (still) to account for a majority of Hearst’s total profit, if not of revenue.

But that’s only half the story of what is, arguably, the world’s oldest multimedia group.

Most of the other half is the estimated 54% of Hearst revenue from its B2B information companies in financial services, transportation and health. They're the real story of how Hearst Communications has substantially increased revenue and profit in the 25 years during which legacy media companies everywhere have been struggling.

Hearst remains a substantial publisher of the print-centric magazines and newspapers which have long been its best-known brands. But our own estimates (based on actual overall revenue totals) underline the way that B2B is now not just its largest revenue but has also accounted for all the growth in recent years.

Hearst's largest wholly-owned business is the 112-year-old Fitch bond ratings group which, with over 5,000 employees in 31 countries, has estimated revenue of some \$2.5bn. It competes with Moody's and Standard & Poor and was acquired in stages during 2006-18, with the last 20% valued at \$2.8bn. Fitch now accounts for 17% of Hearst revenue and 30% of its B2B operations.

It's followed by Hearst Health which provides data and software to healthcare providers in the US and globally. Last year, it acquired QGenda healthcare management systems for what is believed to be some \$2.5bn. Revealing the longterm strategy that has propelled the parent company during the years when its legacy newspapers and magazines have been reduced, not least by the loss of advertising, former CEO (and now deputy chair) Frank Bennack noted in 2015 that Hearst's expansion into medical data services had delivered the best return on investment in the company's history. It started with Hearst acquiring a B2B magazine for pharmacists: "We paid \$80k for that business. Today, with other acquisitions and organic expansion, it's become a \$100mn business."

Hearst Transportation includes aviation data and price guides for classic cars and automotive spares. In 2016, it had paid \$2bn for CAMP Systems International, a SAAS provider of maintenance systems of jets and helicopters. Three years later, it acquired Inventory Locator Systems, an

aviation marketplace for spares and servicing, paying Boeing an estimated \$2bn. In 2021, it extended its transportation portfolio with the acquisition of Noregon vehicle diagnostics in North America trucking.

Hearst Communications has completed more than 30 acquisitions in the last decade, totalling at least \$15bn. Most have been information services, including the 2018 purchase of that final 20% of Fitch. As a result, B2B revenue has grown by an estimated 20x since 2010 and 4x in the last three years. With acquisitions, organic growth (and TV revenues without a US election to boost ads) it seems likely that B2B will account for almost 60% of Hearst revenue in 2025.

The company's 28 daily and 50 weekly newspapers and its 30 US magazines (including Good Housekeeping, Elle, Men's Health, Esquire and Cosmopolitan), 16 in the UK and more than 100 international licensed editions, are set to continue the decline, from their currently estimated 20% of all Hearst revenues.

It's a big change from the 1980-90s when a single magazine – editor-in-chief Helen Gurley Brown's bravely reinvented Cosmopolitan – alone generated some \$200mn revenue. It is said to have once accounted for an estimated two-thirds of all Hearst profit. Presiding over the 2006 opening of the company's award-winning Hearst Tower, in New York, Bennack said the fine Norman Foster-designed building had effectively been paid-for by Gurley Brown.

Hearst's \$13bn revenue (up 8% in three years) tells the story of an almost uniquely diversified media group whose major revenue and growth has successively passed from newspapers to magazines, TV and now B2B. That's special enough, perhaps. But – in an era of media upheaval – the Hearst difference is that it hasn't ditched yesterday's winners. It just keeps working to turn them round. That's why, even now, it is investing in the acquisition and development of newspapers and magazines.

SnapShot Hearst Communications			
\$bn	2024	2023	2022
Revenue	13.0	11.9	12.0
B2B	7.0	6.0	5.6
Print	2.4	2.5	2.3
TV	3.6	3.4	4.1
Op profit	1.5	1.4	1.3
Headcount	22k	20k	21k

Hearst has always been a different kind of media company.

It's 74 years since the death of founder (William) Randolph Hearst whose pioneering moves from newspapers into magazines, movies and broadcasting were a full 50 years before Rupert Murdoch re-defined global media strategy. The fearsome publisher-cum-politician, who is credited with creating "yellow journalism", was lampooned in Orson Welles' 1941 movie, "Citizen Kane". He used his newspapers to serve his flip-flopping political interests and to blatantly promote his own political ambitions: Citizen Hearst was a two-term US congressman who even tried to become President.

Hearst died in 1951, but not before planning the future stewardship of his company through a complex trust established to safeguard the interests of his heirs. As a result, Hearst Corporation is controlled by a 13-member Board, eight of whom are non-family. The family are barred from senior executive positions. And Hearst's will includes a clause that allows the trustees to disinherit any heir who challenges the trust structure.

That's why the the group is still family-owned, long after many other such companies (especially ones with potentially so much cash to shareout) would have had their scions fighting for a breakup. There have been family spats in the courts. After all, even the smartest patriarch can't prevent his heirs getting into marital scrapes in succeeding generations. But nothing has rocked the business. There are believed to be some 60 beneficiaries of the trusts, which will be dissolved – under the terms of the will – when all those family members who were alive at the time of the founder's death have themselves died. That is expected to be in about 15 years. The clock is ticking.

One symbol of the Hearst legacy success of hands-off shareholders – during continually unnerving times for media owners – is Frank Bennack. The Hearst lifer became president and CEO in 1979. He stepped back in 2013, after transforming the company's profits, prospects and and also its culture. Under the 30-year reign of Bennack (now deputy chair), Hearst increased revenue 12x and profit more than 30x. Beyond the financials, he essentially re-built a company which responded to the pandemic paralysis not by laying off staff but by rewarding them with much-needed bonuses. That philanthropy was straight from Frank Bennack's playbook, as has been Hearst's growing role as a longtime investor in startups, including from minorities. This is a company which had a 'purpose' long before they talked about it.

Bennack took Hearst from a newspaper and magazine publisher with three TV stations, valued at perhaps \$700mn to what has now become a company worth maybe more than \$25bn. But his greatest coup was, in 1990, when he paid RJR Nabisco the seemingly full price of \$170mn for that 20% stake in ESPN. The shareholding may itself still be worth some \$12bn (5x 2024 profit). Over the past 30 years, ESPN has thrown off huge amounts of cash for Hearst and its 80% partner Disney.

In 2013, Steve Swartz became only the seventh CEO in the 137 years of Hearst Corp. He had been a reporter on the Wall Street Journal and then editor-in-chief of Smart Money, its joint venture magazine with Hearst, before a 20-year career flew him through the ranks of Hearst's newspaper business, following in Bennack's own footsteps.



Two generations of Hearst transformation: CEO Swartz and deputy chair Bennack

Swartz has been all over the steady stream of Hearst investments in business information which had begun in medical and automotive data and accelerated through aviation and the completed acquisition of Fitch. Like his predecessor who spent \$15bn on acquisitions, Swartz has perfected the art of making ever larger investments while maintaining a debt-free balance sheet.

There's another similarity too.

Hearst now generates some 80% of its revenue (and likely 90% of its profit) from B2B and TV and has concentrated its acquisition firepower on B2B. But CEO Steve Swartz (like Bennack before him) has been at pains to stress that “the importance of our diverse portfolio cannot be overstated”. Hence the patient investing in legacy print brands by a company so aware of its history.

As and when Hearst eventually becomes a company that is pushed and pulled by its shareholders (2040?), it might, of course, be forced to double-down on its best performing businesses and divest or milk others. Who knows when it will start to contemplate the change? But the unrelenting pressures of AI may force the change anyway.

Let me explain.

This week in London, the Financial Times unveiled NewsCaas, an AI-powered news provider which could help hollowed-out journalist teams strengthen their coverage and/or enable the further reduction of staffing, initially in B2B. The content system is impressive but the FT's messages to would-be customers are mixed. But it might be expected to spawn rivals, imitators – and seismic change.

Here's why.

Aside from the exploding opportunities for AI to generate well-researched content (even if it might require human intervention for some time yet), it seems clear enough that such services are able to exploit the weaknesses of publishers whose attitudes and strategies have been conditioned by print. That, after all, is why so many print newspapers and magazines are wedded to the quantity rather than quality of content, with too little emphasis on exclusive information, even in their digital output. It's the result of decades of print – and of captive readerships and less competition. It's the same instinct that still leads too many publishers simply to transfer their print output online, as if there was no difference in what readers expect or want from the different media channels.

New media requires new content and a new approach. Of course. But publishers always have to cope with historic habits – and the need to defend the profitability still generated by so much legacy print. Even some of the most impressive reinventions of news brands remain dependant on high-priced print editions for older audiences, with the financials flattered by steep print price increases, always just ahead of ever-steeper copy sales decline.

The fear of accelerating the decline of print revenue is holding back many publishers. That's why distinctive, all-digital newsletters – especially in the US – have been able to eat into the news markets once dominated by legacy brands.

The torrent of generative AI emphasises the simple fact that the best way to maximise future growth may be to use the knowledge, resources and

relationships gained in a sector previously dominated by print, in order to create standalone digital products and services – unencumbered by what went before.

That’s a challenge even for best-in-class media performers like Hearst.

Is a Hearst Magazines division built to exploit the scale economies of print, production, distribution, advertising sales and subscriptions the best way to create all-digital media? These operations are genuinely innovative. But the companies and many of their people see themselves first as magazine teams with, for example, events and digital services as mere ancillaries. Just look at the language and images of the web sites, and the build-up of cut-price ‘all you can read’ subscriptions aimed at maximising advertising sales revenue. The potentially valuable development of membership schemes by these brands should embolden publishers to break with – not double-down on – their magazine-centric ways. Some former women’s magazine sectors could be almost exclusively (and profitably) focused on clubs and/or events rather than magazine-like content. But old habits die hard.

It’s easy to consider that Cosmopolitan – for more than 50 years one of the world’s best-known brands for young women – could be maximised as a separate, channel-agnostic global business, much more than currently. Good Housekeeping – with its impressive track record of testing, rating and reviewing household products – could become a major research and forecasting business if it was not preoccupied with producing magazines. Whether or not Hearst seriously considered bidding for the \$1bn WGSN trend forecasting platform in 2023, the deal might just have made them think of how much more Good Housekeeping could be if it wasn’t motivated primarily by copy sales and advertising.

You get the picture of a company with some of the world’s best specialist media brands but whose potential for transformation might just be constrained by its magazines legacy.

The fact is, of course, that Hearst does not have interlocking B2C and B2B media. Its B2B operations scarcely touch the B2C brands. The point is that any development of, say, ‘telemedicine’ services for consumers might, anyway, not be best managed by the magazine people. But, surely, at least some of the B2C brands could create the opportunity for greater B2B revenues to exploit the consumer legacy? Isn’t that a logical strategy for a group that is now a fast-growing data specialist with a portfolio of established, ex-growth magazines?

The weight of that print legacy may be less of a problem with many regional news brands where there is less advertising-dependance and readers may seem more willing to buy digital subscriptions but time will tell...

Two things seem inevitable.

First, AI will squeeze legacy media ever more aggressively. The steady, seemingly ‘managed’ decline of print-centric media may become almost impossible.

Second, the opportunities for growth in B2B information services will continue to increase – and so will Hearst’s appetite for acquisitions. There are numerous bolt-on deals available in its existing B2B sectors. But CEO Swartz may also have his eyes on larger targets. Here’s a thought. In the year when Hearst announced that more than 50% of its revenue now comes from B2B, the Murdoch family’s News Corp was noting that more than 50% of Dow Jones (DJ) profit also comes from B2B, including its data, analytics and commodity price indices.

Last year, the Wall Street Journal publisher had revenues equal to Fitch and – with News Corp’s enterprise value still much less than the sum of its parts – there will (sometime) be greater pressure or incentive to sell-off DJ and/or the real estate businesses whose value is shrouded by the legacy newspapers.

The prospect of owning a financial news organisation he once knew so well might appétise Steve Swartz, perhaps even more than Axel Springer

Hearst

CONTINUED

and Bloomberg which have long coveted Dow Jones. But he might also be interested in its energy Price Reporting Agency (PRA). Or those of Argus Media, Fastmarkets, Expana, and RELX, which could neatly complement Fitch. (Its Standard & Poor ratings rival owns Platts, the largest PRA of all). Hearst may also have learned about the promise of PRAs from its venture investment in the fast-growing Freightwaves (a bolt-on prospect for its transportation division?). The breadth of data and analytics at the \$13bn-revenue S&P Global and the \$7bn Moody's – which own its direct competitors – must inspire the Fitch people as they compete for acquisition funding.

Whatever the affection for the B2C brands that built (almost) everybody's favorite media company, the B2B opportunities will keep pulling and pushing Hearst. And so will the predictable, fundamental change. Just wait.

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NEXT

Condé Nast

31 JULY 2025

Condé Nast: 'a rich man's indulgence'

By DAVID HEPWORTH

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IN “EMPIRE OF THE ELITE” – ON THE RISE AND FALL OF SI NEWHOUSE’S CONDÉ Nast whose titles Vogue and Vanity Fair persuaded the late 20th century world of the fulfilment to be gained from conspicuous consumption – the symbol of the party being over in the 21st is an elephant.

Seeking to illustrate a 2008 story about how reliance on their securities trading arms was in danger of bringing down the world’s biggest banks, the art department of the privately-owned Condé Nast’s newly-launched business magazine Portfolio decided that nothing less than an actual pachyderm would do when it came to depicting the elephant in Wall Street’s room. The resulting photo session, which took place days before the collapse of Lehman Brothers and a few months before the consequent closure of the magazine for which it had been commissioned, cost at least \$30,000. This is apparently what it takes to hire an elephant and have it brought to a photo studio.

Somehow, this is easier to believe than the recollection of the magazine’s editor that she simply assumed it had been done on Photoshop. This breezy recapitulation of the age when glossies roamed the earth by a media specialist from the New York Times is studded with similar “did that really happen?” recollections from witnesses. For instance, Anna Wintour claims that Vogue’s printers were so thrown by the unpolished elan of her first cover that they called up to make sure they had been sent the right picture. According to editor Tina Brown, the famous pictures of a naked and pregnant Demi Moore were simply snapped by Annie Leibowitz as a favour to the actress and were never intended to be on the cover of Vanity Fair. That may be true.

At the same time, nothing in the world of either magazine was done without thinking how it might bolster the company's reputation for behaving in a manner that implied that any form of restraint on spending was a bit, well, downmarket. Even the list of 178 notable people which those hoping to be editorial assistants apparently had to be able to identify (Robert Mapplethorpe, Molly Bloom and Evan Dando, to name but three) was as much a positioning exercise for the people compiling it as a useful tool for the spotting of talent.

They knew they lived in a fairy kingdom and the least they could do was act as though they believed in it.

Newhouse, a small man who shrank from human contact and attended meetings in his stockinged feet. He bought and built up Condé Nast because he loved glossy magazines and thought there was no better way to wield cultural clout than by publishing them. He was able to do so because his family firm owned local newspapers in unremarkable places which were producing eye-watering profits in the last days before Google ate their lunch. He hired talented editors, paid them huge sums, loaned them the money to move into smart addresses, showered them with clothing allowances, wished them to be as talked about as the titles they edited and expected them to be seen lunching in the right places with the most glamorous and powerful people, with a company car ever-purring at the kerb.

His company's magazines provided the funhouse mirrors which reflected the same America that Tom Wolfe had fictionalised in "Bonfire Of The Vanities". It seems significant that Brown and Wintour were Brits and Graydon Carter was an Anglophile, which meant they hadn't been exposed to the pomposity Americans pick up at journalism school – and all had a knack for the kind of naughtiness which was encouraged in Fleet Street, historic home of British daily newspapers. All three were masters of the glossy trick, which is that you can sell the most downmarket idea to the most hifalutin readership if you only make it look smart enough, and that even your most devoted readers really just read the picture captions – so that has to be where the effort goes. It's British journalism's gift to the world.



Newhouse: "Small man who shrank from human contact"

Unsurprisingly, Grynbaum is more interested in the careers of the boldface names and their struggles to outshine each other in Newhouse's eyes than he is in the brands themselves; like all American media journalists, he is excessively interested in the titles his friends read and passes over the others with a kind of pained incomprehension. Indeed, *Glamour* (which, for years, brought in the millions that the smarter Condé Nast titles spent) only gets a footnote. Interesting that the most popular episode of America's most popular sitcom, *Seinfeld*, hinges on the knowing laughter of the audience when George Constanza talks about what "Glamour magazine" made him do. Out there in the real America, nobody knows *The New Yorker*.

It couldn't go on for ever.

A story in Time Inc's *Fortune Magazine* in 1998 brought out into the open what Condé Nast's competitors had been scratching their heads over for years: this was a rich man's indulgence rather than a particularly good business. Executives coming in from other companies were at first dazzled by the fact that money appeared to be no object and then discomfited by the absence of budgets telling them how much they could or could not spend. The missing page in every account of the Condé Nast years is a spreadsheet showing profit

and loss, a statement which presumably only Newhouse and his bankers saw. The numbers here are airily deployed to illustrate the lavishness of editorial spending and the scale of the apparent payback; however they slide so imperceptibly from single-copy sales to discounted subscriptions to readership that it's difficult to give them much credit. Did the issue of Vogue with Hilary Clinton on the cover really sell 700,000 copies on the news stand? Or just a lot?

SI Newhouse died in 2017 after seeing his magazines slide from their position of pre-eminence.

The big glossies are no longer quite as big and glossy. Their editorial budgets are being pared back. The models are no longer so super. The stars are not so starry. You need no longer go to your local news stand to get a grip on the zeitgeist. Google provides a barometer of the buzz. Condé Nast has made some good investments in websites like Reddit, but that's no longer going to open doors for you. The big CN titles keep their brand flags flying through events like the Vanity Fair Oscars party, the Vogue Met Gala and the New Yorker Festival. Fashion is no longer what it was. A lot of the things that SI Newhouse predicted were here to stay, simply aren't.

Meanwhile, some of his long-range punts have had consequences he could never have dreamed. In 1984 a young Graydon Carter was sent to profile an out-of-borough property developer for the cover of GQ. The cover did so well that Newhouse suggested that Random House (the book publisher he then owned) should commission a book from him. A ghost writer came up with the title "The Art Of The Deal", which led to the developer being hired to front a hit TV series. The developer is now President of the United States. Even Tom Wolfe would never have dared make that one up.

"Empire Of The Elite", by Michael M. Grynbaum. Coronet £22

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NEXT

RELX

1 AUGUST 2025

Why AI is just more opportunity for RELX

By COLIN MORRISON

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RELX IS THE 10-YEAR NAME OF A COMPANY WHOSE ORIGINS AS REED AND Elsevier date back to the nineteenth century. It's one of the UK's largest and oldest companies but few Brits beyond the investment community would know any of its brands or the name of the 16-year CEO. Even media industry people know little about the current portfolio of the company that once published many of the country's best-known consumer magazines, regional and national newspapers, and was the world's largest B2B operator of magazines and trade shows.

But this is the multinational information company (listed in London, Amsterdam and New York) which, with a market cap of £72bn (\$95bn), is one of the UK's top 10 companies. Its shares have out-performed almost all others in Erik Engstrom's time as CEO.

Its become a quite different company.

Behind RELX's self-description as "a global provider of information-based analytics and decision tools for professional and business customers" is a whole world of media history. The company – previously known as Reed International and Reed Elsevier – was once an integrated producer of paper all the way from the forests and mills to wallpaper, packaging, newspapers, books, directories, and magazines. It also manufactured paint and building materials. Forty years ago, the then CEO had described his strategy as the "5ps" – paper, paint, packaging, print and publishing. He wasn't joking.

Engstrom (the former Elsevier CEO who had been a McKinsey consultant) has

developed an altogether more sophisticated strategy: ” Our strategic priority is the organic development of increasingly sophisticated decision tools that deliver enhanced value... by leveraging deep customer understanding to build innovative solutions which combine leading content and data sets with powerful technologies.”



Engstrom: the ‘unknown’ CEO who has transformed RELX

At a time when media companies of all types, sizes and geographies face the formidable challenges of AI, having scarcely stabilised their strategies in the era of Google search and social networks, RELX could write the book on transformation in the media and information industries. This is the corporation which, at the dawn of the internet 25 years ago, was 64% dependant on print revenues; today it’s just 4%. It’s a £10bn-revenue, technology-led business employing more than 36,000 people serving professionals in STM/ academic information, Law and Risk. It’s also the world’s second largest trade show organiser. Some 60% of its revenue comes from North America, with 20% each from Europe and the rest of the world.

When Bank of America produced a list of the businesses “most likely to benefit from generative AI”, RELX (which had been using pre-generative AI for more than a decade) was the only UK company in the top 10.

Its financials show it has succeeded not only in transforming its business but also in consistently growing revenue, profit and even headcount, during what have been unpromising times for many legacy companies.

SnapShot RELX Plc					
£bn	2025*	2024	2023	2022	2021
Rev	9.7	9.4	9.2	8.6	7.2
Ebitda	3.8	3.7	3.5	3.2	2.6
Margin	39%	39%	38%	37%	36%
People		36.4k	36.5k	35.7k	33.5k
Divisional revenue					
STM	2.7	2.6	3.1	2.9	2.6
Risk	3.5	3.3	3.1	2.9	2.5
Legal	1.8	1.7	1.8	1.7	1.6
Exhibs	1.2	1.2	1.1	1.0	0.5
Print**	0.4	0.5			
Organic profit growth		10%	13%	15%	13%

*Flashes & Flames estimate **Print was formerly included in STM

In 2025, RELX will have increased revenue by 35% and EBITDA by 46% in five years. Pushing up profit margins to 39% (from 36% in 2021) speaks volumes for the performance, but so too does the consistently double-digit growth in underlying profits. For all the fact that it has invested in substantial acquisitions (especially in the powering Risk division), RELX's organic growth is even more impressive.

Until last year, Elsevier – the STM/ academic division formerly managed by Erik Engstrom – was the largest revenue generator in RELX. It's best known for The Lancet but actually publishes some 3,000 journals, mostly digital. The publishers will proudly tell you that all but one of the 244 science and economics Nobel Prize winners since 2000 have been published with Elsevier. Yes.

Despite its pre-eminence, the demise of Elsevier (and other STM journal publishers) was long predicted by grumbling researchers who had to pay to access the content to which they themselves had been required to contribute, in order to be reviewed by their peers. Against the odds, Elsevier (and others) have maintained their businesses by adopting “open access”, giving authors the choice of paying to publish OR paying to read (subscription model). Its estimated 17% share of the world's STM output has been hugely enhanced by its ScienceDirect platform for peer-reviewed research, now being augmented by AI which is said to save scholars, researchers and librarians some 50% of the time spent on literature research.

The company's ScopusAI – which curates abstracts from the peer-reviewed research in more than 30,000 journals, is now being used by over 5,000 universities worldwide. Interestingly, Elsevier is investing in AI tools to safeguard the integrity of research, helping to identify fraudulent research. It also launched what is claimed to be the world's first 3D female anatomy model (as well as models for diversity) in major steps for the diagnostic services of the medical profession.

RELX's commitment to maximising the opportunities of AI may be best illustrated by its decade-long use by the company's LexisRisk Solutions

(the Risk division) which provides banks, insurers, airlines, governments and others with information to help assess risks posed by fraud, cybercrime and corruption. The US-based group is said to analyse more than 170mn transactions daily. More than 200k websites and mobile apps use its Digital Identity Network. It is satisfying the growing need for companies to authenticate who people and companies are, and assessing the risk of fraud or default.

What is now the largest and fastest-growing division in RELX (having supplanted STM in 2024) accounts for more than 35% of revenue. But the soaring analytics provide a ‘best practice’ guide to how B2B magazine publishers can turn themselves into high-value information businesses. The former Reed Business Information (RBI) was once the world’s largest B2B publisher with hundreds of magazines on everything from farming and transport to computing and hospitality. In the 1960s and 1970s, it had consolidated the “trade magazine” business in the same way as its one-time sister company IPC had done in consumer magazines. Its weeklies had been turbocharged by the UK boom in national recruitment advertising. By 2001, RBI was brought together with Reed’s Cahnners subsidiary in the US. Its revenue was £1bn.

Fast forward 10 years and profits were down by one-third, with just 25% from the US. By the time, it sold the legendary Hollywood trade newspaper Variety, RBI had exited B2B magazines in the US and divested a total of more than 150 print titles in 14 countries that just four years before had represented almost 50% of its portfolio.

RBI was put up for sale but nobody wanted to pay the price.

The upshot was a 35% slide in 2009 profits and what CEO Mark Kelsey describes as “absolute crisis..In many ways we felt like an orphan, not wanted, not quite sure what to do.” That was the year Erik Engstrom was appointed CEO of what became RELX. He changed the focus.

This largest and fastest growing RELX division – believe it or not – grew out of the company’s former portfolio of B2B magazines and directories. Its long-established Bankers Almanac directory – along with the LexisNexis acquisition itself – provided the seed corn that created the mighty Risk division. And smaller information and consulting operations in aviation (Cirium), petrochemicals (ICIS) and HR (Brightmine) serve as a reminder of a company which once published B2B magazines in these and hundreds of other market verticals.

The once-moribund RBI has – under Mark Kelsey – become the Risk division, the star performer of RELX. In 2024, its underlying revenue was up 8% and operating profit 9% ahead. All its £3.2bn revenue was from transactions and subscriptions – and it’s all over AI.

It’s a similar (though less spectacular) story at the RELX legal division where large reference books have been transformed into the AI-powered Lexis database of legal documents. It enables lawyers to search and synthesise huge amounts of information quickly. It even offers “intelligent legal drafting” and seems likely (whisper it) to have a yet more important role in a future where AI is predicted to give legal customers the ability to reduce their dependence on lawyers. RELX’s Protege is described as “the next-generation legal generative assistant which allows lawyers to integrate existing work product, while providing personalised and trusted assistance”. The divisional CEO describes his medium-term roadmap as being “to integrate customer content and personalised AI for specific legal personas”. AI had created stronger demand for the company’s legal reference, helping revenue to grow 7% last year,

The RX exhibitions subsidiary’s 300 events include the World Travel Market, Big Data LDN, Mipcom, Comicon, and Fastener Fair. It increased revenue by 11% in 2024, back to the pre-pandemic peak revenue of 2019. Most major trade show operators talk up the increasing role of AI and digital tools to improve outcomes for exhibitors and visitors alike. The RX CEO Hugh Jones, who previously managed data operations including for RELX, is providing

tech solutions for exhibitors tracking, analysing and communicating with visitors and vice versa. It's all focused on enabling trade show participants to maximise the effectiveness of their attendance, not least by arranging meetings, information gathering and follow-up. One of the RX post-event data services enables exhibitors to compare their results with those of others. The pandemic – as well as persuading everyone that virtual events were no substitute for face-to-face exhibitions – was a catalyst for the development of data solutions, not least to build year-round digital relationships. There is a real incentive for event companies to improve the quality of their earnings through the integration with data, and it would be no surprise if RX does not become an innovative AI leader among trade show organisers.

That's how RELX does things.

After all, its corporate website currently promotes (an incomplete) 14 AI products launched for the likes of lawyers, scientists, clinicians, aviation professionals and HR executives. That and the profit projections which will see RELX revenue reaching £10bn (50% up in five years) this year or next, is the story of the transformation, now accelerating in the era of generative AI.

That's why nobody mentions the 1995 prediction by Forbes magazine that the then Reed Elsevier would become the first corporate casualty of the internet. Ouch!

For media and information companies (and many others) the lessons of RELX – beyond the seemingly simple task of formulating a robust, enduring strategy – include making realistic levels of investment in technology people, systems and acquisitions that can create a future-proofed company. Like many other media companies, it had a history of generating scale economies from print, paper and distribution. It has replaced this outdated philosophy with the technology and skills which have transformed the company and all its operations.

Almost 20 years after Axel Springer's Mathias Döpfner said that media and information companies needed to 'get' technology before the tech companies

‘get’ content, RELX has become the very image of a 21st century information-tech group. Even more than Springer itself, RELX has shown how – with determination and strong leadership – legacy companies really can match the innovation of new, all-digital competition.

RELX employs no fewer than 12,000 technologists (one-third of the total workforce) and invests a claimed £1.5bn (\$2bn) annually in tech. They’re steeped in AI and, when generative AI came along, it was yet more opportunity: “While extractive AI is relevant for machine-to-machine interactions, generative AI is particularly relevant for human-to-machine interactions, such as lawyers, doctors or medical researchers. When combining extractive AI with trusted content, you can make a real difference. Applying generative AI tools can be transformative.”

Its enthusiasm for (and profit from) generative AI matches those of the strongest Silicon Valley tech giants. That’s why investors love RELX.

But we may also be impressed by two other things.

First, RELX’s largest and fastest growing division (Risk) has been led by a lifer (Mark Kelsey) whose operations had once been the group’s worst legacy performer – before he systematically ditched the huge portfolio of print magazines and shared in the ramp-up of technology.

Second, it has recently separated in its financials some £400mn of legacy print (from STM/academic publishing) as being managed for maximum profit and, presumably, eventually for sale. Even for RELX, that’s 4% of current revenue.

That’s just the latest example of how the one-time legacy publisher continues to succeed in the ‘new’ world because it is clear-eyed about the future and where it’s going. CEO Erik Engstrom could have kept the print rump (and its high-margin profit) hidden. But, if he was more publicity conscious (another success secret of the under-recognised RELX?) he might remind us that transformation (now powered by AI) is a journey not a destination. It just carries on.

7 AUGUST 2025

RIP: Derk Sauer media pioneer in Russia

By COLIN MORRISON

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DERK SAUER, THE DUTCH-BORN JOURNALIST, PUBLISHER, AND ENTREPRENEUR who shaped modern Russian media with Western-style newspapers and magazines during the economic chaos of the post-Soviet 1990s, died last week aged 72. He had been seriously injured in a boating accident last month.

Sauer had arrived in Moscow, before the Soviet collapse, to launch a short-lived, English-language monthly for his then employer, the Dutch publisher VNU. In 1991, he envisaged an English language daily newspaper, modelled on the Paris-based International Herald Tribune (now the international edition of the New York Times).

When VNU rejected the project, he searched out Dutch investors for Independent Media and launched The Moscow Times. The city's first English-language daily became a 'must read' both for Russians and the increasing number of expats seeking uncensored reporting in the "liberated" country.

For Ellen Barry (now a New York Times correspondent and former Moscow bureau chief) it was a first job in journalism in 1993. Paying tribute to the founder last week, she wrote: "The people Derk had assembled at The Moscow Times were, in many cases, accidental journalists — the foreigners were interested in Solzhenitsyn or Vysotsky, not journalism careers; the Russians had grown up in an environment where there was no real journalism. But he put us all under the authority of Jay Ross and Meg Bortin, who really knew what they were doing. They created a sound structure, with high journalistic standards. We corrected our errors. We buttonholed Duma deputies in the hallway outside their offices. We printed stories that angered powerful people. ("I like your

Derk Sauer

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newspaper,” one terrifying man told me. “I would hate to see it go away.”) The foreign correspondents for big papers — I know this, because later I was one of them — read The Moscow Times every morning and then pitched stories to their editors in London and Washington and New York, and in this way, the tiny newspaper Derk created shaped the world’s view of post-Soviet Russia.”

Despite the global impact, VNU’s scepticism seemed to be justified by The Moscow Times’ early and persistent losses. But Sauer’s company was rescued, almost at the point of collapse, by a surprising saviour, albeit one that knew all about newspapers back in the US.

George Green, international president of Hearst, agreed to let Sauer launch a Russian edition of Cosmopolitan magazine. The legendary monthly was already published in 29 other countries around the world, although few (including US colleagues of the freewheeling Green) predicted its success in Moscow. But within a few months, the Russian edition of Cosmo was selling 400,000 copies (on its way to almost 1mn after less than two years). It was said to have become the most profitable edition of the magazine outside the US, not least because of the advertising boom which saw Russian adspend almost treble in five years during 1995-2000.

The magazine success highlighted Sauer’s skills as a media entrepreneur, not just as a news-focused journalist-campaigner. The company and its founder had become the unlikely stars of international media.

Hearst reportedly got its mere \$75k investment back within weeks of the cautious, initial Cosmo print order of just 60,000). It was just the start of a memorably profitable JV through which it published Russian versions of Harper’s Bazaar, Good Housekeeping, Esquire and even Popular Mechanics – alongside the mighty Cosmopolitan whose founding editor was Sauer’s journalist wife, Ellen Verbeek.

In addition to transforming Sauer’s brave new company, the Hearst JV, arguably, changed Russian lifestyles and the country’s advertising industry.

Derk Sauer

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Other US and European publishers rushed to license Independent to publish local editions of *Grazia*, *Men's Health*, *Marie Claire*, *National Geographic* and *Playboy*. Sauer was on a roll.



Sauer and then editor-in-chief Meg Bortin with a copy of the 1992 first issue

But, even then, there were publishing setbacks too.

One particularly unhappy experience was a Hearst bi-weekly newspaper published in both English and Russian, which is believed to have lost about \$5mn before it was closed in 1994. The New York Times had also launched an ill-fated Russian edition which lasted scarcely a year. Other German-funded women's magazines also failed.

The costly failures gave Western publishers a scare which Sauer had come to understand all too well: "It's a great market out there, but a lot of people who start something only look at the editorial part. The product is not the most difficult thing. It's 30%. You need marketing, sales, distribution."

His crowning achievement came in 1999 after an early effort at a Russian-language business newspaper had failed. He audaciously pulled in both

Derk Sauer

CONTINUED

the Financial Times and Wall Street Journal (yes!) to create Vedomosti, as a business daily. The historic rivals had come together in Russia – because they were both negotiating with Derk Sauer. They decided to pool their resources (and a total of \$10mn investment) in what was described as a three-year project to test whether an independent newspaper with rigorous Western editorial standards could survive in Russia. (The three-way ownership lasted until 2015, when new Russian laws forced foreign media companies to reduce their stakes to 20% or less.)

Sauer's publishing was always as much a political mission as a business venture for the onetime Communist who had founded the “Action Group for World Peace”, aged 14, and campaigned vigorously against the Vietnam war. He was always very political but had always wanted to be a journalist. He had presented a national TV programme, aged 16, and in 1970 became a self-taught correspondent in Northern Ireland. He later admitted he had also smuggled weapons in his car for the Irish Republican Army during the 1970s paramilitary war.

He had an unshakeable belief in the power of the media to hold both governments and markets accountable, to tell the truth, and to build a better society. He recognised the importance of such ideas in the post-Soviet chaos of his adopted homeland. He found Moscow irresistible but also continually challenging. Nobody, of course, was immune to the extreme behaviours of a Russian market which had been liberalised with insufficient regulations or institutions. He said: “Many people thought we were crazy. But I'm a journalist. The end of the Soviet regime was by far the most important societal development in my lifetime. If you can witness that first-hand, what more could you ask for?”

Although he became comfortably wealthy in 1998 by selling some shares in Independent Media, Sauer was prompted by the near-fatal shooting of his Playboy editor to retain armed bodyguards. In 2005, Sanoma bought Independent Media for €142mn, giving the founder net proceeds of some €70mn. He went on to manage the RBK news outlet, until the authorities

Derk Sauer

CONTINUED

forced him out in 2015. In 2017, he bought back his beloved Moscow Times. It and Vedomosti were “the little lights of independent journalism still burning”, he said, even though media restrictions grew steadily after President Putin assumed power in 2000.

After Russia’s invasion of Ukraine in 2022, Sauer left the country. He relocated The Moscow Times to Amsterdam where he established a Dutch hub for Russian journalism in exile.

He is survived by his wife, three sons – and The Moscow Times. As one of his protégés, journalist Yelizaveta Osetinskaya, has written, “I ask myself: is there anyone who has done more for the development of independent media in Russia than Derk? The answer is obvious to me.”

Duncan Edwards (now CEO of the New York-based BritishAmerican Business) who had succeeded George Green as president of Hearst Magazines International, remembers Derk Sauer as “a fascinating person to be around. He seemed to be interested in everything, full of questions and opinions, committed to sailing and yoga – and an endless advocate for independent news media. The still-published Moscow Times is his great legacy but he was a really important figure in the transformation of the media landscape in Russia for magazines and newspapers.”

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NEXT

People Inc

8 AUGUST 2025

How Meredith 'saved' Dotdash

By COLIN MORRISON

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IT'S ALMOST FOUR YEARS SINCE THE LIVEWIRE DIGITAL PUBLISHER DOTDASH made a big splash by persuading its listed parent IAC to pay \$2.7bn for Meredith, the largest magazine publisher in the US with famous brands like People, Better Homes & Gardens, Allrecipes, and Southern Living – and digital sites with 150mn average monthly uniques and an audience of 95% of all US women.

Meredith's \$2bn revenues were divided almost equally between advertising and readership, and digital accounted for about 25%. So far, so good. Except that the like-for-like Meredith revenue in 2020-21 had decreased by an estimated 25% since its acquisition of Time Inc in 2018. Meredith revenue was, however, still almost 10x that of Dotdash, the former About.com which had been acquired for \$300mn by IAC from the New York Times almost a decade earlier.

Dotdash and IAC were euphoric about the prospects for what looked like a reverse takeover: "We've often found opportunities in the digital transformation of businesses and industries: travel, ticketing, dating, home services and now publishing. Meredith is already seeing record digital growth and we think Dotdash can help accelerate that growth," said IAC CEO Joey Levin.

It didn't work out like that.

Within a few months, Dotdash Meredith had severe indigestion and was missing all its forecasts. Apparent frustration about the post-acquisition

integration of Meredith soon made Levin want to forget his bullish predictions about: immediate profit improvements, a 15-20% annual growth in digital advertising, \$300mn EBITDA in 2022 and \$450mn in 2023.

He subsequently made the schoolboy confession that, while Dotdash had experience of integrating acquisitions, “the scale of the Meredith acquisition was at a different level” and “in hindsight, we timed the acquisition poorly”.

The surprising own-up from the CEO of a \$4bn company long celebrated for its acquisitions and digital turnrounds was a real measure of the shock. But – incredibly – it was almost a mirror image of the public pain previously suffered by Meredith itself when it had acquired the legendary Time Inc four years earlier. That hubristic deal caused the very crisis that, ultimately, enabled Dotdash to acquire Meredith.

The clues to the Dotdash mistakes had seemed clear right from the IAC investor presentations at the time of the Meredith deal. Neat “synergy” graphs purported to show that Meredith had more advertising per digital visit but that Dotdash had more ‘performance marketing and eCommerce’. But (as we pointed out at the time) if Dotdash had chosen to include Meredith’s unique c\$100mn of annual product licensing revenue as appropriate, the chart would have shown that Meredith was actually more successful on both measures.

But the real similarity between the attitude of both acquirers was even more striking.

Before they chose to make their life-changing acquisitions, the then smoothly successful Meredith and Dotdash each described themselves as “service” publishers, providing practical content (respectively in print/digital and exclusively digital) that helped consumers manage their lives. No news, entertainment, politics or gossip.

Even after the acquisition of Meredith, Dotdash CEO Neil Vogel told Flashes & Flames: “We’ve always said – and I think it’s something unique to us –

that we've always stuck to our knitting and said we are going to be a service publisher. That means health, finance, home, food, tech, travel. We are never going to do news, we're never going to do politics, we're never going to do User Generated Content. I mean, we do it in recipes but that doesn't count. That's not what we do. Nothing we produce puts you in a bad mood or gives advertisers concern. You're never going to have an opinion piece. No one stops me on the street and yells at me because maybe they didn't like a recipe on Food & Wine!"

It seemed like a joke coming right after the \$2.7bn acquisition, some 50% of whose value might have been attributed to People and Entertainment Weekly, the very brands that didn't fit the Dotdash "knitting". It was, of course, also a lot of print for the hitherto digital pureplay.



Vogel: Suddenly it's all about People

Like the fateful Meredith executives before him, Vogel was trying to justify the acquisition of People, the largest magazine in the US and – then as now – the single most profitable brand in the portfolio. Meredith and Dotdash successively found themselves acquiring People simply to get the rest of the 'undervalued' steady lifestyle portfolio. They may have had to work

hard to justify to their respective shareholders that they could improve on the management of People. But, more than anything else, they thought the lifestyle brands had been hidden and undervalued in the long-tail magazine portfolio. Latterly, the former Time Inc had been so poorly managed that, surely, they could do much better. Surely.

In simple terms, both Meredith in 2017 and Dotdash in 2021 were appetised by what some of the best lifestyle magazine brands could do for their cherished strategies. They thought the challenges of the mighty People – a magazine which, like most others, had consistently been losing revenue and profit for more than a decade – were a price worth paying. They both also thought they could manage even People better than their respective predecessors. Of course.

That's how the historic Meredith lost its independence, and how the company (known until last week as Dotdash Meredith) suffered humiliating financials. For the former Dotdash Meredith, it all means that – even four years after – the Meredith acquisition price is still the equivalent of at least 9x EBITDA of the combined business. The multiple would, of course, be even higher if you strip-out the pre-existing Dotdash profit and add-in the post-acquisition costs and losses. Perhaps the latest surprise is the decision (pushed on Vogel by IAC founder-chair Barry Diller) to rename the company as People Inc. The magazine that Vogel (and Meredith before him) would have preferred not to acquire at all is now the company's flagship. Official.

The bleeding financials have been painful for Dotdash Meredith. As a result, it has 'salami sliced' 700 from its headcount during 2022-25, never having got to the equilibrium that helps companies keep their best people and motivate everyone. Laying off anything from 50 to 270 people for four consecutive years is not good for a 3,000-person business.

The financials tell the story of People Inc better than last week's modest claim of "seven consecutive quarters of digital revenue growth" and a 10% jump in overall Q4 revenue. It was claiming a turnaround "driven by digital

People Inc

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innovation, new contextual advertising products, and licensing deals (such as with OpenAI and Apple News+)”. To clarify, People Inc’s \$427.4mn revenue in Q2 was a mere 1% year-on-year growth. It will be some time yet before Joey Levin’s \$450mn EBITDA forecast (for 2023) becomes a viable target.

SnapShot People Inc					
\$bn	2025*	2024	2023	2022	2021**
Revenue	1.7	1.8	1.7	1.9	2.4
Print	40%	44%	47%	52%	30%
Digital	60%	56%	53%	48%	70%
EBITDA	0.3	0.3	0.2	0.2	0.4
Margin	17%	16%	13%	8%	15%
People	3.7k	3.3k	3.4k	3.6k	4.0k

**Flashes & Flames estimate **Pro forma of Dotdash + Meredith*

But there’s more.

Buried in the financials and the fanfare for Vogel’s claim to have “increased the publishing cadence at other brands to more closely resemble the news metabolism of People” (yes!), there were other signs of a more dramatic shift in strategy.

The 40-brand print and digital publisher is saying that 19 of its 40 brand are ‘core’: People, Allrecipes, Food & Wine, Better Homes & Gardens, Travel + Leisure, Martha Stewart, InStyle, Health, Verywell, Real Simple, Investopedia,

People Inc

CONTINUED

Southern Living, SimplyRecipes, Byrdie, Entertainment Weekly, The Spruce, EatingWell, Parents, and MyRecipes. This selection (dominated by 13 former Meredith brands, including the company's biggest print-centric earners) is displayed on the new People Inc website:



It confirms that the 'new' People Inc is dominated by former Meredith brands, in print and digital. The remaining 21 'non-core' brands comprise many former Dotdash staples, including: The Balance, TripSavvy, TreeHugger and Liquor.com.

Perhaps, Meredith really has saved Dotdash.

We estimate that the four largest brands (all ex Meredith) – People, Better Homes & Gardens, AllRecipes and Southern Living – may account for some 50% of total People Inc revenue and, presumably, even more of the profit. Further, the (hardly mentioned because it's print) Premium Publishing of 'bookazines' may produce at least \$400mn of high-margin revenue. Whether or not, the best Meredith brands and activity really account for, say, two-thirds of all revenue, they reinforce the importance of the acquired portfolio. But the company is managed by an executive team of primarily Dotdash people (only four of the 19-strong leadership team are from Meredith). Was that part of the post-acquisition problem?

But People Inc should now be able to put the past behind it and achieve a new level of profitability, margins and growth by focusing on their very best brands (mostly ex Meredith) – and closing, selling or merging many of the 21 non-core brands. That's implied by the assertion that more than 21 brands are 'non core'.

So the new strategy may be clear – and achievable.

Dotdash was certainly always better at building fast-reacting websites, more valuable databases and selling digital advertising. Witness Vogel's recent successful development of D/Cipher, an ad-targeting tool connecting advertisers with consumers at key moments of intent: delivering relevant ads without the need for tracking cookies. It's a system for the times and, of course, makes good use of the large People magazine audience.

But, with an estimated 50:50 split between digital and print employees, you can sense the challenge of managing the former Dotdash Meredith monolith and how the leadership has (perhaps) struggled to come to terms with the fact that so much of the value has come from Meredith. It probably doesn't help that some 15% of the workforce (presumably mostly print-related) are based in the former Meredith town of Des Moines, 1,100 miles from the New York headquarters.

Beyond anything about whether Dotdash really should have acquired People magazine at all, the latest flurry of corporate activity (and especially the name change) might just confirm a fundamental truth about magazines and their digital future.

The best digital strategies may tend to come from digital natives unburdened by the desperate need to defend traditional profits. But many well-targeted print magazines bring a lifetime of reputation and brand profile which all-digital assets find it difficult to match. You can't easily replicate decades of loyal reader-user support in just a few years, but you can build new business models for those established, trusted brands. Admittedly, the former Dotdash Meredith has done quite a lot of this.

They may be among the learnings of Dotdash Meredith as it seeks the kind of growth IAC expects from what is now its largest subsidiary. Diller was upfront last week, saying it "continues to build and innovate, backed by premier brands, superior technology and unmatched scale." Nobody should

under-estimate Diller's ability to turn People Inc or any other digitalising asset into shareholder gold: that's what he has repeatedly achieved. So the magician's positivity last week is a sure sign that the plan is agreed and full-scale recovery is in prospect. The re-branding may be the signal.

But the company cannot afford to tolerate under-performing brands. In the race for digital audiences and revenue, a spluttering revenue stream cannot be sustained without investment, innovation and using the best executives to manage the toughest challenges. It must concentrate, of course, on making the most of People (which, lest we forget, is under the familiar pressure of print magazines everywhere even though it's still big and very profitable) – and ramping-up the digital performance of the best of the core lifestyle brands.

It's a familiar story.

Across the Atlantic, People Inc's UK-based counterpart Future Plc is watching. It's wrestling with similar strategic challenges.

New CEO Kevin Li Ying may be similarly wondering how he can simplify Future's sprawling print and digital portfolio. While he needs no reminding of the importance of many of his long-established print magazines, he may be pondering the strategies of his predecessor Jon Steinberg who defined the portfolio as three groups, with numbers 2 and 3 sounding like People Inc's 'non-core' assets. But Steinberg conceded that his analysis of the portfolio was just that: an analysis. It did not reflect how the business was being managed or would be developed. Neil Vogel won't make that mistake.

People watching is back in fashion.

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NEXT

LBG Media

How vulnerable is LBG Media?

By COLIN MORRISON

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IT'S 14 YEARS SINCE LADBIBLE WAS LAUNCHED IN THE UK'S NORTHWEST BY schoolfriends Alexander "Solly" Solomou and Arian Kalantari. Solomou (now CEO) had developed the idea while studying business at university. It started with a Facebook posting that snagged over 75k readers. That was just the start of a what has become an enduringly successful digital publisher. It is impossible not to connect LADbible with the "lads" magazines – FHM, Loaded, Maxim, Nuts and Zoo – which had sold millions of copies and stamped British "blokeyness" across the world in the last decade of the 20th century.

But there is now little similarity between those meteoric, relatively short-lived (but hugely profitable) magazines and LADbible whose LBG Media parent has a total global audience of 520mn – some 45% of whom are women. Yes.

It's a long way from the early days of LADbible male banter and sexist jokes and, as if to emphasise the changed times, LBG's \$30mn acquisition in 2023 of the US site Betches for women and girls, may soon account for at least 25% of the group's revenue. With Betches now set to launch in the UK (starting notably by targeting those UK women who are already in the LBG audience) it may not be too long before the company's brands really do appeal equally to millennial and Gen Z men and women.

In addition to Betches, LBG brands include SPORTbible, GAMINGbible, UNILAD and Tyla. Its user-generated and publisher content is a lively, high-quality blend reminiscent more of vintage Vice and BuzzFeed than FHM. Comparisons with the egregiously well-funded US high-fliers might, of course

rankle with the LBG founders who bootstrapped their listed company and still own some 60% of its shares.

LBG claims to be “the largest youth publisher in the world” with the declared purpose of giving young adults “a voice by building communities that laugh, think and act”. But nobody doubts that the Betches acquisition is pivotal for LBG with Solomou now spending up to half his time in New York where the company is claiming “some really big wins among big brand advertisers”. The deal had followed the successful US acquisition of UNILAD back in 2018 and insiders predict further US investments by LBG. It’s got the cash and bank credit to finance up to £90mn of deals.

But it’s clear that Betches is a big step for LBG Media, both in its determination to build a much bigger US business but also in its launch plans for the UK which – after a soft launch last month – will be intensified “around October”. The vague timing and the assertion that UK staffing will only be stepped-up once revenue starts to flow are interesting. Maybe the company, having trumpeted the launch plans loudly in the spring, is now choosing to manage the expectations of advertisers and investors alike.

LBG chair Dave Wilson told Flashes & Flames this week: “We want to start with a few editorial formats that we know will land with our audience before we grow into different revenue streams, whether that’s podcasts or longer form content on YouTube, and then vice versa with commercial partners. We’re not going out to the full market. We’re being quite targeted with our approach and who we’re bringing on board as launch partners. But I imagine we’ll develop very, very quickly by the end of the year, once we start to introduce our original editorial. But we’re being very targeted with our growth strategy, both commercially and editorially.”

You might think this is a new, cautious, under-stated tone from the company which has built its enviable audience by being brave, bold and exciting. But it’s a similar realism that motivated LBG – after years of claiming high-penetration success in Australia and Ireland – to eschew some millions of pounds of low-

margin revenue by sub-contracting those operations and choosing, instead, to concentrate on the US and UK.

The calm seriousness might just fit with the recent financials.

While LBG's annual results have become confused by the recent depreciation of the US dollar (which accounts for about one-third of revenue) and by the decision to change to an end-September financial year, 2025 is expected to produce strong like-for-like growth for the debt-free company.

SnapShot LBG Media Plc			
£mn Yr to Sept.	2025*	2024	2023
Revenue	92	65	68
US	35%	32%	14%
UK	35%	37%	35%
RoW	30%	31%	51%
EBITDA	24	17	17
Margin	26%	26%	25%
People	485	471	446
Audience	520mn	503mn	452mn
Net cash £mn	32	27	16

*Flashes & Flames estimate

First-half results for the six months to March this year saw LBG achieve £43.9mn revenue (+13%) and £12.2mn EBITDA (+18%), a 28% margin. The company claims 17 of its advertising clients now account for more than \$1mn annual revenue – double the number in the previous year and boosted by the US performance. But the weakening dollar is estimated to reduce full-year revenue by £2mn and EBITDA by £1mn.

LBG is predicting significant longterm growth, buoyed by the rapid growth in the digital advertising market and the rising buying power of millennial and Gen Z young people (born during 1997-2012). The digitally native Gen Z is said to account for 17% of global consumer spending.

But buried in the half-year financials is some suspicion that the poor cost control which once plagued the company (which once had 31% EBITDA margins) may not have been entirely extinguished. In the first-half, the combination of content, payroll and overhead costs increased year-on-year by no less than 11%.

That might not be the limit of concerns about LBG whose share price has lost 28% so far this year and whose £180mn enterprise value is 50% of the IPO four years ago. It may not, of course, be helped by the fact that the company has yet to pay any dividends to shareholders.

While there can be no doubt that LBG Media – especially its flagship brands LADbible and, now, Betches – are great media properties with a brilliant, authentic multimedia voice for a captivated audience that will multiply the current 500k if it can become build strongly in the US. In the UK, arguably, nobody talks to this millennial-Gen Z audience better than LBG; matching that in the US would be a huge prize.

But the business model may just be a problem.

LBG self-consciously tells investors about its “increasingly diversified revenue base”. The trouble is that when other media companies use those

words, they usually mean some kind of mix of advertisers, readers, events, eCommerce and licensing. In this case, LBG is referring to the roughly 50:50 split between direct advertising and programmatic revenues shared with the platforms. The company has (like so much other media) been trying to reduce this dependance on the voracious platforms. At the time of IPO in 2021, some 37% of its revenue came just from Facebook; now it's 23%. But LBG's market strength and the importance of its 'indirect' revenue makes programmatic advertising seem a more durable source of revenue than many would suggest.

There's another elephant in the room.

As to complicate LBG's revenue puzzle, there is its longterm dependance on a single advertiser which, over the last four years, has accounted for £78.2mn (31% of total revenue).

That unnamed dominant advertiser is believed (but not confirmed) to be Uber Eats whose share of LBG revenue last year was "only" 20% having been as high as 38% in 2021. Incidentally, the following year, two companies had together accounted for no less than 44% of all LBG revenue.

While it is not Uber Eats' largest UK media outlet (that honour belongs to Sky Sports TV), you can see how vulnerable LBG may be to any kind of cutbacks. LBG has mounted some significant campaigns such as Euro 2024 Snack Wars for Uber Eats and is, presumably, a great partner. But the scale of budgets makes you realise that some direct advertising may not be any more "safe" than the programmatic revenue that everyone worries about.

But, whichever way you look at it, LBG is clearly over-dependant on the platforms and must, surely, search for ways of diversifying revenues, presumably through reader-users, events (something that Betches already does successfully in the US) and even eCommerce – not just switching to direct ads and branded content.

LBG Media

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It clearly aims to do at least some of this over time – but is focused right now on stretching to replicate its UK success across the Atlantic. Who can say whether it could or should do it in reverse? Or whether the sheer authenticity of LBG Media, the compelling value of its hard-to-reach audience and unrivalled multimedia smarts make it less vulnerable than our own observations might imply.

Perhaps the obvious strategic compromise would be for the achingly self-confident LBG Media to concentrate its promised wave of M&A on operations that create the scope for real revenue diversification – while also seeking to conquer the US. Let's watch.



Betches founders prepare to launch in the UK

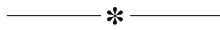
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NEXT

Reach Plc

UK news leader starts the race

By COLIN MORRISON



REACH PLC, THE UK'S LARGEST COMMERCIAL NEWS GROUP AND PUBLISHER of more than 100 national, regional and local newspapers, announced this week a major revamp and an expected loss of 321 jobs but with the scope to retrain 135 people in new roles. It's a radical plan from the company's new CEO Piers North.

But the real story is that the publisher – whose major brands include the Daily Mirror, Daily Express, Daily Star, Manchester Evening News, Birmingham Mail and Liverpool Echo – will build a centralised content agency (described as “a live news network”) to supply its newspapers, newsletters and web sites. A single journalist will be able to write and record stories simultaneously for multiple digital and print brands.

Reach's individual news brands will, therefore, increasingly be commissioners not creators of text, audio and video content from its agency. While the larger news platforms might choose to, say, re-write some of the content, the agency's role will reduce operating costs of the company's media outlets and might, incidentally, also help its hyperlocal newsletters to compete with low-cost rivals. You can sense how such centralisation of content creation can also involve AI.

The in-house news agency plan – which may be fully operational by mid-2026 – prompts questions about the company's relationship with the PA Media Group (formerly the Press Association, the UK & Ireland's press agency). Reach – which is one of PA's largest shareholders – could conceivably develop a relationship with PA much like consumers in some countries who generate

their own solar energy and then sell back the excess to their power supplier. Will the Reach agency supply its own content alongside that of PA and develop a similar kind of sharing? That could become an attractive cost and revenue sharing for both companies.

For now, though, journalists at Reach – who have experienced a salami slicing of staffing levels, reduced by 23% in the last four years – are protesting about further job losses amid hints of increased use of AI.

Investors in the listed Reach have their own concerns, having suffered more than 10 years of weak strategies and a dearth of innovation (albeit with the consolation of a 10% dividend yield from a company which was spending little on organic development). There is now the prospect of perhaps £15mn of annual cost savings, equivalent to a 15% increase in forecast EBITDA for 2025 – and a longer term strategy.

The CEO's plan includes projects to create digital subscriptions revenue, starting probably in Reach's strong Manchester region, and also a new emphasis on podcasts, short-form and breaking video and audio. The plan and its whole tone is in marked contrast to the strategies of previous CEO Jim Mullen who, for several years, seldom commented on newspaper copy sales and subscriptions – even though they still account(ed) for the majority of Reach revenue. The fact that the company made little progress even on growing digital revenue underlined the disappointment of Mullen's six years at the helm.

In July, Piers North pledged to: build new audiences on and off platform; put audio and video at the centre of Reach newsrooms; and diversify revenues, including digital subs and eCommerce. That's not really radical, of course, but it's certainly a fresh message from Reach. The new CEO is moving fast to revitalise his portfolio and intensify innovation. That must eventually mean the acquisition of some long-overdue catalyst businesses and a raft of product launches, experiments and collaborations. It could be an eventful 2026.

Reach Plc

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Reach has finally started the race.

SnapShot Reach Plc					
£mn	2025*	2024	2023	2022	2021
Rev	517	539	569	601	616
Ebitda	107	110	104	112	106
Margin	21%	20%	18%	19%	24%
People	3.3k	3.6k	3.7k	4.3k	4.7k

* Flashes & Flames estimate

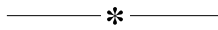
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NEXT

The Guardian

How Guardian becomes American

By COLIN MORRISON



OLE JACOB SUNDE, CHAIR OF SCOTT TRUST, CHARITY OWNER OF GUARDIAN Media Group (GMG), introduced this year's annual report by reminding his audience (presumably of employees and executives as much as anyone else): "Ten years ago, The Guardian faced a stark reality: the company was spending £85mn more than its income. Had this situation continued uncorrected, The Guardian as we know it today might not exist".

Sunde (also chair of Schibsted) said the "successful turnaround strategy" had brought the lossmaking GMG back to breakeven in 2019 and to positive operating cashflow three years later. He said "this achievement" had enabled the company to accomodate a cash outflow of £24mn in the year ended March 2025.

There was no reference to 2023-4 when the cash outflow (losses) had increased again to £36.5mn. There was also no comment on the action plan which had enabled the turnround, including: Reducing headcount by 400 to about 1,500; and cutting operating costs by 20%.

In practice, having reduced costs during 2015-19, the company has increased them every year since. In 2024-5, they were 19% higher than five years previously. This does not undermine GMG's improved financials but merely identifies its high-wire dependence on revenue growth. The £47mn (19%) of costs in 2024-25 additional to those in 2019-20, produced a similar operating loss (-24mn v -29mn) – somewhat in line with the 12% increase in headcount. The Guardian's latest negative cash outflow (operating loss) in 2024-5 came despite the fact that its revenue was a full 22% (£50mn) higher than in 2021-22, when it had a positive result (profit).

The numbers suggest the risk in GMG's growing cost base of any revenue downturn. The shift towards reader revenues helps, of course and, in the shortterm, so do licence fees from Google and Meta. But it's a reminder that the historic problems had usually been more about costs than revenue. The post-crisis decision to manage the £1.25bn endowment in the Scott Trust parent (rather than in GMG) had been a deliberate strategy to separate the operating subsidiary from the fund that guarantee its existence "in perpetuity". Don't give profligate children easy access to their parents' bank account!

But, here's the good news.

The Guardian really did achieve a 7% increase in revenue last year – which was the highest for 15 years – and most of the additional £18mn flowed through to operating cashflow. Digital subscriptions were up 22% to £107mn and GMG had 1.3mn "recurring supporters" (subscribers and regular donors) – up 13%. Even advertising revenue (two-thirds of which is in the UK) was slightly up.

The readership revenue growth is a continuing vindication of The Guardian's distinctive strategy under which most of the digital journalism remains free (up to 20 articles per month) but readers are encouraged to pay in three ways: For £4 monthly, they can "support" The Guardian. For £12 monthly, they get access to unlimited content on the app without ads, including the paid-for Feast food app. Readers paying £27 get "full digital benefits" and also The Guardian Weekly print magazine. This new premium 'print with digital' package has driven an increase in the number of readers choosing higher value subscriptions, resulting in a significant improvement in ARPU (average revenue per user) – up 12% year-on-year. The whole strategy seems so much more longterm than those of The Guardian's peers which, while giving little or no content to non-paying readers, continually offer ever more aggressive subscription discounts. The Guardian business model feels more durable.

But there's more.

A full 60% of GMG's 1.3mn paying supporters and subscribers are outside the UK. That's the main story because 38% of all revenue now comes from international markets (up from 35% in 2023-4 and from a mere 13% in the 2019 breakeven year). The new EU edition helped to grow revenue there by 25%.

SnapShot Guardian Media Group			
Yr to March £mn	2025	2024	2023
Revenue	276	258	264
Readers	175	155	151
Advertisers	64	62	71
Licensing etc	37	41	42
UK	170	167	171
N.Am	56	45	46
ANZ	27	26	28
EU	20	16	15
Ex UK rev	38%	35%	
Op result	(24)	(36)	(19)
People	1,671	1,684	1,636
Endowment	£1.3bn	£1.3bn	£1.2bn

But no fewer fewer than 430k of those supporters/subscribers are in the US and Canada, where revenue last year increased by 23% to £56mn – more than doubled since 2021. North America now accounts for 20% of total revenue, up from 17% in 2023-4 and 10% in 2018-19. That’s where the majority of the 2024-5 growth came from. Indeed, North America and the EU together accounted for substantially all the additional revenue.

The accelerating international growth (especially in the US) is a momentous change in the news brand that had – until 1959 – been known as the Manchester Guardian, based in the UK’s north-west. Arguably, it’s the biggest change in strategy since its longest-serving editor Charles (C.P.) Scott bought the newspaper which – over 57 years – he built into a nationally-recognised daily. He bequeathed it to The Scott Trust which was pledged to maintain both its independence and its liberal politics, and to reinvest whatever profit it made.

The positive way this unique ownership structure emboldened the flagship paper was highlighted by former editor-in-chief Alan Rusbridger who was appointed in 1995. He had led the 2011 exposé of phone hacking and criminality, principally by News Corp journalists in the UK. It was a Watergate moment and helped to define The Guardian, especially for its newer audiences outside the UK.

It had come four years after the far-sighted launch of Guardian America through which Rusbridger had sought to capitalise on the already substantial online readership. In 2010, with other news brands including The New York Times and Der Spiegel, he produced reports on the war in Afghanistan from a huge cache of classified documents discovered by WikiLeaks. In 2013, The Guardian won a Pulitzer for its coverage of the US National Security Agency documents leaked by Edward Snowden.

But, although the digital-savvy paper managed to build a transatlantic reputation, it did not transform the revenue. Fortunately, it had the support of GMG’s endowment fund which had been accumulated primarily by an early

50% investment in UK digital winner AutoTrader. It eventually produced a windfall profit of more than £600mn that has become today's £1.25bn fund. Rusbridger had reasoned that the gains would help to bankroll his paper's global digital development – until it became profitable. But that was before newspapers got caught in the post-digital avalanche of falling print revenues, low-yield online advertising and no certainty that digital would become profitable. That was also before daily news brands discovered the potential of digital subscriptions.



Trump: 'I was saved by God to make America great again'



Trump has been good for The Guardian

After almost 10 years of vainly hoping that the promise of a bright new future was somehow guaranteed by soaring (free) web audiences, The Guardian (and newspapers everywhere) began to panic. Rusbridger himself stepped down after a reign characterised by great investigative journalism, but also by a profligacy that had seen the newspaper increase its staffing and costs throughout a decade when even its sleepiest competitors were doing the reverse.

But, among all else, Rusbridger created a North American future for The Guardian, which (under his 10-year successor as editor-in-chief, Katharine Viner) now enjoys 40-50mn monthly uniques in the US and a soaring reputation.

While the substantial “Trump bump” which boosted US newspapers in the president’s first administration has not been repeated in 2025, many publishers have reported significant jumps in reader contributions and direct subscriptions. The Guardian US more than doubled the previous year’s fundraising record immediately after the election, with \$5.13mn in immediate donations.

Even during the presidential campaign last year, it was able to capitalise on the Washington Post’s unexpected decision not to endorse Kamala Harris by itself supporting the Democrat candidate and raising an \$1.8mn in 72 hours from an email campaign by US editor Betsy Reed. Another email campaign when The Guardian quit Elon Musk’s “toxic” X platform also attracted strong support and revenue. The Trump era has been rich in opportunity.

The activity – supported by 2025 increases to The Guardian’s 150-200 headcount in the US – highlights its “Americanisation”. It has growing support among Americans for its global, liberal perspective, arguably, in much the same way as the BBC News. The Guardian is now an established media brand on both sides of the Atlantic. Its record US revenue last year was believed to be 68% from readers and to have produced an estimated EBITDA margin of 15% (£8mn).

But the best may be yet to come.

If US revenue continues to grow, say, by some 20% annually, it could reach almost £120mn by 2028-9. If so, the all-digital US (more the future than a UK base still burdened by print) could be generating almost 40% of GMG revenue and, presumably, EBITDA of some £15-20mn. In those circumstances, any mere public company might consider switching its headquarters and its whole investment strategy.

The Guardian

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Even for the UK-based, 204-year-old, charity-owned news brand – seemingly content with last year’s £24mn operating loss – anything like that level of US performance might just change everything. From Manchester to the world.

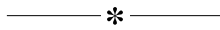
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NEXT

Douglas Emslie

Emslie racing ahead in trade shows

By COLIN MORRISON



THE ONETIME ARTHUR ANDERSEN ACCOUNTANT DOUGLAS (DOUG) EMSLIE spent 25 years building Tarsus into a top 20 trade show group via a London IPO, £700mn Charterhouse-backed MBO and, finally, the £800mn acquisition by Informa. It had been founded by banker-turned-trade show entrepreneur Neville Buch, for whom Emslie had formerly worked at Blenheim Exhibitions.

Tarsus became a £180mn-revenue, independent exhibitions powerhouse with major events including the Dubai Air Show, Labelexpo, GreenTech, Space Tech Expo, and PainWeek. It was one of the four largest organisers in the Middle East and a growing presence in the US and China – but notably, and deliberately, absent from the UK market. During the pandemic, it invested at least \$100mn in acquisitions – having previously been a creator of many of its own new shows.

But nothing in Emslie's CV of longterm growth and stability – or in the post-pandemic expectation that Charterhouse would eventually sell-on the company under its CEO to a new pe owner – prepared us for what happened next.

Informa pre-emptively swooped on Tarsus in 2023. Within two years, one of the world's longest-running trade show CEOs had become the industry's most valued investor. After a short handover, he left Informa to develop his Cuil Bay Capital which has invested in more than 10 information and events businesses in the past 18 months, including the following where he plays an active role:

- Raccoon Media, the seven-year-old specialist consumer shows organiser, including the UK's National Running Show. £11mn revenue, expected to more than double in 2026. Emslie is Chair and majority shareholder.
- Jacobs Media, the 16-year-old, £20mn-revenue travel B2B publishing and events company, now targeting Middle East and exhibitions growth. Deputy Chair and minority shareholder.
- Easyfairs, the €230mn-revenue, pan-European trade show organiser (now two-thirds pe-owned) is believed to be targeting acquisitions in the US. Director and minority shareholder.
- Life Science Connect, the US-based, pe-owned company which said his appointment reflects its ambition to enter the live events sector in 2026. Director.
- Events Venture Group, of the US, which has some 35 members who variously choose to make investments (totalling 5-10%) in startups, four so far. Some expect it eventually to create an investment fund. Director.
- Manta Media Capital, a funding syndicate-accelerator for event startups, launched this year. Director.

In addition, Cuil Bay Capital (named after a historic place in Emslie's Scottish west coast homeland) has invested in four early-stage events companies including: TrailCon (trail running), Evolve (reverse logistics), Peak Conference (sports tech), and Quantum World Congress (an EVG investment), some of which, incidentally, chime with his leisure passion for running marathons and ultra-marathons around the world.

Broadly speaking, these investments – believed to total some £20mn – are 50% UK-EU, 40% (US) and 10% (Asia). He indicates that his medium-term objective is to move to above 50% in the US and grow the Middle East dramatically: “Those are the regions where I see the most opportunity and where momentum and growth capital are strongest.”



Emslie: one of the industry's most valued investors

We asked Emslie about the future of trade shows:

How would you summarise the trends?

“The industry is consolidating at the top, driven by strategics like Informa and by private equity, but also fragmenting at the edges. Large organisers are becoming ever more global, while entrepreneurs are carving out space in niche communities. Digital has settled into a supporting role rather than a replacement, and the strongest shows are either highly international or deeply embedded in passion-led communities. Regionally, the US has recovered strongly from the pandemic, while Germany and China have not. The market currently booming is the Middle East.”

How significant really is the Middle East?

“The Middle East has become one of the most dynamic growth regions for events. Saudi Arabia and the UAE are leading the way with major government-led investments, and I’d expect the market to double in the next 3–5 years. What makes it distinctive is not just the scale of capital, but the speed at which new venues, organisers, and international partnerships are being developed. Unlike in places like the UK, governments there clearly recognise the economic impact of events and are hugely supportive of the industry.”

What about Events Venture Group?

“Events Venture Group is a strong signal of how private capital is engaging with events in a more structured way. It pools members’ resources to back growth-stage organisers, providing not only finance but also operating expertise. It could become quite significant if the model proves scalable. I don’t see it yet as a wholesale shift in event financing, but it’s part of the wider professionalisation of investment into the sector — and it fits well with my own strategy of backing entrepreneurs.”

What are the new imperatives for startups?

“What has changed is:

- *The need to build a community before you build a show*
- *The ability (and expectation) to attract capital early*
- *Buyers are more focused on a return on their time (invested)*
- *The need to deliver energy and be fun – which is why we are seeing the shift to so-called festivalisation*

“Historically, you could launch with the cash flow from advance customer receipts. That’s become harder, given tight venue contracts, higher marketing costs, and staff salaries. What hasn’t changed are the fundamentals of great events — networking, strong content, real commercial value, delivering the right buyers – and a team that deeply understands its market.”

What are your predictions for 5–10 years?

“We’ll see further consolidation among the largest organisers, but also a vibrant ecosystem of specialist entrepreneurs. Geographically, the Middle East and Asia will continue to outpace Europe in growth, and the US will remain the largest and most dynamic market, regardless of political shifts. Private equity will remain very active, and we’ll also see more sovereign wealth money flow into the industry — following the precedent of Informa’s joint ventures with the Saudi government and, currently, with the Dubai World Trade Center.

Douglas Emslie

CONTINUED

“The winners will be those who build brands that matter to their communities – not just sell space – and who can move quickly without becoming bureaucratic.”

Emslie, who has seemingly already spent a lifetime managing trade shows, has started his new life as an investor-entrepreneur at a time of major change which may become yet more dramatic.

Let me explain.

It is easy to get carried away by the excitement of ‘festivalisation’ and for others to doubt whether these new-wave shows really will create fundamental change in the B2B exhibitions market. But global research by US event services group Freeman has highlighted the generational change from older to younger participants in trade shows. Across the pandemic, the average age of trade show attendees has fallen from 51 to 45 – the most dramatic decrease in 30 years.

The shift is said to be largely due to accelerated retirements among ‘baby boomers’ during Covid and the rise of millennials and Gen Z as the dominant workforce groups. These ‘new’ groups, which Freeman calls ‘Next Gen Event Goers’ (NGEGs), are aged 20-44 and now represent a much larger share of attendees. They tend to be more diverse, better educated, and have different values and expectations compared to older generations. For example, they are more interested in unique, interactive, and customized event experiences and value social and environmental responsibility highly compared to boomers.

By 2030, Freeman projects that NGEGs will comprise 75% of the event attendee population, presumably changing how events need to be planned and delivered. This is the tidal change that some event creators – like Doug Emslie’s EVG board colleagues Jonathan Weiner and Jay Weintraub – recognised early. But, arguably, the trend also coincides with a growing fluidity of events. One2One meeting formats have, arguably, helped to blur the distinction between exhibitions and conferences, which will further encourage ‘new’ entrepreneurs and new types of events.

But there's more.

You didn't need the comparatively undisrupted pandemic experience of Dubai to confirm the city as one of the most business-friendly centres – for exhibition organisers and others.

Informa (not just the world's largest event organiser but maybe twice the size of the no. 2) is focused on its JV with the Dubai World Trade Center, on which much of its senior executive time is currently engaged. It implies that the UK listed company (which had 13% of its trade show revenue from the Middle East in 2024) will be multiplying that share. There's a long way to grow.

It will reinforce what Emslie (who spent 25 years building the Dubai Air Show for Tarsus) is saying about the Middle East. He's also believed to be involved with the expansion of the ADNEC complex in Abu Dhabi (owner also of Excel, in London) which is thought likely to enable the doubling of many UAE events.

It's obvious why existing and prospective events companies (and private equity) are chasing Doug Emslie. A man for the times.

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NEXT

Hearst UK

3 OCTOBER 2025

Can Hearst UK break free?

By COLIN MORRISON

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IT'S TOUGH BEING THE CHILD OF SUCCESSFUL PARENTS. IT'S LIKE THAT IN business too. Take the Hearst Corp which, in addition to being probably the oldest multimedia group, has consistently been one of the most successful. It's the enviable group that has successively made its best profits, first from newspapers, then magazines, then TV and, now, business information. In the 1970s, when the subscriptions and advertising from magazines like the legendary Cosmopolitan were effectively funding the whole family-owned corporation, who could have guessed that – some 40 years later – Hearst would depend on Fitch bank ratings and data transactions?

And one key to what we might call 'strategic sequencing' – where the Hearst profits come, in turn, from the different media categories – might be that the company seldom abandons a once golden category or brand, even when it ceases to deliver. Hearst insiders would say that the task is to restore these former winners to good health so they can again be star performers.

But is that realistic?

We don't need to rehearse the lines about how the one-time operational economies which had spawned large magazine groups may not be available to their digital successors. After all – perhaps even more than in news media – the whole idea of consumer magazines (especially mass market ones) was to create a 'department store' of reading, some of it original but much of it versions of what – even in pre-digital times – was more freely available. In that sense, many magazines are simply outdated 'packages' in the age of digital pick and mix, when consumers increasingly will only pay for content that they

cannot get anywhere else. Arguably, also these same magazines suffer from the fact – lest we forget – that (in many markets) they remain almost equally dependant on advertising and subscriptions – and many can scarcely survive without both revenue streams.

But many of these former magazine stars not only still deliver profits but are also strong brands that can become the media profitmakers of tomorrow. Yes.

The obvious point is that magazine publishers (especially those in large consumer sectors like women’s and home interest) need to pick and choose the brands – and content – that have genuine longevity and either discard, merge or ‘milk’ those without a longterm future. The investment bets could be placed on existing, new and merged brands that can be developed – over the longterm – to be much more than magazines.

SnapShot Hearst UK					
£mn	2024	2023	2022	2021	2020
Rev	105	112	122	129	116
+/-	-6%	-8%	-5%	+11%	-18%
Op profit/ (loss)	(10)	(4)	5	(4)	(9)
Subs	987	952	932		
People	668	718	703	703	775

Hearst UK’s results for 2024 claim total magazine circulation growth for the second consecutive year, a 25% increase in digital subscriptions, and “growth in print advertising and subscription revenue and a much improved newsstand performance”. You might be surprised that the buoyant claims

have produced a 6% revenue decrease (the third consecutive decline) and more than doubled operating loss.

Hearst UK has a complicated story to tell about circulation which, inevitably, casts an odd light on the company's strategy.

Its longterm objectives must be to build revenue from, and first party relationships with, readers. But the extent to which they are doing this is open to interpretation because of the 21% of the circulation of the seven magazines (in our table below) accounted for by "multiple subscriptions".

Many of these are thought to be gifted by Lloyd's Bank to its customers, but how these measure up to Hearst's own revenue and first party data objectives is unknown. Indeed, our original assumption that these were effectively free subscriptions was influenced by the curious way that the UK's Audit Bureau of Circulation (ABC) separates the large "multiple" numbers from the much smaller "paid multiples". Despite this, Hearst says all these multiple subscriptions are paid-for.

But there's more.

Many of the multiple subscriptions started in 2020 and clearly substituted for previously large free circulations. In 2019, the flagship Good Housekeeping recorded an average 54k of free copies which, by the following year had been replaced by 84k "multiples". Country Living had a similar transformation with its 38k free copies in 2019 being replaced by 37k of "multiples" in 2020.

Beyond the suspicion that these multiple subscriptions may be relatively low-priced and also lack first party data, the arrangement focuses attention on the circulation strategies employed by Hearst UK.

What we describe as 'alt circ' methods include: All You Can Read (AYCR) subscriptions, Multiple subs, free copies, and subscriptions at less than 20% of the full price. We have commented before on the way that Hearst and

others have trumpeted the rapid growth of digital subscriptions without admitting that most were AYCR subs from Apple News+. There's a whiff of print media's regretted, former dependance on Facebook and other platforms in these AYCR subscriptions. While they do generate real revenue from Apple, it does not match regular subscription prices (at least in the UK) – or give the publisher much user data.

Hearst UK has adopted this 'alt circ' approach much more comprehensively than its rivals Condé Nast, Future and Immediate Media.

Hearst UK : the 'alt circulation' puzzle						
'000 copies	Circ total	AYCR	Multi	Free	<20%	Alt circ total
Good H'kpng	370	33	99	5	14	41%
Cosmo	121	46	13	10	—	57%
Elle	80	19	6	25	2	65%
Cntry Living	177	14	43	3	8	38%
Harpers	68	13	4	21	—	56%
Wmn's Health	91	36	15	1	6	64%
House B'tful	77	19	22	—	4	58%
Total/ %	984	18%	21%	7%	3%	49%

Source: UK Audit Bureau of Circulations 2024

As the previous table shows, ‘alt circ’ (ie all magazine circulations other than copy sales and subscriptions by individuals) accounts for a total of 49% of the average circulation of these seven magazines in 2024 and – disconcertingly – 41% of Good Housekeeping; and higher still for all other brands except Country Living. AYCR accounts for 18% of these average circulations.

It may be surprising that Good Housekeeping, Hearst UK’s most profitable brand (and a magazine whose decades of product testing have created high-value reading and online reference) depends so heavily on these alternative circulation methods. But we understand, of course, why the company – still generating some 35-40% of its revenue from advertisers and sponsors – should want to hype circulation success.

You get the picture.



Circulation of the UK’s biggest-selling lifestyle magazine is boosted by ‘alt circ’

The estimable executives of Hearst UK say their mission is to diversify revenues (ie learn to live without much advertising) and, specifically, to increase readership revenues through subscriptions and community memberships. But can they hope to achieve this while padding circulations, presumably in order to slow the decline in advertising revenue?

It might remind you of the way that it has taken even those UK national daily newspapers (some of which are now profitable again) the best part of 20 years to build subscriptions and accept the new reality of negligible advertising revenue. The task had been made more difficult, inevitably, by the mad millenium scramble to push their content online for free. But daily news brands as diverse as The Times of London, Guardian, Telegraph, Daily Mail and Financial Times have learned the lessons of the past and built print-digital business models dependant not on advertising but readership and, mostly, high-priced subscriptions.

The Hearst beneficiaries may not lose much sleep about the dismal last six years during which their UK subsidiary's revenue has fallen by 26% and scarcely ever been profitable; the growth elsewhere much more than compensates for such minor disappointments. They may not even know that a small handful of their best known UK brands could, presumably, generate more profit and better growth prospects than the whole portfolio.

You sense the contradictions of this business because of the way that Hearst's senior executives talk sagely about the possible future of print as relatively high-quality, less frequent editions to complement digital services and events. It's logical enough but that ultimate scenario may only be achievable if the publisher remorselessly builds 'first party' paying readers and abandons its longheld mission – almost more than anything else – to be a great seller of advertising. Like the bundling together of exclusive and ho-hum content, that mission is part of a glorious past. But readership revenue must be (most of) the future.

It seems time for a real (and inevitably pricey) shift in the Hearst UK business model – perhaps helped by an acquisition like Nutratch which has helped to transform Immediate Media's food-related subscription/ membership revenues. Three-year CEO Katie Vanneck-Smith (ex News Corp and Tortoise Media) knows all about readership, subscriptions and memberships. Can she break free from the supposed corporate belief that magazines (and their advertising) are here to stay and that things can only get better? Can she again be the radical reformer?

Hearst UK

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If Hearst UK reports in 2026 on another year of thrilling growth in its (alternative) circulations, we might just be forgiven a collective sigh. But, then, the Hearst Corp parent has never been so successful. Tough for some children to keep up.

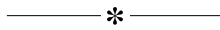
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NEXT

Immediate

How Nutracheck changed Immediate

By COLIN MORRISON



THE CONTINUAL TASK OF SO MUCH MASS MARKET PRINT MEDIA IS, OF COURSE, to use their accumulated brand power and relationships as the launch platform for new products and services – and, somehow, to do this while continuing to mitigate the decline of traditional revenue and profit.

The medium-term objective, in many cases, must be to transform magazine readerships into membership communities to accelerate the development of durable new business models, presumably in digital, events and licensing. For some (for example, Hearst UK which we examined last week) the challenge is magnified by a continuing dependence on advertising revenue. It may be unsurprising, therefore, that the most successful transformation of a major UK magazine company has been the largest subscription (as opposed to newsstand) publisher – less than 20% of whose revenue is advertising.

It's almost three years since Immediate Media (a subsidiary of Hubert Burda Media since 2017) acquired Nutracheck, which – with 340k subscribers – was one of the UK's largest paid-for digital apps. Its evidence-based approach for food, exercise and progress tracking helps to guide members to healthier lifestyle choices. Its solution for calorie and nutrient tracking uses a food database with over 350,000 products and a barcode scanner. Members – who pay an average of £25-30 annually – can integrate these products quickly and easily into their diet plan by scanning the barcodes while shopping.

Nutracheck has won countless awards for customer service and a nicely human touch: “Between us, we have a range of nutrition, sports science and food degrees, as well as personal experience of weight loss. We are well

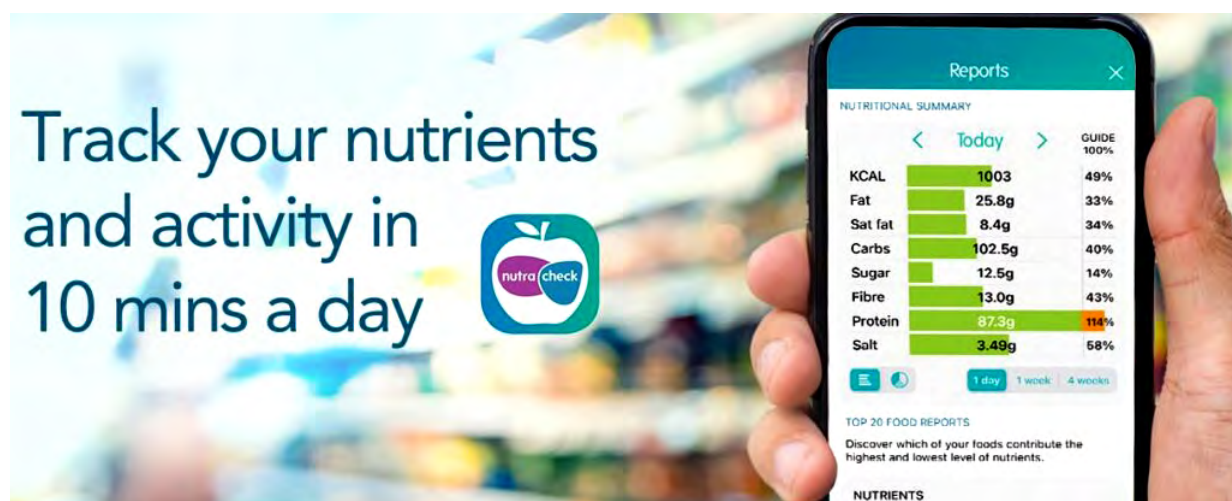
Immediate

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qualified to support members on their weight loss journeys and our biggest motivator is seeing people achieve their goals. Get in touch anytime. Ask us anything.”

The whole approach is far from the profusion of food advertising, “is independent of food manufacturers and retailers, and seeks to provide an impartial source of nutritional information in an easy-to-use, consistent format. All information is based on Government reports and guidelines and uses food-industry recognised sources.”

The acquisition of Nutracheck seemed a perfect (if slightly surprising) fit for Immediate which, three years previously, had acquired Good Food magazine from the BBC for £32mn. And that’s how it’s turned out. The Burda parent had said “As leaders in the food segment, we will continue to develop and further diversify our business models in this key segment. Nutracheck fits perfectly to this strategy. We are also investing in a strong digital business model which, together with our already established cross-platform Immediate brands, has significant growth potential, both in our digital and print businesses.”



It was Nutracheck founder and CEO Tim Vryenhoef who had the vision to link the barcodes on a food product to its nutritional information, enabling people to scan a food product and track their diet.”We launched in 2005 (two years before the iPhone) and were slightly ahead of the curve. At the core of the proposition is scanning barcodes. In the early days, you had to type the last

Immediate

CONTINUED

four digits of the barcode into your Nokia and that made the search results sufficiently small. You probably got two or three results back. It became a million times easier when smartphones gained the camera resolution to scan them properly. That was the objective, we just had to wait a while for that to happen. With weight management, lots of diets work but lots of diets fail. [Our service] draws your attention to what you eat. The big difference between us and others is that our database is curated [and not crowdsourced].”

Vryenhoef was clear-eyed about the secrets of his app’s success: “The first thing is we are made in Britain and most of the apps that succeeded in the early days were out of America. In our particular sector, they don’t translate well for customers’ user experience because it’s about the database [of foods]. It has to be up-to-date, and the servings in UK measures. It’s only a little thing but it’s crucial. What has been absolutely pivotal to our success is that, in the app world, the app name has to tell the customer what it does. So we told customers, in the title of the app, what the actual purpose was, as well as our brand name. It became “Calorie counter by Nutracheck”. No one else did that. They just put their brand name and hoped they would build the brand. We have an enormous number of organic downloads on the basis that people find the functionality they are looking for.”

Nutracheck was (and is) brilliantly gimmick-free, as the founder said in 2022: “We have the same structure of the app as we did 15 years ago. The last time we did a redesign, which was about a year ago, we adopted all of the latest iOS 14 styles and it looks absolutely fantastic. We try and reduce the number of taps that you have to do, to do a regular, repetitive action, like adding a cup of coffee to your diary. It should be done in two clicks. Don’t mess around with the core functionality of your service that customers have mastered. And don’t radically redesign the interface just because you think it looks good. If a customer doesn’t think it was broken, then all you can really afford to do is change the fonts and the colours. Do not move the buttons around.”

That was the subscription app, philosophy and attention to detail that Immediate was thrilled to acquire for a total of £59mn (including £16.3mn

for the last 19.3% in 2024). It had seemed a fair price for a 340k subscription business with £3mn EBITDA back in 2022. But the most recent financials tell the story of a business that this year will have more than doubled the revenue and trebled the profit in the three years since acquisition, with 50%+ margins and subscriptions expected to have increased by 62%.

SnapShot Nutracheck				
£mn	2025*	2024	2023	2022
Rev	17	12	9.5	7.5
Ebitda	9	6.7	5.0	3.1
Margin	53%	56%	53%	41%
Subs	550k	490k	400k	340k

*Flashes & Flames estimate

The results reflect the integration and shared audience with Immediate's Good Food print and digital brand, which celebrated its 35th anniversary with a record 265k mostly digital subscribers and a premium app more than doubled to 40k subs. It now claims some 14.7mn digital users, 66mn monthly page impressions, an 85% share of search versus UK competitors – and an increasingly global footprint.

Together, the Food (Good Food, Easy Cook and Olive) and Nutracheck brands are now, respectively, Immediate's second and third largest businesses (after Radio Times) contributing an estimated £15mn of EBITDA in 2025 – about 45% of the Immediate total.

More to the point, Nutracheck alone – which brought a range of skills and experience not routinely found in magazine companies – may next year to contribute some £10-12mn EBITDA – about 30% of the company total

Immediate

CONTINUED

with less than 5% of the headcount. It also gives the acquisition a 5-6x price multiple. How's that for a subscription app bargain?

For the company which – lest we forget – still publishes the UK's most profitable magazine, Radio Times, Nutracheck becomes the case study of an acquisition which has transformed the digital prospects of a mere publisher. And that's even before Immediate puts its 'new' community-building skills to work, say, in the holiday, homecare or entertainment markets; or replicates the Better Homes & Garden's success in the US for product merchandising. They can all be prospects for future growth by Immediate Media.

For newspaper and magazine publishers everywhere, it's a reminder of how a well-targeted (and perhaps non-standard) digital acquisition can be the catalyst for dramatic change in a legacy business. Be brave.

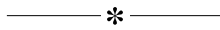
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NEXT

TEDtalks

Anderson passes TED baton

By COLIN MORRISON



THE NON-PROFIT TED CONFERENCE WHICH HAS BEEN LED BY FORMER magazine publisher Chris Anderson for the past 25 years, is changing hands. Eight months after he announced the search for a new leader, Anderson this week named Sal Khan (CEO-founder of the not-for-profit Khan Academy) as the new “Vision Steward” for the institution; former TED executive Logan McClure Davda becomes the first CEO.

In a statement, Anderson (whose launch of TEDtalks has transformed the global audience and influence of the 41-year-old conference) said: “From the start, our goal was to find a way for TED to grow its impact while preserving its soul. Sal Khan embodies the spirit of generosity and curiosity that defines TED. He’s a visionary who has proven that technology and learning can serve humanity at scale — without losing integrity or heart.”

He added: “When we announced this process back in February, our guiding question was simple: Who can best take on TED’s unique blend of offerings and values — not just for the next few years, but for the coming decades? Our advisers, LionTree, heard from nearly 100 thoughtful and passionate groups — spanning individuals, foundations, media organizations, technology platforms, investor groups, and universities. (We even received generous offers to purchase TED outright.) The breadth, ambition and imagination of what was offered were truly inspiring. But, for me — and for everyone on TED’s leadership team — the answers weren’t just about capital or scale. They were about stewardship, values, and a shared belief in giving ideas away, trusting community, preserving independence, and amplifying human possibility.”



Khan & Anderson: the future and past of TED

He said the new leadership would uphold the core TED objectives, including: that it must: never be sold-out to commercial interests; seek transformation not just incrementalism; preserve the concept of free TED Talk videos and community volunteers; encourage diverse voices, global reach and non-partisanship; and protect editorial and intellectual integrity.

Chris Anderson last year told *Flashes & Flames* about what he saw as TED's greatest achievements so far: "Two big decisions to embrace a strategy of 'radical generosity'. Giving away our content online when online video first made that possible could, in theory, have crushed the conference. But it actually boosted demand and, of course, turned TED from an under-the-radar treat for the west coast tech and creative elites to a global brand for everyone. Giving away use of that brand by allowing free licenses to put on TEDx events ended up attracting tens of thousands of volunteers who now spend astonishing amounts of their own time and money putting on TED events around the world – more than 3,000 annually."

Sal Khan said this week: “TED has been one of the world’s great amplifiers of ideas. I’m honored to help steward its next chapter — one that will further empower people everywhere to learn, connect and collaborate for a better future.”

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NEXT

With Intelligence

How Charlie Kerr built a \$1.8bn data powerhouse

By COLIN MORRISON

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S&P GLOBAL HAS AGREED TO ACQUIRE THE UK-BASED, FINANCIAL DATA provider With Intelligence for \$1.8bn (£1.3bn), some 13x revenue and 30x EBITDA. It provides analytics, data and events on alternative assets such as hedge funds, private equity, real estate and private credit.

These “alt” investment classes are believed to account for some 30% of the asset management industry but perhaps 60% of the fees. That and the growth prospects explain why the price of With Intelligence is 3x that paid by majority owner Motive private equity just two years ago.

Motive’s £410mn price in 2023 had itself been 16x EBITDA and 3x the £135mn enterprise value of 2020 when Intermediate Capital Group (ICG) had previously taken control. ICG had retained a 10% shareholding (and also mezzanine debt in the company) alongside Motive’s 77% and founder-CEO Charlie Kerr (13%).

It’s a spectacular 2-3 year increase in value. But timing is everything and the 2023 valuation, arguably, reflected a premature decision to sell when the price might have increased by 50% a year later. On the other hand, this week’s price might itself have been expected a full 12 months from now – but was advanced by the hungry ambition of the \$160bn S&P Global.

The deal, which is expected to complete in 4-6 weeks (subject to US regulatory approval), will give S&P – best known for its stockmarket indices, commodity prices and credit ratings – proprietary data in the forecast \$40trillion alternative investment market, from 34,000 private equity groups, 19,000 real

With Intelligence

CONTINUED

estate investors and 17,000 hedge funds, with a database of 350k deals. S&P had recently announced the launch of its index tracking the top-50 private equity funds.

The 'alt' market is now a fierce battle.



Kerr: transformed a publisher into a data provider

The acquisition of With Intelligence comes 18 months after S&P had been outbid by BlackRock in the \$3.2bn (£2.6bn) sale of the 22-year-old private data leader Prequin. That deal was said to accelerate BlackRock's push to become a major player in alternative investment, following its \$12.5bn acquisition of Global Infrastructure Partners. In fact, it galvanised both With Intelligence's data acquisition strategy and also S & P's own determination not to be left behind.

The Prequin price excited everyone, including Charlie Kerr.

It's just a year since With Intelligence acquired (from Bain) the SPS pe analytics provider for some £30mn (3x revenue). It was significant because it was the third deal in the 18 months since acquisition by Motive. But it also propelled the 27-year-old company into the private equity deals space for the first time – in line with its bigger rivals, Prequin and Pitchbook. It had previously

With Intelligence

CONTINUED

stayed away from covering pe deals, preferring to focus on providing fund-raising data and insight for hedge and private market fund managers.

However, it had become clear that With Intelligence was potentially losing out on business from pe firms which would prefer to buy their fund-raising and deals data from a single source. Moreover, the company believed the deals data would make it more attractive to allocators increasingly using its platform to inform their investment decisions. Focused primarily on private markets, SPS brought transaction-level data on 100,000+ tracked deals. Together with Bain's unique industry taxonomy (licensed as part of the deal) it helps subscribers to unify the fragmented deal sourcing environment and gives greater transparency of the deals most relevant to their investment strategy.

The SPS deal proved not to be With Intelligence's last because it acquired Realfin and The Deal, as the CEO continued his single-minded drive to create a £1bn enterprise value business. And, now, it has not only exceeded that ambition but done so more quickly than the CEO might once have expected. It's a successful strategy built not on large strategic acquisitions or transformative moves but on Kerr's canny strategy of buying small bolt-on businesses. More than a dozen acquisitions since 2020 have collectively adding £40mn to the revenue which will have been some £100mn in the year to February 2025.

The transformation of With Intelligence from traditional B2B publisher to financial data provider had been remarkable, even before this latest acquisition. The company, like its founder, is a fascinating (and, perhaps, unlikely) case study.

UK newspapers periodically comment on the fact that Charlie Kerr left school at 16. In creating the impression of a scarcely-educated rebel, they manage to omit the detail that he is the son and heir of a hereditary British Lord (yes) and attended a swanky boarding school. But he really did build his business career the hard way, selling classified ads for regional newspapers and low-value magazines for a decade before going it alone.

With Intelligence

CONTINUED

Kerr's non-standard CV feeds through into a highly popular but unconventional leadership style, marked by wandering around the office scruffy and shoeless in bright-coloured socks. He's great with people but not on detail, and hates writing anything down.

He and schoolfriend Sebastian Timpson had bootstrapped their startup Pageant Media with maxed-out credit cards. Their first B2B magazines were Offshore World (failed) and E-Gaming Review. At the start, it was a classic 20th century B2B publisher of free magazines funded by advertising, but Kerr saw the light. The 2008 banking crisis gave him experienced jobless recruits as he shifted his telephone sales teams over from selling low-value advertising to high-value subscriptions. Back in 2012, some 40% of the company's revenue came from advertising. But now it's all about pre-paid digital subscriptions and membership events.

Kerr's next 'light bulb' moment had been in 2019 when he realised the business could be worth many times as much if it became a high-value, paid-for data provider. That's why the company is unrecognisable today, having killed off most of its old publishing and events brands, all but abandoned advertising, and built an enterprise subscription, data and insights platform.

It became With Intelligence in 2021.

The company now being acquired by S&P is 'data first', with a relentless focus on relevance, accuracy and recency, in an industry which values these criteria more highly than scoops and exclusives – and, crucially, can afford to pay for what it wants (average customer yield is now around £25k and growing strongly).

With key brands including EurekaHedge, FolioMetrics, The Deal, Pension Bridge, Hedge Fund Alert, Falk Marques, RealFin, and Pension Funds Online, it delivers "a unique blend of data and intelligence". But Kerr says the secret sauce may be 'investors' intentions and preferences': "We've created highly-valued information and events membership packages for allocators. In return,

With Intelligence

CONTINUED

they're happy to share with us regular updates on where they're planning to allocate investments and why". It claims some 3,000 institutional clients, including the world's 100 largest asset managers.

What was once a largely domestic B2B publisher has been transformed into a data business whose members themselves not only supply much of the information for its datasets but also pay anything up to hundreds of thousands of dollars for subscriptions to access it. And two-thirds of the revenue now comes from North America.

SnapShot With Intelligence				
Yr to Feb £mn	2025*	2024	2023	2022
Rev	100	80	64	44
UK	17%	19%	20%	23%
US	70%	64%	63%	57%
Ebitda	38	30	23	15
Margin	38%	38%	36%	34%
People	750	507	481	420
EV	1,340		410	

*Flashes & Flames estimate

One little secret glossed over by the PR is that the With Intelligence transformation has been achieved in not much more than two years. That in itself should inspire B2B companies everywhere.

With Intelligence

CONTINUED

Charlie Kerr's estimated £200mn payday (not to mention the huge gains of his pe partners) proves what can be achieved at a time when data subscriptions have never been more highly prized. Just as the onrush of AI tools is shaking the confidence of media and information companies, what could be more sustainable than high-value data subscriptions, woven together by personal relationships and data-driven live events in a fast-growing market?

For all the sensible media industry talk about revenue diversification, there's no substitute for focus and determination.

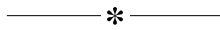
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NEXT

News Corp

Will Dow Jones fund Murdoch family deal?

By COLIN MORRISON



IT'S JUST A MONTH SINCE THE MURDOCH FAMILY'S REAL-TIME VERSION OF Succession ended with eldest son Lachlan securing control, as chair, of the listed companies News Corp and Fox Corp. His three adult siblings each received \$1.1bn in exchange for their shares in the business and changing the terms of the family trust. During the legal dispute, Rupert Murdoch had told his eldest children, according to the New York Times: "These companies are my legacy. I have put everything into them over my life." He described the media assets as "a protector of the conservative voice in the English-speaking world" and argued that only Lachlan's leadership could protect them in that role.

Lachlan Murdoch is now the de facto heir to one of the world's most powerful media businesses comprising News (with a current enterprise value of \$18bn) and Fox News (\$28bn). His role had been a reason for the dispute involving siblings who do not necessarily share the conservative politics of their father or of Fox News. But the deal, which settled the bitter legal battle, has already prompted quiet speculation among investors and insiders about its implications for the future shape of the companies.

Let me explain.

The \$3bn+ for the payouts is coming from a combination of sources, including the sale of shares in Fox and News Corp (totalling \$1.4bn) on behalf of the three children leaving the trust, as well as a new family-owned company – led by Lachlan Murdoch – that is using a \$1bn loan to buy-out additional stock from his siblings. This financing structure means the cash does not come directly from Murdoch's personal funds.

But, as a result, the Murdoch family's shareholdings in News Corp and Fox Corp have been reduced.

Before the settlement payments and share sales, the Murdoch family trust owned approximately 41% of the voting shares of each of the listed companies and about 14% of the total equity. After the settlement, it is believed that the family's voting control, in each case, has been diluted to about 36% with the economic equity stakes estimated to be some 12-13%.

SnapShot News Corporation				
\$bn Yr to June 2025	Revenue (%)	EBITDA (%)	Margin	Value
Dow Jones	2.3 (27%)	0.6 (35%)	25%	9-12bn
Assume 15-20x. Comparables: Thomson Reuters (26x), Verisk (19x), Moody's (21x)				
Books	2.1 (25%)	0.3 (18%)	14%	2bn
Assume 7x EBITDA				
News	2.2 (26%)	0.2 (12%)	7%	0.8bn
Assume 4x EBITDA				
Real estate	1.8 (21%)	0.6 (35%)	33%	\$14.5bn
\$13.3bn is the current value of the 61.4% shareholding in ASX listed REA Group				

This reduction, especially in the voting shares, may feel uncomfortable for the 94-year-old Rupert Murdoch who has periodically had to face down critics, both on the issue of the dual share structure but also on News Corp's 'sum of the parts' discount in its enterprise value. Some time in the future, Lachlan Murdoch may not find it as easy to manage shareholder disquiet as his father, as the architect of the businesses and the creator of so much shareholder value over the longterm. These are different times and the son may find it harder to win consistent investor support for a company spanning national and regional newspapers, books, business information and real estate services in the UK, Australia and the US.

As a result, analysts believe that Rupert and Lachlan Murdoch will soon seek to sell some News Corp assets, in order to help to restore their control of the voting shares – but also to reassure shareholders in the new era. The following analysis shows how a 'sum of the parts' calculation – even now – could be at least 60% above the company's current \$18bn enterprise value (see table, previous page).

The two most valuable businesses (and those with the most profit, best margins and growth prospects) are the digital real estate and Dow Jones. Although much of the real estate is a majority shareholding in an Australian listed company (co-founded by Lachlan Murdoch), either of these strong businesses could, arguably, be sold or IPOd in ways which would meet the objectives of the Murdoch family and also institutional shareholders. Creation of a third listed, company from a demerged News Corp division might also have the added appeal of still being controlled by Murdoch, although the precise calculations of shareholdings are complicated by the substantial share buybacks now underway.

But, given that the options (rejected already by shareholders) of merging News and Fox are receding, not least with the increased Fox emphasis on streaming, sports and consumer digital services, an IPO for one or more of the News Corp divisions may become an attractive alternative to an outright sale.

That may tilt the balance to a de-merger or sale of Dow Jones (DJ), the global financial and business information provider whose operations include: Wall Street Journal, Investor's Business Daily, Barron's, DJ Risk & Compliance, DJ newswires and DJ energy (a Price Reporting Agency). This highly attractive business has grown subscriptions by more than 20% in the past four years, and consistently pushed up revenue and margins. The flagship WSJ has 34mn monthly uniques.

SnapShot Dow Jones (News Corp)				
Yr to June \$bn	2025	2024	2023	2022
Revenue	2.3	2.2	2.1	2.0
Reader	1.9	1.8	1.7	1.5
Ads	0.4	0.4	0.4	0.4
Ebitda	0.6	0.5	0.5	0.4
Margin	25%	24%	23%	22%
Subs mn	6.3	5.8	5.2	5.0

DJ – with its emphasis on the Americas – has 4x the revenue of Nikkei's Financial Times – but is also more advertising-dependant and has many fewer events than the FT. But one, perhaps under-stated, growth prospect for Dow Jones is the oil and chemicals PRA which might have major acquisition and consolidation prospects in the future.

Whatever the wrangling to come, many companies (including Bloomberg, Axel Springer, Hearst, Moody's, S&P Global and Thomson Reuters) might be interested in acquiring Dow Jones and its 136-year-old flagship business daily.

News Corp

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It could be a very hot auction. Will it happen in 2026, as the Murdoch family contemplates the future?

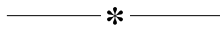
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NEXT

Semafor

Semafor: back-to-the-future winner

By COLIN MORRISON



SEMAFOR THIS WEEK CELEBRATED ITS THIRD ANNIVERSARY WITH PERFORMANCE stats (and our own estimates) that underline its distinction as a US-based, global digital news provider which:

- Is profitable
- Has scarcely spent 60% of its \$34mn initial investment
- Has doubled its revenue for three consecutive years, to some \$45-50mn in 2025
- Has 1mn non-paying ‘subscribers’

Its no-polarisation, bipartisan platform exploits not just consumer disenchantment with news bias and fake content but also the strong preference for brevity, especially among digital-native audiences. That’s why Semafor has been able to recruit star reporters from well-known news brands, while employing just 50 journalists (and 85 total headcount). The profitability is, of course, down to this quality-quantity balance. It’s a business model that challenges legacy news brands which have print editions and traditional staffing to support – and a stubborn tendency simply to replicate their print content online.

But, even among digital-only news providers, Semafor is a very different kind of startup, not least because it’s funded by an ambitious events strategy where conferences (large and small) are a core part of the company, not an ancillary activity. Semafor launched 50 events in its first year and 12 even before its news service began in 2022. This year, it will operate more than 100 conferences accounting for some 60% of the company’s revenue.

But there's something else.

All the Semafor events are invitation-only. In a strategy reminiscent of the controlled circulation policies of former B2B trade magazines, the tens of thousands of delegates who will have attended the conferences this year will be paid for by sponsors, not by the delegates themselves. It really is back to the future.

It's a smart strategy whose rising success is best measured by Semafor's World Economy Summit, held annually in Washington DC. What started as a gathering of 50 of the leading CEOs in the US was this year attended by 300 of them, among an audience of some 3,000 for the three-day event. In 2026, it will be five days.

Events Email Briefings

Intelligence for the New World Economy

5:02 AM THURSDAY OCTOBER 23, 2025

D.C. BXL LAGOS SEMAFOR RIYADHBEIJING SG

Home Politics Business Technology Energy Gulf Africa Security Media CEO Signal

The World at a Glance

Updated 11:49pm GMT+1

- The US struck a [boat suspected of carrying drugs in the Pacific Ocean](#), marking an expansion of the White House's deadly military campaign aimed at curbing drug trafficking.
- Hundreds of public figures across the ideological spectrum called for a ban on [research that could lead to AI "superintelligence."](#)
- [New York City officials condemned a federal immigration raid](#), as the US government widens its deportation campaign.
- Saudi Arabia's [Crown Prince will visit the White House](#) in November, officials confirmed, the latest sign of warming US-Saudi ties.
- [US soybean exports to China fell to zero](#), a bruising sign for American producers as the trade dispute drags on.
- South Africa's foreign minister said the Trump administration is [pressing for change to black empowerment laws](#) as part of trade negotiations.

Thune breaks with Trump on Argentine beef

The Senate majority leader talked to Semafor about how he's navigating the imports debate and maintaining shutdown unity.

South Africa rebuffs US trade pressure

South Africa's Foreign Minister Ronald Lamola said the Trump administration was trying to force national issues into trade talks.

Thando Hlophe/Reuters

View / Democrats change their brand — but keep the substance

David Weigel

View / OpenAI's brand power fuels its entry into the AI browser race

Reed Albergotti

"Intelligence for the New World Economy"

What is Semafor's largest event (accounting for an estimated 20% of all revenue) audaciously seeks to challenge the 54-year-old World Economic Forum (WEF), in Davos, Switzerland. US critics, in particular, sometimes

view the commanding Alpine event as frustratingly expensively, remote and cold. But WEF is believed to generate some \$500mn in revenue and as much as \$400mn of EBITDA. Yes.

The seemingly charitable Davos event is, therefore, one of the world's larger (and most profitable) media companies and a juicy target. The growth of Washington DC as a business centre (as well as the US centre of political power) adds to the tailwind for the Semafor challenger.

It's less than three years since former Bloomberg Media CEO Justin Smith and journalist Ben Smith (ex BuzzFeed, Politico and the New York Times) launched Semafor with the aim of providing audiences with "an unparalleled level of journalistic transparency through innovative new forms, cutting through the noise of the news cycle with smart, distilled views and exploring competing perspectives across borders for a curious, new global audience."

That has meant clarifying the difference between fact and opinion, quoting and linking to a wide variety of sources, and taking a global perspective rather than an American one. Semafor seeks to be an antidote to polarised news coverage with its "Semaform" sections on: The News, The Reporter's View, Room for Disagreement, and Notable, some of the best other writing on the subject. It's (sort of) targeting the New York Times, The Guardian and the Financial Times in a bid to become a global news source, ultimately, for the estimated 200mn college-educated, English-speaking readers around the world.

Semafor's level of ambition and its determination to avoid polarisation was illustrated by its financial backing from a wide-ranging group of venture investors, philanthropists, media owners and corporates, reported to include: KKR founder Henry Kravis, Charles Koch, Jerry Yang (co-founder of Yahoo), David Rubenstein (Carlyle Group), David Bradley (Atlantic Media), Jamal Daniel (Al-Monitor), Jorge Paulo Lemann (3G Capital), Ric Elias (Red Ventures), Jessica Lessin (The Information), Gallup, Mastercard, Tata, Qualcomm, and Hyundai.

The backers have been described as having “a shared sense of responsibility to support quality, independent global news” despite clear diversity of political views. You have to believe that these founding shareholders are even more impressed by the success of the Semafor business model than they were four years ago when it was a dreamy idea. That, presumably, might give the founders some easy-access funding options to accelerate their global strategy ‘as and when’.

The initial funding had actually been \$44mn but Semafor chose to return the \$10mn it had received from convicted crypto trader Sam Bankman-Fried – and is believed still to have at least \$10mn in the bank. This really is a different kind of digital news startup.

SnapShot Semafor			
\$mn	2025	2024	2023
Revenue*	45	20	20
People	85	65	50

*Flashes & Flames estimate

It’s a too-obvious contrast with the egregious BuzzFeed and Vice, the best-known of a host of media startups, arguably, spoiled by unrealistic ambitions fuelled by an excess of venture cash.

The solid experience and serious strategy of the Semafor founders shines through their business model.

Earlier this year, the CEO said: “We always knew that this was a generational mission and not a short-term campaign. That’s how we structured the company and all of us in Semafor are committed, for example, to a 10-year vesting period for our equity. My co-founder, Ben Smith, and I shook hands

and said ‘Okay, this is gonna take at least 10 years. It’s probably gonna take 20 years, but let’s just start with 10 years’. But the key challenge is to attract and retain the best talent. That’s where we have done so well because it wasn’t clear to us initially that – as a young startup – we would be able to recruit the greatest financial reporter Liz Hoffman and Reed Albergotti, the leading AI reporter from the Wall Street Journal, and Andrew Edgecliffe-Johnson, from the FT. But we have done that.”

Almost everything about this 21st century news group is different.

This week, Justin Smith told the FIPP World Media Congress, in Madrid: “Well, we are different. We’re a consumer-facing news brand but we are running it like a B2B media company. That’s part of the innovation in our business model. We are as diversified, events-led and community-focused as B2B companies. Events now generate a majority of our revenue which, of course, is very profitable. But we’re successful because it all starts with the quality of our journalism and how it attracts a very, very discerning audience of CEOs and C-suite executives. Just three years in, 475 of the Fortune 500 CEOs are readers of Semafor, reading our direct email newsletters. The engagement is incredibly high.”



Colin Morrison interviews Justin Smith (right) at the FIPP conference

Semafor

CONTINUED

As he outlined expansion plans for the Middle East, Asia and Africa, with future growth also in the EU, Smith told the FIPP audience of publishers: ‘We see readers who need products that are not being offered by traditional media. We see advertisers and sponsors that want new types of engagement with this audience. It’s not a locked-up monopoly market. It’s a very disrupted market. The changes that everyone’s experiencing are so profound and that creates tons of opportunity for new, innovative players to come and provide something different that’s user-driven and smart.’”

Happy Birthday, Semafor.

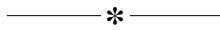
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NEXT

Axel Springer

When (and where) will Axel Springer swoop?

By COLIN MORRISON



IT'S JUST OVER A YEAR SINCE AXEL SPRINGER AGREED THE DIVESTMENT OF ITS €10bn classified advertising business to investor KKR. Under the deal, the Germany-based media company again become a private business, 95% owned by Friede Springer and CEO Mathias Döpfner and valued at €3.5bn. Its major brands include the German newspapers Bild and Die Welt, and Politico, Business Insider and Morning Brew, in the US. The demerger came five years after KKR had paid €3bn for a 49% stake in Springer which then delisted from the Frankfurt stock exchange.

The deal thrilled Döpfner who told staff that it fulfilled the best hope he had for the business back in 2019 and was “a great success”. He also recounted how the company had changed in the two decades since he became CEO: “Back in 2002, Axel Springer was a lossmaking German newspaper and magazine publisher. In 2021 and 2022, the company achieved double-digit revenue growth for the first time in four decades.” And, in the previous five years, the value of the company had almost doubled.

Much of the growth had come from the classified ads business, being divested. But the Axel Springer news brands did have a digital reach of some 400mn monthly uniques, 1mn paying subscribers and are undisputed leaders in Germany and among the top four in the US.

But there have been some expensive mis-steps in Döpfner's 20-year revolution.

In 2006, German regulators blocked Springer's bid to buy ProSieben TV, and the following year it lost hundreds of millions of euros in an unsuccessful bid

to create a mailing rival to Deutsche Post. But neither the CEO nor the owner were discouraged.

Having joined the Springer board in 2000 and become CEO two years later, Döpfner worked tirelessly to transform the Berlin-based domestic newspaper and magazine publisher into a primarily-digital, increasingly international provider of news, classifieds and marketing services through a powering strategy of M&A and organic development including:

- **Acquiring:** US-based digital media, including Politico, Business Insider, and Morning Brew for a total of some \$1.5bn. Digital classifieds in jobs and real estate, starting with the then pan-European StepStone in 2009 and the UK's Total Jobs in 2012. In total, Springer has spent almost €4bn on more than 50 digital companies.
- **Converting:** German daily newspapers Bild and Welt into digital brands, with hundreds of thousands of subscribers.
- **Divesting:** The €920m sale to Funke Group of the Springer women's and TV listings magazines and regional newspapers, including Berliner Morgenpost, Hamburger Abendblatt, and Horzu.

The reinvention required real strategic courage, especially early on when the family-controlled company sold Horzu and Hamburger Abendblatt, the two publications first launched in the 1940s by the late founder Axel Caesar Springer. With the acquisition of Die Welt, they had been the start of the company whose influence, reputation and profitability was transformed by the 1952 launch of Bild, based on the UK's then all-powerful Daily Mirror tabloid.

Herr Springer's business career had been punctuated by fierce criticism of the fiery Bild. But there were many other facets of the man who fought for the reunification of Germany and, symbolically, built his headquarters overlooking the Berlin Wall, which came down four years after his death. It is now the site of the company's stunning Rem Koolhaas-designed Axel Springer Campus.

On Axel's death in 1985, his fifth wife Friede Springer became the company's largest shareholder.

The newly-listed company lurched from one crisis to another in the following 15 years, with a succession of bosses and disastrous strategies. Then, along came its unlikely saviour, Mathias Döpfner.

Having studied musicology, literature and theatre science in Frankfurt and Boston, he began his career in 1982 as the music critic of the *Frankfurter Allgemeine Zeitung*. After working as a news correspondent in Brussels – and also as manager of a concert agency – he moved to Gruner + Jahr in 1992. Four years later, he became editor-in-chief of the tabloid *Hamburger Morgenpost*. In 1998, he joined Axel Springer as editor-in-chief of *Die Welt*. He sharply reduced its losses. Within four years, the seemingly unambitious Döpfner found himself propelled into the Springer senior management.

In 2002, he succeeded former News Corp UK boss August Fischer, after rising print costs and advertising cuts had pushed Axel Springer into its first-ever annual loss, of some €200mn. Döpfner became CEO at 38, half the age of his predecessor. He set about cutting costs and, in 2004, increased Springer profits by 23%. He also managed to rid the company of its hostile 40% shareholder, the former TV entrepreneur Leo Kirch.

Döpfner is now one of the most admired media leaders. But, back in 2002, he looked nothing of the kind. His sudden, fast-track executive career prompted colleagues to identify the characteristics he shared with the company's late founder: his passion for music (in Döpfner's case, everything from Mahler to James Brown), his "non-Jewish Zionism", and strong personal convictions about almost everything in media and politics.

In 2019, after KKR had become Axel Springer's largest single shareholder, Frau Springer sold a 4.1% stake to Döpfner and gifted 15% more – bringing his shareholding to 22%. She also transferred to him voting rights for her remaining 23% shareholding.



Döpfner: what's the next transformation?

The CEO's restless drive to harness the best instincts of companies everywhere had prompted him to send senior executives to California, on a mission that has left an indelible mark on the rejuvenated company's strategy. The Springer team roomed in Palo Alto, a stone's throw from Stanford University, and networked with its graduates across Silicon Valley.

Then came the pain as he made a point of recruiting senior executives from outside the company in order to change the culture. He cut jobs and integrated print and online newsrooms. But, even while he was cutting back, he pushed into new markets, launching the Polish tabloid Fakt that became the country's bestseller in its first year. And the restless search for new opportunities has been snowballing ever since through acquisitions, disposals, and digital startups.

The once sleepy Axel Springer group became – alongside the New York Times and Norway's Schibsted – a standout in the transformation race by daily newspaper companies.

Like Schibsted, Springer expanded its digital classifieds strongly in countries where it was an insurgent with no traditional media to defend. Unlike the

Norwegian company – which created a large number of classified sites in ‘new’ countries – Springer based its growth on significant acquisitions in many of the key markets.

In 2015, Springer paid a splashy €450m for Business Insider, on the rebound from its failed €900m bid for the Financial Times. It had been described by Döpfner variously as “the Wall Street Journal of the business elite”, “business journalism with a twinkle in its eyes” and “the largest business destination in the world”. He had also predicted that “It’s going to be one of the most attractive and best positioned digital native brands in the world”. But, 10 years later, it’s still...a work in progress.

However, the real reason for the fundamental strength of Axel Springer now – as a debt-free, \$3bn-revenue, independent digital media company – is the way it has used private equity funding. Its 20-year period of digital and geographical transformation with three different investor groups might just inspire another family-owned news provider, the UK’s Daily Mail Group, which itself delisted almost four years ago.

Almost two years before the Mail privatisation, Axel Springer was being hailed by a German investor as “the media company which had done everything right. Thanks to its early focus on the internet, over 80% of its earnings now come from digital business.”

In the year before the pandemic, CEO Mathias Döpfner reported to his listed company shareholders that 2018-19 was the most successful year in the company’s history with revenue of €3.2bn (+4%), EBITDA of €738bn (+14%) digital growth of 10%, and digital subscriptions for its core German news media Welt and Bild of more than 500k (+11%).

But an optimistic investor briefing by Döpfner turned sour when his assertion that profit growth would be held back by the need for more digital investment sent the share price plummeting by 7% to its lowest level for more than two years. Pow!

It provoked Springer chair Ralph Büchi: “We can’t go on like this. In our view, the company is undervalued on the stock market; that was clear when you added up the value of the individual parts.” This was the signal of the company’s ambition to delist from the stock exchange.

To achieve it, Axel Springer took a path that had already worked twice before: It set out to find a powerful financial investor “who will drive growth and development with us in the long term,” said Büchi.

In June 2019, it announced a “strategic partnership” under which US investment firm KKR (one of seven companies Springer had negotiated with) would make a voluntary takeover bid for the company. Friede Springer (42.6%) and CEO Mathias Döpfner (2.8%) would retain their shares, giving KKR a stake of more than 40%. The deal was hailed by one analyst who said “On the one hand, Springer is escaping the short-term nature of the capital market and, on the other hand, it is gaining liquidity for investments.”

The strategy was familiar to Springer which, during 2003-8, had welcomed another US investor, Hellman & Friedman, as a 40% shareholder. That enabled Döpfner to further internationalise the media business. Almost a decade later, another US investor General Atlantic become a JV partner in Springer’s burgeoning digital classifieds business which – in five years up to 2017 – helped to double digital revenues to more than 70% of the total.

That was the context for the partnership with KKR which, since delisting, enabled investments of over €1.9bn to support Axel Springer in accelerating its digital growth. Politico and Morning Brew, in the US, and ScreenOnDemand in Germany, expanded the media portfolio, while Mya Systems and Bayard, in the US, MeilleursAgents, in France, and Neuraum, in Germany, had strengthened the classifieds offering.

During KKR’s 2019-24, Springer increased annual revenue by 30% to €3.9bn (in years when many media companies had not grown at all), with double-digit increases in 2021 and 2022. Digital came to account for more than 85% of all revenue.

It was a bold strategy that had paid off.

Like Schibsted, Springer's digital classifieds had been a global triumph. But Döpfner always wanted the company to be a pureplay news provider and believed the "non-core" earnings would pay for the journey. He simply loves the news business in much the same way as Rupert Murdoch.

In June this year – more than 20 years since Döpfner embarked on the transformation – he outlined the company's new five-year plan to executives. He focused on the three strategic pillars of Axel Springer's future: AI-based journalism, expanding media-marketing platforms (eCommerce etc), and "developing new growth areas". He wanted to double the company's value within five years. He told his people: "Journalism remains our core, but it's evolving. The business model of maximizing clicks and advertising is over! We must focus on deep and long-term relationships with our users."

Instead of platform dependency, Axel Springer wanted to increase direct access to its journalism. In the future, AI would help text would seamlessly transform into audio and video: "Direct traffic is the proof that users choose Axel Springer. Dependence on search and Social is a weakness. Owning the audience is a strength."

Döpfner emphasized the need to use AI in all areas of work, and compared the technological revolution with the transformation from analog products to digital journalism: "Digital is the new print. AI is the new digital. The task is the same, the spirit is the same, but the pace is exponentially faster. This isn't AI versus human intelligence—it is AI with human intelligence. AI and HI. It's not either or. It's both. Who combines the best of both intelligences in the most complementary way will win."

But, then, came the big reveal.

In addition to its journalism – with brands like Bild and Welt, in Germany, and Business Insider and Politico in the US and internationally – the company

needed to build its third strategic pillar; “We have to build a high-margin, hyper-growth business beyond journalism and marketing media, a third pillar as a strategic hedge. We have to find new gold. Like we found one and a half decades ago with digital classifieds. It should have something to do with our main competencies: Content. Subscription. Advertising. Mass markets. Technology.”

With an estimated €4-5bn of cash, no debt and a bullish CEO (most of) whose biggest bets have paid off handsomely, it seems clear that Springer hopes to achieve that doubling of value within five years by making bigger-than-ever acquisitions. His stated ambition certainly implies that he will need to spend much more than the \$1bn (5x revenue) he spent on Politico, his largest deal so far.

We reckon Döpfner’s acquisition targets might include the following:

- **Dow Jones:** Springer would be among those keenest to acquire the Wall Street Journal and DJ’s increasingly attractive B2B information services, totalling \$2.3bn revenue/ \$600mn EBITDA. WSJ has more than 4mn subscribers. But any News Corp plan to divest its best division might also energise Bloomberg, Thomson Reuters, Morningstar and Moody’s. Our own speculation is that an auction might just be coming, as part of the Murdoch family’s funding of its recent \$3bn+ ‘succession-planning’ compensation payment to Lachlan Murdoch’s siblings.
- **Financial Times:** The £550mn-revenue, UK-based news, information and events business might be the wildest speculation because it is just 10 years since Springer lost the auction to Nikkei. The Japanese owner has publicly denied rumours of any intention to sell. But Springer must regret missing out on the FT and, instead, acquiring Business Insider (BI) on the rebound. The \$130mn-revenue (and falling) BI digital newsletter group is believed to be lossmaking, a victim of web traffic said to be almost two-thirds down in four years. It’s a crisis illustrated by headcount cuts totalling more than 30% in the past three years.
- **Substack:** the (not-yet-profitable) eight-year-old newsletter platform was this year refinanced at a valuation of \$1.1bn. It has so far raised \$200mn in funding and would fit well with Springer’s focus on on digital-first, direct-

to-subscriber media assets. It claims over 5mn paid subscriptions and generates about \$450mn in “annual gross writer revenue” (with Substack earning 10%, or \$45 million, as platform revenue). Acquisition would give Springer access to a creator-driven, ad-light platform with direct relationships between writers and reader – arguably, one of the fastest-growing segments in digital media.

- **Telegraph Media Group:** A real long shot, given its likely acquisition by US media investor RedBird. But Springer had – 20 years ago – wanted to acquire the UK news brand. It might share RedBird’s view that the Telegraph could be a right-of-centre news leader internationally, especially in the US. If the protracted attempts by RedBird to persuade UK legislators that its package of investors (including sovereign wealth funds from the Middle East) do not succeed, could Springer be interested again? Don’t hold your breath because neither Springer (nor perhaps anyone else) would now be persuaded to pay the £500mn (1.8x revenue, 8x EBITDA) currently offered by RedBird. But still...
- **Washington Post:** Those same ambitions might be better achieved with the acquisition of the \$550mn-revenue Washington Post. The legendary US news brand was acquired by Jeff Bezos for \$250mn in 2013 and is believed to have disappointed the Amazon founder, not least due to its lossmaking (maybe partly at the expense of the buoyant New York Times) but also by the political angst caused by the Trump administration for a traditionally liberal news brand. The Post’s potential value is believed to be anything from \$500mn to £1.5bn. It is said to have incurred pre-tax losses of \$100mn in 2024. But, with, 2.5mn subscribers (all but 100k digital), it’s the third largest US newspaper-centric brand after the New York Times and the Wall Street Journal. So it could be a tempting target for Springer.
- **Semafor:** It’s the three-year-old increasingly global digital news brand with a difference: it’s tightly staffed, profitable and is effectively funded by events. The Axel Springer CEO is known to be interested in the business model – and the company (\$45mn revenue and growing fast). It could be a great fit with Politico, Morning Brew and Business Insider and the Semafor co-founders might thrive in Springer. Any kind of fund-raising to accelerate its global roll-out could be just the opportunity for Döpfner to swoop.

Döpfner has said: “America has become the main heart chamber and the growth engine of our publishing business” which might be the key to some of those possible acquisitions.

In a world where the New York Times has shown just how to build a strong subscription base with a diverse ‘bundle’ of news, information, sports, puzzles and leisure services, you can imagine how Mathias Döpfner would knit his political, business and financial media into any of those major news brands. It certainly seems inconceivable that the (sort of) heir to Rupert Murdoch’s news industry leadership does not have a plan to compete with those aiming to become English-language global news leaders, like the New York Times, FT and The Guardian.

Those who know the Axel Springer boss best think he is impatient to make the moves that can ensure the doubling of value he has targeted. Will the company be celebrating its 80th birthday in 2026 with the next big splash?

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NEXT

Haymarket

7 NOVEMBER 2025

Haymarket back to health

By COLIN MORRISON

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IN MAY, THE TRUMP ADMINISTRATION'S HEALTH SECRETARY ROBERT F. KENNEDY Jr threatened – characteristically during a podcast – that he would stop US government scientists from publishing their research in major medical journals: “We’re probably going to stop publishing in The Lancet, Journal of The American Medical Association, New England Journal of Medicine and those other journals because they’re all corrupt. Unless those journals change dramatically, we are going to stop scientists from publishing in them and we’re going to create our own journals inhouse.”

Such threats have not materialised, except in relation to some reported censorship of papers submitted to medical journals, the Trump push to cut prescription drug costs (principally by requiring drug makers to sell in the US at the lowest international price, imposing 100% tariffs on some some imported drugs and discouraging the use of vaccines). But the wild assertions have had a significant impact on publishers through reduced advertising and government expenditure. Some have been developing partnerships with international drug researchers and pharmaceutical companies to counter-balance the risks of US policies.



Haymarket
MEDICAL NETWORK

The instability created among medical publishers has been felt by the UK-based, family-owned Haymarket Media Group, some 50% of whose revenue is in the US, mostly from its medical information and events. In the past 25 years, the Haymarket Medical Network has grown from 30 employees, generating revenue of \$15mn, to 400 people and more than \$100mn in 2023-4.

SnapShot Haymarket Media Group				
£mn Yr end June	2026*	2025*	2024	2023
Rev	200	175	183	183
UK	45%	45%	43%	41%
US	50%	45%	48%	50%
RoW	5%	10%	9%	9%
Digital	68%	67%	63%	63%
Events	23%	22%	23%	22%
Print	9%	11%	13%	14%
Ebitda	20	10	15	15
Margin	10%	6%	8%	8%
People	1,300	1,300	1,361	1,341

* Flashes & Flames estimates

It has become one of the three leading US providers of “medical education” (sponsored content and events) in the US where GPs are required to re-apply for their licences and account for their CPD every year.

What is the UK’s largest B2B publisher was rocked by the Trump Administration’s actual and threatened drugs strategies which are believed to have slashed some £10mn (c12%) from its medical revenue during Jan-June 2025, the second-half of its financial year. As a result, the company – which has been steadily growing revenue (up 13% during 2019-24) – is believed to have decreased by 4% in the 12 months to June 2025. But the growth has since resumed and is expected to see Haymarket’s US revenue bounce back by almost 25% during 2025-6 (see table, previous page).

For the company which, less than 20 years ago, was primarily a UK specialist consumer magazine publisher, the US medical shock has coincided with domestic growth. Its legacy consumer brands – Autocar, Classic & Sport Car, and What Car? have now extended their partnership under which digital users can seamlessly access the new and used car listings of AutoTrader.

This smart deal has significantly boosted the profit of the Haymarket auto portfolio which may now account for some £50-60mn of revenue (maybe one-third from AutoTrader commission), not so long after it had tried – and failed – to build its own What Car? online buying site. Another part of the Haymarket legacy – ‘Marcom’, including legendary ad industry brand Campaign and PR Week – was recently augmented with the £4mn acquisition from Centaur Media of Marketing Week (a 47-year-old onetime defector from Haymarket), the Festival of Marketing and Creative Review.

The only thing missing from Haymarket’s known strategy is medical expansion in the UK. After all, it had long been a core business since its 1964 acquisition of the MIMS drugs listing which, 20 years later, spawned its US launch of the MPR drugs reference. Now that its US medical business has rebounded after the initial Trump shocks, Haymarket seems more likely than

Haymarket

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ever to acquire and/or launch medical products and services in the UK. That's what its own bruised pharma clients in the US must be saying.

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NEXT

CloserStill

How CloserStill will be trade show champion

By COLIN MORRISON

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AFTER A YEAR DURING WHICH THE WORLD'S THIRD LARGEST TRADE SHOW organiser, Clarion Events, has seemingly tried and failed to attract sufficient bids, owner Blackstone is thought to be considering whether to de-merge Global Sources. The Hong Kong-based division – with its four large trade shows, private sourcing events and online marketplaces – is estimated to account for some 25-30% of Clarion revenue at a time when China is, well, not the flavor of the month, least of all in the US. It would certainly have deterred some would-be bidders. But the process, which had begun in September 2024, may have suffered most from the Trump Administration wave of tariffs in April-May – just when Clarion had been hoping to complete a deal. The US-fuelled wave of pessimism for world trade wasn't great timing for anyone trying to sell trade shows.

Nobody doubts that the mighty Blackstone (with \$1 trillion under investment) will be able to transfer the trade show organiser to a continuation fund but – eight years after it (separately) acquired both the UK-based Clarion and Global Sources – it's not what they wanted when they invited bids of \$2bn.

After earlier reported failures to sell Questex and the major stake in the US listed Emerald, the trade show focus turns to the UK-based, pe-owned Closer Still Media (CSM) which has almost quadrupled its revenue and EBITDA since 2019 and is now one of the 10 largest trade show organisers, set to achieve its best profit margin in 2025. The once domestic UK company seems likely to generate 40% from the EU (2022: 17%), 30% from the US (21%) and less than 25% from the UK (54%):

Snapshot CloserStill Media				
£mn	2025*	2024	2023	2022
Rev	245	200	144	104
UK		33%	37%	54%
EU		39%	31%	17%
US		21%	24%	21%
RoW		7%	8%	7%
Ebitda	80	63	42	27
Margin	33%	32%	29%	26%
People	890	720	603	384

Flashes & Flames estimate

In an industry whose standout cashflow and profit margins can sometimes seem to correlate with poor ‘net promoter scores’ from grudging exhibitors, CSM initially addressed its target healthcare, veterinary and cloud computing sectors with content teams designed to win the support of trade association sponsors, visitors and, hence, exhibitors.

High-value seminars, lectures and conferences for medical doctors, pharmacists and veterinary surgeons were sold upfront instead of (as traditionally) in the last few months before a show. In what have become major major growth sectors, this content-rich/ CPD-angled strategy quickly won support for the new CSM shows.

That emphasis on learning – and sponsorship deals which now account

for about 20% of revenue – was a perfect antidote to health-related sectors dominated by paid-for conferences, many with weak academic content. CloserStill produced excitement and quality learning for professionals, either free or at much lower cost than traditionally.

It's almost six years since Providence Equity Partners (which had sold Clarion Events to Blackstone in 2017) acquired a 65% stake in CSM for an enterprise value of £340mn (the management team and most of the employees own 30%+). In 2013, CSM had been valued at just £25mn by Phoenix Private Equity which was able to flip its investment to Inflexion in 2015, at a valuation of £125mn.

For the past five years, former CFO Gareth Bowhill has been CEO of CloserStill, after a strategy-rich decade in sports marketing and advertising. He and Soar have proved to be a winning double act as the company has expanded well beyond its original focus on healthcare and the UK, to build strong earnings in tech (especially in the hot sectors of datacenters and AI) and in the US and EU. The strength of the partnership may best be judged by the fact that, although it has invested some £250mn in acquisitions in the past four years (70% of it in 2023 and 20% in 2025), much of the overall growth has come from organic development.

CSM's total acquisition spend is believed to average some 4-5x EBITDA currently, a real achievement in an events market where almost all the deals would have been priced in double-digit multiples. Indeed, it paid £119mn (12x profit) for the largest deal (the UKI portfolio of 20 transport technology events in the US and Europe, including CSM's largest event, Passenger Terminal Expo). The £40mn acquisition of the Trans-Global carbon capture events in the same year was 9x operating profit.

But in an increasingly consolidated trade show market which – more than ever – enriches entrepreneurs selling their startup events, CloserStill stands out as proportionately one of the biggest creators of new shows among leading organisers. No fewer than three of its five largest shows (including its two fast-growing tech events) have been new launches.

1. Passenger Terminal Expo (acquired)
2. Tech Show Singapore (launch)
3. Tech Show London (launch)
4. The London Veterinary Show (launch)
5. Ai4 (acquired)

The fact is that 11 of CSM's top 20 events have been homegrown startups. It's a contrast with some other trade show operators, including the sprightly Hyve Group (also owned by Providence, since 2023). That company – whose acquisition last week of health plan advisory network HGAN was its sixth deal in 15 months – has (so far) concentrated more on acquisitions than launches.

There's something else about CSM.

At a time when B2B businesses of all kinds are being rewarded for what we might describe as “niche colonisation”, CSM once looked like an ultra-smart specialist in its healthcare-related sectors. But times have changed. First, the events industry has rebounded strongly since the pandemic. Second, CSM has realised that its sustained growth actually depends on being in more sectors, especially in fast-growing technologies and economies including Asia and the US. Third, its ability to geoclone and develop the “content” of acquired shows has become a real (almost unrivalled) strength among all but the largest event organisers.

Today, the CSM portfolio is more than 200 brands (trade shows, conferences, awards ceremonies, online and print publications) in three broad categories: Technology (c40% of revenue), Healthcare/veterinary (40%), Future Transport & Infrastructure (20%).

It's an open secret that Providence had been awaiting the expected Clarion acquisition before deciding when to put CloserStill up for sale. Nobody seems able to decide whether the effective withdrawal of Clarion (for now) is encouraging or not for the prospects of a CSM deal, say, in 2026. Will some of the headwinds faced by Clarion deter would-be bidders for CloserStill or

CloserStill

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will the newer company benefit from being the largest trade show business available? Will CloserStill's underweight portfolio in Asia and the Middle East (where Informa and RX, for example, are strong) make it easier for the market leaders or others to contemplate a complementary 'merger'? Its high-growth tech shows (especially Ai4, probably the world's largest AI event, in Las Vegas) may help to create investor excitement.

While any kind of formal process has yet to begin, CloserStill's 2025 results (affected inevitably by US exchange rates) and the probability of £90mn+ EBITDA in 2026 could produce an enterprise value of some £1.3bn. In the absence of a Clarion deal, that would be the highest valuation of any trade show company in the seven years since Informa paid £4bn for UBM. A new champion.

Let's wait for 2026.

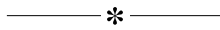
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NEXT

Bauer

Bauer is 40% radio but look what's coming

By COLIN MORRISON



IT'S FIVE YEARS SINCE THE BAUER MEDIA GROUP, OF GERMANY, PAINFULLY exited the Australian and New Zealand magazine markets and, more smoothly, sold its US publishing. In this, the fifth generation family company's 150th anniversary, its latest financials for the operations outside Germany (plus our own estimates for the German business) reveal that:

- Germany now accounts for 28% of revenue, down from 35% since 2022. The UK is Bauer's largest source of revenue.
- Audio/ radio is now 40% of all revenue and has increased 18% in the last two years. It's the pan-European market leader with some 150 audio brands and revenue that's 75% ahead of the UK leader Global Media & Entertainment whose growth was just 10% in the same period.
- Magazine publishing remains a significant business, accounting for €579mn (29% of total revenue), mostly in Germany, Poland and the UK. Copy sales and subscriptions are 91% of publishing revenue.
- Digital revenue across Europe accounted for just €40mn (3% of revenue ex-Germany). It had previously been more than 3x – before Bauer divested its pan-European price comparison sites.

With the Hamburg-based company now digesting its \$625mn (5x EBITDA) acquisition of the Clear Channel-North outdoor advertising group, it will be interesting to review the profile of Bauer revenue from next year.

Meanwhile, we may wonder about the revolving door of senior executives at Bauer.

SnapShot Bauer Media Group (ex Germany)			
€mn International	2024	2023	2022
Revenue	1,431	1,466	1,422
Radio	799	743	675
Mag sales	500	479	470
Ads	40	51	58
Digital	40	139	158
Other	52	55	51
Germany*	569	634	778
Total	2,000	2,100	2,200

*Flashes & Flames estimates

In eight years, the Australian business had no fewer than six CEOs – and that’s about the same score for the German headquarters. Chair and 85% shareholder Yvonne Bauer issues announcements about management realignments, refocusing and reorganisation as often as adopting new slogans for Bauer Media Group (three in five years). There have been four presidents of Bauer Audio in under five years.

Have the executive changes contributed to the company’s operational weaknesses or vice versa? In addition to the erstwhile Australasian excursion, these weaknesses, arguably include the on-off support for price comparison sites, the sometime provision of marketing and business services to small companies (yes), and also the relatively weak performance of digital revenue.

It's just over a year since Ms Bauer announced her new executive board to focus on its two-pronged core strategy: publishing and audio, each under an executive director. Now, one of those key executive directors has left the company, the other has been promoted out of his 'new' job and the company has made its biggest investment for years – in a new third business, outdoor advertising, where it is (sort of) now playing catchup to UK radio competitor Global.

Bauer Media is a substantial company, of course, with a very strong pan-European radio/audio group and a substantial (and still profitable) magazine portfolio with comfortably (?) little exposure to advertising. It has strong brands and market positions.

But what does it want to be?

The answer, believe it or not, may be in the Clear Channel acquisition.

It's Bauer's biggest investment since the £1.1bn EMAP radio and magazines group in 2008, which set the magazine publisher on a new course. Increasingly, digital outdoor advertising can fit well with radio networks, as shown by Global. But Bauer's move not only to acquire Clear Channel's 110k outdoor sites across 12 countries, but now also a leading hardware supplier, Amscreen, indicates an ambition to be an outdoor advertising leader – because it can help drive digital innovation.

With digital out-of-home (DOOH) adspend growing by 12-15% globally (and pushing towards 75% of all outdoor ads), Bauer clearly sees its move as a strategic game-changer. Its head of Bauer Media Outdoor, Justin Cochrane is the 10-year CEO of the former Clear Channel business, which employs 1,400 people across most of the European countries where Bauer has radio stations. The Drum said recently that Bauer's message "is unequivocal: the OOH gold rush is on and, rather than simply buying a gold mine, (Bauer is) also buying the tools".

Bauer

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So, the family-owned, seemingly secretive company – prone to the odd rush of blood but which still prides itself on several lifetimes as Europe's largest magazine publisher – sees its future in the digital fusion of audio and outdoor media. A big, bold strategy for the 150-year-old. Wow.

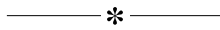
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NEXT

DMGT

Daily Mail Group agrees to buy Telegraph

By COLIN MORRISON



THE DAILY MAIL PUBLISHER, THE PRIVATELY-OWNED DAILY MAIL & GENERAL Trust (DMGT), has signed an agreement with RedBird IMI to acquire Telegraph Media Group for £500mn, £400mn upfront and the remainder two years later. DMGT said it is now in a period of exclusive talks with the Abu Dhabi-backed venture over the sale of the Telegraph, to “finalise the terms of the transaction, and to prepare the necessary regulatory submissions”.

DMGT owner Lord Rothermere said: “I have long admired the Daily Telegraph. My family and I have an enduring love of newspapers and for the journalists who make them. The Daily Telegraph is Britain’s largest and best quality broadsheet newspaper, and I have grown up respecting it. It has a remarkable history and has played a vital role in shaping Britain’s national debate over many decades. Chris Evans is an excellent editor-in-chief and we intend to give him the resources to invest in the newsroom. Under our ownership, the Daily Telegraph will become a global brand, just as the Daily Mail has.”

That hints at the way the Telegraph and Mail together will seek to build digital subscriptions on both sides of the Atlantic and exploit what many – including RedBird – have seen as the opportunity to build a major conservative news platform to rival the liberal New York Times. DMGT might expect encouragement from the Trump administration.

The Mail, which has been a leading international digital news site for more than a decade, has recently been building paid-for subscriptions (reportedly 350k so far, with a 2028 target of 1mn). The Telegraph-Mail may become

a formidable combination for that strategy at a time when virtually all UK national daily news brands are working hard to grow US audiences and revenue, most successfully by The Guardian.

DMGT – which already co-owns (with News Corp) the Telegraph’s printer and also sells its advertising – had previously intended to acquire a minority stake of 9.9% in the Telegraph, as part of a RedBird-led consortium. This plan was believed to include the kind of subscriptions marketing collaboration that will now be at the centre of DMGT’s strategy.

It is almost two years since RedBird IMI attempted to seize control of the Telegraph by paying off the Barclay family’s overdue debts to Lloyds Banking Group. That derailed an auction but was blocked in April 2024 following a political outcry over fears of foreign influence in news media.

The DMGT news was a Saturday morning surprise to most observers, although the speed of some kind of deal was not. Ultimately, the deal – if approved – guarantees the Telegraph’s future under the ownership of what is the UK’s most successful daily newspaper group. For Telegraph employees, it may seem like the best possible outcome, despite the inevitable rationalisation involved in bringing together two daily news groups.

The Financial Times said: “The deal has been struck at about £500mn, which would repay the money spent by the RedBird-fronted consortium on the newspaper. The parties have entered a period of exclusivity to finalise the terms of the transaction. A merger of the Daily Mail and the Telegraph would redraw the traditional lines of Britain’s Fleet Street, creating one of the largest UK media groups and a dominant voice in rightwing politics at a time when the Reform party is growing in popularity against the leftwing Labour government. Any deal will face questions over competition and media plurality, given it would further consolidate ownership of Britain’s national newspapers under a single proprietor.”

The Telegraph itself, whose journalists had been openly critical of RedBird,

said: “Lord Rothermere had lined up as a minority investor alongside RedBird and the UAE, and... has longstanding business connections in the UAE via its oil and gas information arm (its fast-growing DMG Events subsidiary).”

But one “Telegraph source”, quoted by The Times of London, was more cautious: “There will definitely be some discomfort in the newsroom at the idea of being bought by the Mail but, ultimately after two and a half years of limbo, everyone wants this to be over. Rothermere says he’ll give us the resources to invest in the newsroom. I just hope he can follow through on that promise.”

DMGT said the proposed deal would comply with the UK’s newish regulations on foreign state influence because “there will be no foreign state investment or capital in the funding structure”.



The seemingly speedy deal (albeit that it may yet be subject to a competition review) will be a relief to RedBird Capital.

If the UAE-US owned RedBird was looking for a way to justify the decision to withdraw its own £500mn bid for the UK’s Telegraph Media Group (TMG), it got it earlier this week with parliamentarians calling for the government to take control of the sale process. It had become all too political.

A succession of RedBird blunders – that have included giving exclusive negotiating rights to a New York-based bidder without checking whether he had the necessary funding (he didn't), clumsy whispers about replacing the editor-in-chief and clumsier still evasive answers about the sources of its own funding – have been buried by the avalanche of criticism by politicians and the Telegraph's own journalists.

The upshot is that – for all the talk about a new bidding process in 2026 – RedBird cannot wait to rid itself of its Telegraph obligations while recouping as much as possible of the £500mn it had paid for the call option to acquire TMG. That's why the film-TV-sports media investor, which always seemed an unlikely acquirer of the Telegraph, is believed to be trying to secure a speedy resolution with some of the companies and individuals previously involved in the bidding.

This week, RedBird CEO Gerry Cardinale said he was committed to “find the right owner... given the current circumstance”. But he now knew that, failure to get even his exit deal done quickly, would risk RedBird being shut out of the whole process.

The proposed deal will involve some level of regulatory review and might yet lead to DMGT divesting its i and/or Metro tabloids – a small sacrifice. But many politicians (and not just Conservative supporters of the Telegraph) will support the acquisition because of the certainty it offers to one of the UK's oldest newspapers.

DMGT said it was “confident any regulatory process can be concluded swiftly and positively” and that “today's media landscape is unrecognisable from a decade ago. News publishers have to compete against both vast global online platforms and myriad digital and social media news sources, some of them highly unreliable.”

RedBird's on-off auction debacle has anyway had the effect of making a DMGT acquisition much less controversial on competition grounds than

it previously would have been. Given the alternative (a further protracted search for a new owner of the Telegraph), the Daily Mail deal may be broadly welcomed – and swiftly approved. After all, to judge by the tortuous events of the past 24 months, there are few other companies prepared to meet anything like RedBird’s £500mn valuation.

The Daily Telegraph has had a remarkable history.

It was launched as a four-page broadsheet in 1855. Its early history was punctuated by curiosity and innovation. In the 1870s, it co-sponsored an exploration to the Congo which had Henry Morton Stanley greeting David Livingstone with the now famous: “Doctor Livingstone, I presume?”

In 1925, it became the first UK national daily to publish a crossword puzzle which, during World War 2, led to the recruitment of code-breakers for Britain’s Bletchley Park intelligence base. The newspaper had agreed to organise a crossword competition, after which the successful participants were recruited to the wartime intelligence services. In 1935, the paper was the first in the UK to own a television set and its “wireless correspondent” started to cover the fledgling TV, almost two years before the BBC made its first regular broadcasts.

In 1939, it scooped the world with the news that Germany was about to invade Poland. Almost half a century later, in 1994, the Daily Telegraph launched Europe’s first web-based daily newspaper, even though the internet was still in its infancy with as few as 10,000 web sites and 600,000 British users.

Despite a succession of ownership changes, the paper has long been the UK’s biggest-selling “quality” newspaper with a slightly uneasy blend of solid news, right-wing political comment, and distinctively detailed reporting of the most salacious criminal cases. The publishing company itself has sometimes seemed slightly unworldly, something other than a business. In the 1970s, then proprietor-chairman Lord Hartwell was a remote figure who (although driving to the office in a battered mini) was attended by two butlers in his

huge office. In addition to a suite of panelled rooms – containing maps of the world as it had been in 1914 – it included a turfed area known as the “Hartwell Lawn”.

The unreality came into focus when the paper blew £140m it didn’t have on new printing plants in London and Manchester. The upshot was that, in 1985, Hartwell was all but forced to sell a 14% share to Conrad Black, a Canadian who was putting together what became a global daily newspaper empire.

The sleepy Brit consoled himself by thinking he would remain in control of the newspaper which had been owned by his family for the previous 70 years, simply because he would retain the title of chairman. But he was said not to have understood either the detailed provisions of the new shareholder agreement – or the financial pressures bearing down on his newspaper. Within 12 months, it needed a further cash injection. It gave Black the opportunity to take control before, eventually, acquiring the rest of Hartwell’s family shares.

Conrad Black’s control of the UK Daily Telegraph ended in 2004 when he was dismissed by his own parent company amid allegations of financial wrongdoing. He was eventually imprisoned for three years in the US. Meanwhile, the Telegraph Media Group was acquired (for a UK newspaper record) by David and Frederick Barclay who had beaten off bids from private equity and from Richard Desmond (whose then Daily Express was the Telegraph’s printing partner).

The acquisition highlighted the stunning rags-to-riches success of the one-time candy shop-owning brothers who had reputedly amassed a fortune of billions through hotels, shipping and retailing. Various described as “secretive” and “reclusive”, the industrious brothers achieved some kind of media notoriety through not much more than being able to avoid photographers.

They came to prominence in the 1990s by acquiring London’s legendary Ritz Hotel, the ill-fated European newspaper, and The Scotsman daily in quick succession, a decade before splashing out on the Telegraph. Their

deals were much more visible than the brothers themselves. They lived and worked – away from prying eyes and journalists – in a mock gothic castle on Brecqhou, in the Channel Islands (a UK tax haven island off France). In 2004, the mysterious new Telegraph owners certainly started to worry Brits who became unsure whether the departure of the imperious Conrad Black was good news after all.

The Barclays promptly recruited Daily Mail CEO Murdoch MacLennan, one of whose first actions was to extricate the company from an expensive pension stoush with spikey print partner Richard Desmond – by transferring the Telegraph printing to Rupert Murdoch’s News Corp UK. It was just the start of a wild ride of upheaval (the newspaper had seven editors-in-chief in 13 years) and allegations that negative stories about HSBC were being “actively discouraged” following the bank’s 2012 refinancing of its £240mn debt for Yodel, a loss-making Barclay-owned delivery business.

But the newspaper made record profits and also scored some of the UK’s best investigative journalism of recent years including: the expose of the sometimes outlandish expenses of members of parliament, which led to high-profile convictions; and alleged financial misconduct in soccer-football which led to the 2016 resignation of the England national coach.

But that was before the Barclay brothers’ debt-funded investment spree caught up with them, the Telegraph and, latterly, with RedBird. The nightmare may soon be over.

- The proposed Telegraph sale is the latest planned deal in UK media. Earlier this month, Comcast (US owner of the pan-European Sky TV) said it was in talks to acquire ITV, the country’s largest commercial broadcaster for some £2bn.

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NEXT

Financial Times

‘AI just part of disruption’: FT’s Jon Slade

By COLIN MORRISON

— * —

JON SLADE WAS APPOINTED CEO OF THE NIKKEI-OWNED FINANCIAL TIMES IN July this year, succeeding John Ridding, after more than 20 years at the group. Previously, as B2C managing director and Chef Commercial Officer, he had been at the heart of the FT’s transformation into a digital-first, subscription business, leading its global advertising sales, branded content, newspaper operations and the consulting arm, FT Strategies. He had first joined the FT in 2002 as technology client manager, left in 2005 to join News UK, and rejoined in 2007 as commercial director for digital advertising. This interview with the new FT CEO was conducted by Chris Duncan (independent consultant and ex CEO at Bauer Media and News UK) at The Definitive AI Forum for Media, Information & Events, in London last week.



Slade: “Licensing is a big opportunity”

Your era begins just as the generative AI era really takes hold. Is that how you think about your challenge at the Financial Times?

Yes, I think that's probably fair. We've built a fantastic business over the last 20 years. Paid content is now the core — it drives 55% of our revenue and continues to grow. The strength of that model supports the rest of our business, including advertising, which performs well because of our subscription base.

So, I feel fortunate to take over with a strong foundation. AI is certainly one of the major challenges and opportunities in the next era.

When I applied for the role, I felt I needed a five-point plan — and you can't be a CEO without putting AI in that plan. But I've revised that a little. I think *disruption* more broadly is the defining issue: changing reading habits among younger audiences, the assault on truth and facts driven by politics, global turmoil – and, yes, AI as a very significant component.

Our response to that disruption starts with first principles:

- investing more in original journalism
- investing more in telling the story of the brand

Those aren't technology solutions, but they are responses to technology-driven disruption. But it also means leaning into technology – experimenting internally, developing new products, and building new business lines. And, on licensing, I see a real opportunity.

There's a lot of talk about the pros and cons of licensing to large language models or big tech. We've done some of that – there is upside, but also risk. We're much more interested in *direct licensing to corporates*. We already have a strong corporate licensing business for human readership – essentially subscriptions – and we are now building machine-reading licenses alongside it.

So, a bank, a law firm, or a communications business can take a human reading licence and -as an adjacency – a machine-reading licence that includes the data layer, metadata and archive access. We have much more control there over how it's used, how it's surfaced, and what limits we apply. I think that's a very exciting and sustainable business for us.

Large-language-model licensing is far less likely to be sustainable.

Let's unpack that. You're a long-term Google partner. You have a deal with OpenAI. Your parent company Nikkei is involved in litigation linked to Perplexity. So, you're doing deals but also pushing back. How do you think about that mix? What's the decision-making process when you literally sit down to sign the deals.

We've learned a lot as we've gone through it. It's been about two and a half years since our first deal. We now have three or four reasonable deals. Each one is different in relation to the scope of archive, inclusion or exclusion of live feed, time delays and surfacing permissions. There's a spectrum.

Our priority is *maximum control*. A common requirement in every deal is what we call **The Big Red Button**. If we don't like what we see – assuming the transparency commitments are honoured – we push the button. It doesn't take the salt out of the soup, but it stops archive access and stops surfacing. If we can't get that Big Red Button, we don't do the deal.

Then we look at money. That's always subjective. We think our journalism is worth more than buyers want to pay, and our job is to talk that up. We're privileged at the FT because the value is implicitly recognised. I'm broadly happy with the numbers – they've been useful – but they are not sustainable recurring revenue. And recurring revenue is what lets you sleep at night.

I think the landscape is changing, and it needs regulatory pressure. We can play a carrot – we can create scarcity by withdrawing access. They need our content to make a product. We need their money to invest in journalism. But

that dynamic only works if there is a regulatory stick alongside it which is certainly what is required.

Let's go into the newsroom. You've got journalists being given AI tools to report on one of the biggest business stories in the world – the AI bubble. How do you manage that tension?

I don't see a tension. Our use of AI in the newsroom has been positive. We've leaned into experimentation. One recent development is particularly exciting — and has licensing implications.

Licensing has given value to the archive. Notably, some 92% of FT articles are consumed within seven days. After that, they gather dust. But if you line up three million articles and apply NLP and LLM tools, you can extract sentiment over 30 years of archives — and from that derive important signals.

We can now, for example, predict Bank of England interest rate decisions better than the market in 10 out of 12 months. We can also predict US inflation better than the Fed. That's a smart use of AI — and everyone is asking, how do we monetise it? It suggests journalism has an expanded future — from newspaper to intelligence source. And that puts us in a different arena.

There's also what I call *3D journalism* or *data-visual journalism* — compressing huge datasets into a single compelling visual. These formats work extremely well socially and on site. It challenges the idea that the newsroom output must be a 700-word article. We're heading toward more inventive storytelling forms.

And on the consumer side — younger audiences, prompting behaviours, etc?

Not much with AI specifically, though we are pursuing younger readers. Summaries have helped: they lead to *more* full-article reading, not less. Translations and our Ask FT answer engine are interesting. But there's a wider

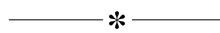
issue: younger readers assume AI answers are correct. There needs to be an industry-wide initiative on probabilistic vs deterministic information. When you explain that to young people, the lightbulb goes on. I'd like collective action on that.

You've spoken before about the need for a "NATO for news." What does that mean?

Credit to our Director of Public Policy, Matt Rogerson. But, yes, I think it has two components:

1. *A publisher marketplace*, defining the terms on which content can be licensed — in a pro-competitive fashion.
2. *Shared intelligence on crawlers and bot behaviour* — because every publisher is separately spending money to work that out.

A pooled approach would save money and make us collectively smarter.

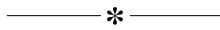


NEXT

Future Plc

Future and the tale of two media groups

By COLIN MORRISON



STOCK MARKETS ARE NOT ALWAYS EASY TO UNDERSTAND. THAT'S WHAT KEVIN Li Ying, CEO of Future Plc, might feel as he reflects on the reception of his company's 2025 results for the 12 months ended September 2025. Yesterday's 7% jump in share price was gratifying but it was still 33% down on the year to date, even though the company delivered results that were in line with forecasts for much of the last 12 months.

To compound the disappointment, the UK-based digital-magazine group (80% UK revenue, 20% US) has an enterprise value of just £865mn, a mere 5x its free cashflow for 2024-25. It's a world away from a one-time valuation of £2bn under previous CEO Zillah Byng-Thorne. But those were the days when – for the second time in its 40-year life – Future was being hailed as a stockmarket superstar. It has some history.

Even though Li Ying is almost a lifer at Future, having been a longtime CTO, it's now quite a different company. Not because its acquisition-swollen portfolio has changed much since Byng-Thorne handed over to Jon Steinberg (CEO for scarcely a year) but because it behaves differently.

The nine-month CEO made the differences clear in his investor presentations yesterday which we can summarise in four words:

- Quiet. No splashy acquisitions, just bolt-on deals.
- Busy. A raft of tech innovations and organic development.
- Practical. Managing the US and UK operations as a single business.
- Prudent. Major emphasis on cash generation, especially for shareholders

which are benefitting from £100mn of share buybacks and a 5x dividend for 2025.

That was the context for results which showed revenue down 3% organically at £739mn and EBITDA down 7% to £223mn. Margin was steady at 30%. The portfolio highlights, to judge from the CEO's illustrative examples, were a diverse group of brands including: The Week Junior (print, US and UK), Kiplinger (US financial newsletters), WhoWhat Wear (US), TechRadar (US and UK) and SmartBrief US B2B newsletters). GoCompare price comparison site was 5% down, but from what had been a record 2023-4.

Some of the tech innovations which might just get the attention of other media companies include the fledgling Collab, which collaborates with influencers and bloggers who can use Future sites to build audiences (both for themselves and the respective Future brand) as part of a revenue sharing arrangement. It's said to be working well on WhoWhatWear, in the US.

The immediate cause of yesterday's 7% jump in share price may have been a response to the unflashy, serious cash-conscious tone of the Future presentation and also to an assurance that revenue would be growing again during the second half of 2025-6, and that it would soon be generating cashflow equivalent to 95% of its profit. The dividend and continuing share buybacks also helped, of course.

But our own analysis of the Future revenue highlights the challenges of a digitally-motivated company with no fewer than 175 (mostly magazine) brands:

- Print magazines (and bookazines) are the largest slice of revenue (33%) and 49% is subscriptions.
- Digital ads are a mere 19% of revenue, and were 9% down during the year; eCommerce suffered similarly.
- Subscriptions (from print magazines) were 5% down.
- B2B media (now targeted for a new growth strategy) declined by 13%.

Future Plc

CONTINUED

SnapShot Future Plc			
£mn Yr to Sept	2025	2024	+/-
Rev	739	788	-6%
Print (all)	33%	32%	-4%
GoCo	26%	26%	-5%
Digital ads	19%	20%	-9%
Subs (print)	17%	16%	-5%
eCom	10%	11%	-8%
B2B	7%	8%	-13%
Ebitda	223	239	-7%
Margin	30%	30%	—
Net debt	276	257	-8%

Those numbers make clear, of course, that print revenues are the best performer and that the coveted digital (ads and eCommerce) and B2B are the worst. That's not really what you would expect.

But there's more.

Future's energetic new management might not like the comparison, but it

is tempting to consider the case of Reach Plc, the UK's largest national and regional newspaper publisher.

On the face of it, the listed news publisher – which has spent more than 20 years paying off its debts to pillaged pension funds and phone hacking victims – is nothing like Future. But both have inherited more than 100 print brands: sprawling portfolios that are, inevitably, tough to manage, especially in decline.

But there's something else.

Beyond the historic pain suffered by successive CEOs, Reach has spent most of the last decade:

1. All but ignoring the 50%+ of its revenue from readers and investing heavily in the expansion of free digital news brands
2. Emphasising its future as being funded by digital advertising and eCommerce
3. Maintaining investor support by dividending all available cash and sometimes even borrowing to give shareholders a consistent 10% return (yes) on their investments.

The upshot of this strategy – under previous CEO Jim Mullen – was a continuing declining in reader revenues, very little growth in digital and, arguably, insufficient cash for development or acquisitions.

The enterprise value of Reach is a mere 25% of Future's but both CEOs inherited a surfeit of print brands, some relatively recently acquired. They, therefore, share the challenge of making digital count in companies where so much of the profit (and so many of the employees) are focused on magazines or newspapers.

There are many things about Future which are quite distinct, not least its cash generative operations. But, if there is any kind of lesson from Reach, it

is that paid-for reader revenues are just too important to neglect and cannot readily be replaced by digital advertising. Lest we forget, subscriptions are the ultimate first party data relationship. Almost everything in advertising and eCommerce is subject to the whims of Google, Amazon and – who knows? – some kind of all-conquering platform that has yet to be created. Digital ads are valuable but risky.

It's not that these businesses can't grow digital advertising, but that they can – and should – also seek to grow their “owned” revenue from audiences. The soaring levels of consumer spending on media, entertainment, sport and leisure show that – for all the free content on the web – even young audiences will still pay good money for the content they really want and cannot get anywhere else. You might expect that tendency to be enhanced by the prevalence of AI slop, but that's another story.

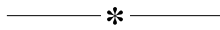
Kevin Li Ying might consider how his new counterpart at Reach, Piers North (also with a decent tech background), has just started creating subscription products. It's a clear case of trying to retain and build the readership revenue he already has, including by giving these apparently happy, paying customers yet more content and/or other benefits to pre-empt the print decline.

In so many ways, it's all about revenue diversification. But it's also about not accepting the decline of audience revenue as inevitable. Consumers may be increasingly less likely to pay for print magazines (or newspapers) – although some of these trends are surprisingly slow-moving – but they may be happy to keep paying for something. Future should be as keen to introduce new subscription products and services as it is to promote digital advertising sales.

Shareholders of Future should be grateful for the diligent, creative new leadership of Kevin Li Ying. But anything like an acceptance that the company's revenue prospects eventually depend heavily on digital advertising, paid content and eCommerce – and hardly at all on subscriptions and audience revenue – may just be missing the point. There's still time.

100 unusual years of The New Yorker

By **DAVID HEPWORTH**



THE DOCUMENTARY MAKER HAS NOT BEEN BORN WHO IS ABLE TO RESIST THE temptation to begin a behind-the-scenes look at a magazine without a shot of hundreds of copies of the latest issue emerging from the bindery on a gleaming clothes line. Marshall Curry, the director responsible for “The New Yorker At 100”, which is now on Netflix, is not about to break with years of precedent.

It’s not the only respect in which Curry follows the path trodden by earlier film-makers who have always seemed content to have their fantasies of how magazines work acted out for their cameras: there’s the inevitable slightly bogus jeopardy provided by the race to put together their 100th anniversary issue; there’s the early morning sequence wherein editor David Remnick announces that, when his feet hits the pavements of New York each day, he feels like Fred Astaire; the fly allegedly observing from the wall during staff conferences in which everyone appears to agree; crews follow the various beats in which we see the rock writer nodding energetically at some Brooklyn club, the film critic, that perpetual stranger to daylight, furtively emerging from his daily film preview, the celebrity profile artist sitting down to a rather stilted lunch with veteran comedienne Carol Burnett and even the man who does all the wars for the New Yorker mooching dolefully around a Syrian prison. The names of the writers will be known to big New Yorker readers like me. But their faces come as a surprise which is, in its way, surprising. In a world where the lowliest hack posts a selfie of themselves with their subjects, it’s a reminder that The New Yorker does not promote its writers as personalities.

CONTINUED



Because it is one of the few publications that publishes these kind of cartoons, its humour editor has to pick a mere 10 from 1,500 every week. The fiction writers pitching their short stories have to overcome similar odds if they are to stand a chance of following in the footsteps of James Thurber and J.D. Salinger. If the formula of the magazine has changed, it's not so you'd notice. It continues its commitment to long-form stories, some of which are too much of a downer to be found in any other consumer magazine, a tradition which

this film traces back to John Hersey's 31,000-word story about Hiroshima from 1945, which was so dark and compelling they didn't run anything else in the issue. This very month, the magazine's story of the Dubai-based Kinahan drug cartel fills 11 pages with more than 11,00 words. Although the magazine was founded to capture the hedonism of the Jazz Age, this dedication to the stories that nobody else is telling is a tradition that goes back further in American magazines than it does in the UK, all the way to Ida Tarbell and the 19th century "muckrakers" who tamed Standard Oil.

The Americans who read and edit The New Yorker can never talk for long without using the word "fancy", which is a word they can never enunciate without wincing to make it plain that this – and its almost inevitable hyphenate "schmancy" – is at odds with their proud, unvarnished republican nature. They know that they appeal to the Niles Cranes of America, a tribe who are, arguably, more class conscious even than their European cousins, and this makes them slightly uncomfortable. In the Netflix film, this tension reaches maximum piquancy when on election night they have to make a call between the cover illustration of Trump as dark lord and the one they hoped to run which was Kamala Harris wearing the mantle of Martin Luther King and similar inspirational figures.

The election result may have been unfortunate (a personal view, of course) but Trump made a less embarrassing cover. I'd like to have heard more from writer Andrew Marantz, whose beat is down among the Trump people, to talk about how the friends of Niles really don't understand the Donald's appeal. Nor should they. After all, this is the house magazine of the very elite he has been running against. Incidentally, they still agonise over whether to use the accent over the first letter in élite and stubbornly hyphenate teen-ager, even though they have – like most American publications – adopted the initial cap in Black.

Brits like me (and we are only a proportion of Flashes & Flames readers, of course) will complain that this account of the magazine's survival from the Jazz Age to the new Gilded Age probably doesn't give sufficient credit to

Tina Brown whose tenure in the 1990s awakened it from a long slumber and gave it the voice it retains to this day. The short sequence that sees her leave the secure embrace of SI Newhouse to work for Harvey Weinstein could be called throwing shade as could its account of how Truman Capote blurred the division between fact and fiction when reporting the murders that led to his 1966 best-seller “In Cold Blood”.

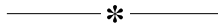
The things I would like to have seen more of, no TV producers would be interested in and no publisher would ever reveal. I would like to have seen the story editors explain how they midwife long features without reaching that point in most longform American journalism where we readers lose the will to live. I would like to know how they manage to afford a fact-checking department of 29 people when there’s no obvious sign of an upturn in advertising; while I’m prepared to believe they have subscribers to replace the old ones as they join the Choir Invisible, I would like to know more about how they get them.

The film’s a good enough introduction to the magazine for those who have never understood what it’s supposed to be all about. One can’t help feeling, however, that if the New Yorker had commissioned you to write the definitive piece about the New Yorker, some difficult-to-please editor would have asked ‘how come there’s not a single mention anywhere of advertising, circulation, subscription or any of the other things that keep the lights on when brand values alone are no longer quite enough?’ That story will presumably remain untold.

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THE YEAR IN MEDIA

— 2025 —