A Guide to the Canada Council Benchmarks for Canadian Magazines (2012 data)

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Executive summary: Canada Council Benchmark Study (2012 data)

In 2013, the Canada Council for the Arts provided financial support to 104 arts and literary titles based on their publishing activities in 2012. Seventy-two titles are English and 32 are French. Further, 60 are English-language print magazines, while 12 are English-language electronic titles (e-titles); and, 28 are French-language print titles, while four are e-titles.

About 435,000 paid-for copies of each title circulated throughout the year, 340,000 in English and 95,000 in French. Added to those were 60,000 copies in English and 26,000 copies in French in unpaid circulation, resulting in overall circulation of 520,000 copies. If we assume that, on average there are three readers per copy, this translates into a 1.56 million reader-reach in the course of a year; 1.2 million for English-language magazines, and 360,000 for French-language magazines. Note: unpaid copies serve to build and maintain readership via a variety of means.

The paid-circulation copies reach over 80,000 subscribers, 66,000 in English and 14,000 in French, while non-subscription or single-copy sales of each issue reach 40,000 — 30,000 for English-language magazines and 11,000 for French-language titles. (See Table 1.)

Table 1 Overview of Canadian arts and literary magazines and their circulation, (2012 data).

	All	English	French
Number of print titles	88	60	28
Number of e-titles	16	12	4
PRINT			
Literary titles	57	40	17
Arts titles	31	20	11
Number of subscriptions	80,154	66,126	14,028
Single copy sales annualized	40,599	29,502	11,097
Total paid circ. per issue	120,753	95,628	25,125
Total unpaid circ. per issue	23,874	16,873	7,001

Revenue: Based on financial data provided to the Canada Council as part of the grant application process, arts and literary magazine publishing represents a countrywide enterprise with earned and donated revenue of $6.7 million and total revenue, grants included, of just less than $14.4 million. The contribution various sources make to revenue are shown in Table 2 and outlined as follows:

Sales to readers:	$2.1 million (15%)
Advertising sales:	$2.3 million (16%)
Other earned revenue	$0.9 million (7%)
Donations	$1.3 million (9%)
Total earned + donated	$6.7 million (47%)
Grants	$7.7 million (53%)

Table 2 Revenue amounts and sources, (2012 data).			
	Combined markets*	English-language market	French-language market
Total earned and donated revenue	6,666,901	5,173,266	1,493,635
Total revenue	14,433,122	10,162,442	4,270,680
E titles	307,659	178,318	129,341
PRINT			
Sales to readers	15%	15%	14%
Sales of advertising	16%	18%	11%
Other earned revenue	7%	7%	7%
Donations**	9%	11%	4%
Total earned and donated revenue	47%	51%	35%
Grants	53%	49%	65%

* The combined percentages are weighted averages (by market size)
**Includes minor amounts of employment subsidies

Jobs: In 2012, print titles generated an estimated 240 full-time-equivalent (FTE) jobs at $35,000 per annum. About half of those jobs (111) involved editorial work. In addition, e-titles generated an estimated 12 FTE jobs. Translated into magazine actualities, this represents an estimated involvement in the order of 600 to 700 full- and part-time paid employees in addition to unnumbered volunteers involved in creative work.

Grants: For English-language titles, the Canada Council remains the lead granting agency, providing 21% of total revenue (provinces provide 13%, municipalities provide 11%), whereas in Quebec, the province is the lead financial supporter at 30% of revenue (the Council provides 22%, municipalities provide 8%). Total grants represent 49% of income for English-language titles and 65% for French-language titles.

Expenditures: The three major categories of expenditures are editorial, overhead, and production. As Figure 1 shows, for English-language magazines, editorial and production are 27% and 21% of all expenditures, respectively (production costs have decreased since 2010). Overhead leads expenditures with a substantial 37%. For French-language magazines, editorial and production costs come in at 32% and 25%, respectively, while overhead represents 29% of all expenditures. For English-language magazines, distribution and marketing sit at 7% and 8%, respectively, while for French-language magazines they are 6% and 11%.

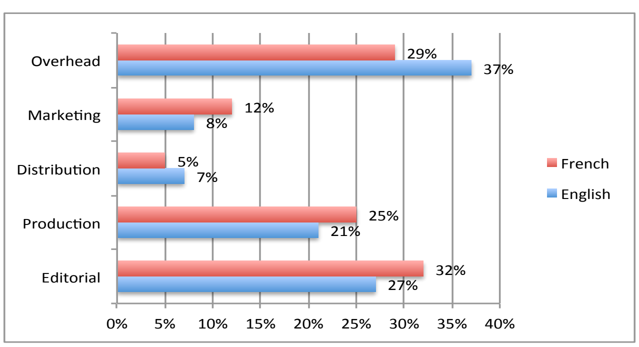

Figure 1. Expenditures by major category.

Production compared to purchase costs: An examination of cost and price per page indicates that, on average, purchasers pay $0.09 per page for content that, for English-language titles, costs $455.00 per page to publish and, for French-language titles, costs $418.00 per page to publish.

E-titles: As is the case with most commercial as well as arts and literary magazines, titles receiving Canada Council support have not been successful in monetizing their web-based efforts by charging for access and/or selling advertising. They remain dependent on fundraising, additional external revenue, and grants. Self-generated income comprises nearly two-thirds of revenue for English-language titles and one-third for French-language titles. The Canada Council is the sole source of grants for almost all English-language e-titles. Of the 12 e-titles reporting, seven received grant revenue in 2012, and three received none. The Canada Council provided 32% of the 35% in grant revenue the titles received. For French-language titles, grants are divided among the Council (36%), the province (20%), and municipalities and other (10%). By far the greatest expenditure in publishing e-titles is editorial representing 59% of all expenditures.

Trends: Whereas between 2009 and 2010 there was a substantial expansion of the arts and literary magazine sector, between 2010 and 2012 there was limited shrinkage in the number of arts magazines in sales, particularly in non-subscription sales of English-language arts magazines, and in Canada Periodical Fund grants. On the other hand, e-titles are trending upward, but from a low baseline: e-titles saw an overall increase of 76% between 2010 and 2012 in numbers of titles and revenue gains. However, none of that increase was attributable to readers paying for access. High as this percentage expansion of e-titles was, it did not come close to matching the revenue decline in print titles.

Overview: Canadian arts and literary magazines remain a substantial national enterprise with receipts of more than $14.4 million and they show various patterns of change. This analysis, provided to grant recipients, allows for examination of their own title in terms of costs, earnings, grants, distribution, and publication data in comparison with other titles in the same language, genre, and circulation bracket or subgenre.

Full report: Canada Council Benchmark Study (2012 data)

Introduction

This is the fourth benchmark examination of the financial and publishing dynamics of magazine titles. It focuses on titles that received support in 2013 from the Canada Council for the Arts. It includes, for the second time, electronic titles (e-titles) in periodical or continual publishing form. This study provides an overview of groups and various sub-groups of titles. Its main purpose is to allow magazine publishers participating in the Canada Council program to evaluate aspects of their financial and publishing operations in relation to comparable titles and previous years. This study is based on information from the 2012 operations of Canada Council grant recipients using their most recent complete year of data submitted for the 2013 competition.

Note to magazine publishers using these benchmarks

The data presented are based on the information that each title submitted to the Canada Council. As noted in the past, differences between individual titles and averages for the group are to be expected. It is also useful to recall that substantial differences may be attributable to different requirements, such as colour versus black and white printing, or differing employment practices, such as using unpaid volunteers and interns.

Reading the data

French-language titles and English-language titles have been treated as different populations. Print titles and e-titles have also been treated as different populations.

The package of data accompanying this report that has been sent to Canada Council grant recipients contains comparisons of individual titles with all English-language publications or French-language publications; literary or arts titles; and, a comparative genre/circulation size group (if that group was large enough to ensure confidentiality).

Titles were organized into the following sub-populations:

1. All English-language magazines
2. English-language print magazines
3. Literary magazines
4. Literary magazines, circulation <1000
5. Literary magazines, circulation 1000–1500
6. Literary magazines, circulation >1500
7. Arts magazines
8. Visual arts magazines
9. Film, music, and performing arts magazines
10. English-language e-magazines

1. Périodiques de langue française
2. Périodiques littéraires
3. Périodiques littéraires circulation < 510
4. Périodiques littéraires circulation > 510
5. Périodiques des arts
6. Périodiques arts visuels

7. Périodiques arts médiatriques et autres arts
8. Périodiques électroniques

A glossary of terms consistent with previous studies is provided in the Appendix.

Confidentiality limitations

While data can be presented on the 12 English-language e-titles reporting, to preserve confidentiality for the four reporting French-language e-titles, only a few general statements can be made.

General overview Canada's arts and literary print magazines

Industry composition: In 2013, the Canada Council supported 104 titles based on their 2012 performance.

The 72 English-language titles (60 print and 12 e-titles) include the following:

- 40 literary print magazines;
- 20 arts print titles;
- 8 literary e-titles;
- 1 visual arts e-title;
- 1 performing arts e-title; and
- 2 interdisciplinary arts e-titles.

The 32 French-language titles (28 print and 4 e-titles) include the following:

- 17 literary print magazines;
- 11 arts print titles;
- 2 performing arts e-titles;
- 1 media arts e-title; and
- 1 interdisciplinary arts e-title.

Print copies in circulation: Table 3, introduced below, shows that the estimated total number of copies per issue of English and French print titles that were sold during 2012 was somewhat less than half a million (433,698). This is 84,478 fewer than in 2010, while the 2010 paid circulation was 11,500 fewer than 2009. This constitutes a dramatic drop in paid-for sales, which, after some sleuthing, turns out to be accountable to two factors: the loss of titles in the program and a fall in non-subscription sales for English-language magazines.

The circulation of English-language magazines can be described as follows:

- 339,479 paid-for copies, and
- 59,899 unpaid-for copies (not shown in Table 3);
- totaling 399,378 copies (a decrease of 68,383 copies or 14.6%),
- with a reader-reach of 1,198,134 (assuming three readers per copy).

The circulation of French-language magazines can be described as follows:

- 94,219 paid-for copies, and
- 26,254 unpaid-for copies (not shown in Table 3);
- totaling 120,473 copies (a decrease of 20,201 copies or 14.4%),
- with a reader-reach of 361,419 (assuming three readers per copy).

Combined, a grand total of 519,851 copies per issue were in circulation. If we assume that on average there are three readers per copy, this translates into a 1.561553 million reader-reach per annum.

Subscribership and other purchasing: Table 3 also presents subscription totals and averages (avg.) with reference to language and genre. Note: The "average" title, formally the "mean," equals the sum of all values divided by the number of reporting titles for that variable. Also note that the average circulation by subscription in both languages is both healthy and consistently higher than (annualized) non-subscription sales.

Table 3 Circulation and subscriptions of print titles by sector and genre (2012 data).

		Annual cumulated paid circulation	Number of paid subscriptions	subscription copies sold each issue	Paid circulation per issue
English-language print mags (n=60)	avg.	5,658	1,102	492	1,594
	tot.	339,479	66,126	29,502	95,628
Literary magazines (n=40)	avg.	4,753	908	366	1,274
	tot.	190,122	36,338	14,633	50,971
Arts magazines (n=20)	avg.	7,145	1,489	743	2,233
	tot.	142,902	29,788	14,869	44,657
Tous périodiques imprimées de langue française (n=28)	avg.	3,346	501	396	897
	tot.	94,219	14,028	11,097	25,125
Périodiques imprimées litteraires (n=17)	avg.	2,365	378	256	634
	tot.	40,533	6,423	4,357	10,780
Périodiques imprimées des arts (n=11)	avg.	4,864	691	613	1,304
	tot.	53,507	7,605	6,740	14,345
Total Eng & Fr	tot.	433,698	80,154	40,599	120,753

The "average" (avg.) is the total for the variable described divided by the number of reporting participants, not the total divded by the number of titles in the genre category.

For English-language titles, subscription sales are at least double the annualized non-subscription sales. For French-language sales, subscription sales average out at 20% higher than annualized non-subscription sales, with subscriptions to literary magazines being one-third higher than annualized non-subscription sales and those to arts magazines higher than annualized non-subscription sales by only 12%. Put positively for arts titles, this indicates that French-language arts magazine probably have greater impulse-purchase appeal than do literary magazines.

The above-mentioned circulation and subscription data reflect dramatic decreases as well as some less dramatic, but equally notable increases over the 2010 data. Both types of change are not across-the-board and they are best depicted as percentage changes. Table 3a compares the full set of data from Table 3 for 2010 and 2012.

As Table 3a also indicates, **total** subscriptions to print-published English-language literary magazines actually increased over 2010 by 1%. This continues an upward trend from 2009 to 2010 that is bolstered by a per-title **average** increase in the number of subscriptions of 4%, which, in turn, is led by a 13% increase in the **average** number of subscriptions to arts magazines. These steady subscription-based increases underline the strength of the titles in building and maintaining their readerships. **Total** subscriptions were down only for arts magazines and then only by 2%. The likely reason for that is the departure of two titles, which is 3.3% of the population of English-language titles.

Table 3a Circulation and subscriptions differentials (2012 compared to 2010 data).					
	Annual cumulated paid circulation		Subscriptions	Non-subscription copies sold each issue	Paid circulation per issue
English-language print mags (n=60)	avg.	-14%	4%	-17%	-3%
	tot.	-17%	1%	-20%	-7%
Literary magazines (n=40)	avg.	-16%	1%	-16%	-5%
	tot.	-14%	4%	-14%	-2%
Arts magazines (n=20)	avg.	-11%	13%	-13%	2%
	tot.	-23%	-2%	-25%	-11%
Tous périodiques imprimées de langue française	avg.	-4%	0%	-2%	-1%
	tot.	-16%	-12%	-15%	-13%
Périodiques imprimées litteraires (n=17)	avg.	-5%	-6%	0%	-3%
	tot.	-19%	-20%	-15%	-18%
Périodiques imprimées des arts (n=11)	avg.	-5%	4%	-7%	-2%
	tot.	-13%	-5%	-15%	-10%
Total	tot.	-16%	-2%	-19%	-8%

In contrast to these increases are the dramatic decreases that are confined to non-subscription sales, sales that are made up largely of single-copy newsstand sales. Overall, the total of such sales are down by 20% and average sales are down by 17%. In all probability, a 3% difference can be attributed to the departure of two titles. A further variability was probably introduced by other changes in the population being studied. Five titles were funded in 2010 but not in 2012; and three new titles were funded in 2012 that were not funded in 2010 for a total of eight different titles in a population of 60 (or 12.5%). But whatever variability might be introduced by changes in the population being studied, attributing a decrease of 17% 12% in the total number of literary titles and 22% in the total number of arts titles stretches credibility. Such data suggest a system failure in English-language non-subscription sales. Such a failure could also have contributed to an increase in subscriptions through the unavailability of copies in newsstands.

To gain further information, outside the scope of this study on a possible systemic collapse, an email interview was carried out with Barbara Bates of Magazines Canada. Bates suggests that such an event did indeed happen. Bates notes that “independent stores” — by which she means independent bookstores that have magazine racks, large magazine stores, non-chain convenience stores, and museum and gallery shops — “have been consumed by big box stores.” Bates reports further that in recent years Magazines Canada’s distribution service, which serves “independents” in the Toronto region, has been distributing to fewer outlets; especially to independent bookstores that have magazine racks and large magazine stores. As of April 2014, Magazines Canada’s distribution sold to 150 retailers, while in 2010 it distributed to about 200. Traditionally, Canada Council-supported literary and arts magazines titles have sold well in independent bookstores and large specialty magazine stores. In stark terms, cultural magazines are losing access to readers.

A slightly different story presents itself for French-language titles. Total subscriptions are down overall by 12%: 20% for literary magazines, but only 5% for arts titles. For literary and arts titles, total non-subscription sales for each is down 15%.

However, what looks like an overall market collapse for French-language titles that has hit literary subscriptions harder than arts subscriptions, and single-copy sales equally, is almost entirely a function of changes to the population of magazine titles being studied. For French-language titles, there was a population decrease of four on a base of 32 (12.5% of titles). Thus, while the total subscriptions to French-language magazines decreased by 1,973 on a base of 16,001, the average (per title) number of subscriptions increased ever so slightly, by one subscriber on average (501 versus 500). In short, for the titles remaining in the Canada Council's support program, subscriptions are holding steady albeit with a 6% drop in literary titles and a 4% increase in arts titles. The loss of total subscribers can be attributed almost wholly to the departure of 12.5% of the titles from the program.

French-language non-subscription sales tell a slightly different story than the corresponding English-language sales. For both literary and arts titles, almost all of the 15% decrease in total non-subscription sales can be attributed by the loss of 12.5% of the titles leaving 2% to 3% as real change. Further examination of the data revealed that the remaining 2% to 3% downturn in non-subscription sales is in arts titles, not literary titles; an echo of which can be found in English-language titles – literary titles holding steady, arts titles not so much. There is nothing unexpected in this, as it is a market where the internet is commanding more of readers' time and where inexpensively produced images are better displayed online than in print.

Subscriptions and total revenue: In the context of increasing subscriptions and difficult single-copy sales, a note is in order on how subscription sales build a better bottom line than do non-subscription sales. Table 4 documents the differences in the contribution made by subscriptions and annualized non-subscription sales to revenues (independent of costs) by comparing the number of sales (of subscriptions and annualized non-subscription sales) to the revenues each generates. This is not to say that single-copy sales and a newsstand presence are not vitally important to maintain cultural awareness of the many and varied voices of Canadians.

For English-language titles,

- the percentage contribution in terms of **number** of subscription and annualized non-subscription **sales** was 69% and 31%, respectively;
- the **corresponding revenues** represented 78% and 22% of revenue from purchases of copies;
- by comparing subscription numbers and revenue share, the difference between the two can be generated and can be termed "earning power"; and
- a comparison of the earning power of subscription and non-subscription sales reveals that each subscription generated on a per-dollar-sale basis 1.61 times the revenue generated by annualized non-subscription sales for English-language titles (the difference between the earning power of both).

For French-language titles,

- the percentage contribution in terms of **number** of subscription and non-subscription **sales** was 56% and 44%, respectively;

- the **corresponding revenues** represented 75% and 25% of revenue from purchases of copies; and
- a comparison of relative earning power shows that each subscription generated on a per-dollar basis 2.35 times the revenue generated by annualized non-subscription sales for French-language titles.

Table 4 Earning power: The differential margins in circulation revenue earned through annualized subscription and non-subscription sales (2012 data).

	Percent subscription sales (number of sales)	Percent contribution to revenue	Earning power	Percent non-subscription sales (number of sales)	Percent contribution to revenue	Earning Power
English-language titles	69%	78%	1.13	31%	22%	0.70
French-language titles	56%	75%	1.34	44%	25%	0.57

Bear in mind that the relative earning power does not take into account the cost of sales or distribution costs. Were cost of sales included, which in the case of non-subscription sales would consider the sharing of revenue with distributors and retailers, and it would also take returns into account, subscription sales would likely rise even further in its differential earning power and, hence, its percentage contribution to revenue.

Incidentally, the 69% subscription sales for English-language in Table 4 is further evidence of a continual building of subscriber bases by the titles examined. In 2009, subscription sales were 63% of sales to readers; in 2010, they were 64%. For French-language titles there has been a small increase between 2012 and 2010 (56% versus 55%) but the 2009 figure was higher (59%).

E-title usage: While e-titles are discussed in a separate section, it is worthwhile to consider some overview data while the same measures for print are fresh in mind. Over their reporting year, 11 of the 12 English-language e-titles reported site visits and page views.

In all, there were a combined total of

- 577,369 site visits per year with considerable variability between titles; and
- 1,166,017 page views per year.

This is an average of

- 52,488 site visits, per title, per year, and
- 106,006 page views, per title, per year.

These figures are considerably less than the figures for 2010. A case-by-case analysis shows that some titles are up by substantial percentages from what they reported in 2010, while other titles are down by substantial percentages. It is difficult to know whether these reflect changes of measurement techniques, the reliability of the data, or real changes that the titles are experiencing.

As with the 2010 analysis, the data for French-language e-titles cannot be reported for reasons of confidentiality. In the section on e-titles some comments are made.

Enterprise overview: Consistent with the presentation of the data of previous years, it is useful to see the publishing activity by Canada's arts and literary magazines as an aggregated enterprise. In that context, in addition to having sold 434,698 and further distributed 84,478 unpaid copies, which help to maintain readership, for a total just short of 520,000 copies annually. As Table 3 shows, the Canadian arts and literary magazine enterprise attracted a subscribership of 80,288; additional single-copy sales per issue of 40,654; total sales per issue of 120,942; and published, on average, 3.72 times per year.

The above-mentioned figures represent an overall market shrinkage that includes substantial pockets of increased subscription sales. As noted, the shrinkage is largely due to certain titles leaving the population being studied, and on the English-language side, a fall-off of non-subscription sales, likely a result of the demise of many independent book and magazine stores.

Revenue and its components: Table 5 adds in other revenue sources by expanding Table 3 to include total and title average ad sales; other earned revenue; donations and fundraising; all earned and donated revenue; and in the final column, total and average grants for English- and French-language print titles. This complete revenue picture adds interesting detail as well as overview data. Beginning with overview, reflective of arts and literary magazines as an overall enterprise perspective, the two cells in the bottom right corner of Table 5 show that as of 2012 Canada Council-supported arts and literary magazines was a $14.4 million business, grants included, and a $6.55 million business, grants not included.

Table 5 Subscription and ad sales, earned and grant revenue by sector and genre (2012 print data).

		Subscription sales	Non-subscription sales	Paid circulation sales	Ad sales	Other earned revenue	Donations and fundraising	Earned and donated revenue*	Grant revenue
All English-language print magazines (n=60)	avg.	$ 20,928	$ 5,551	$ 26,479	$ 38,411	$ 12,337	$ 23,801	$ 84,298	$ 82,104
	tot.	$ 1,192,244	$ 327,516	$1,519,760	$1,805,335	$ 661,761	$1,071,029	$5,057,886	$4,926,238
Literary Print magazines (n=40)	avg.	$ 19,586	$ 4,295	$ 23,880	$ 11,481	$ 13,331	$ 15,509	$ 55,050	$ 75,377
	tot.	$ 742,834	$ 167,492	$ 910,326	$ 332,958	$ 493,418	$ 465,283	$2,201,986	$3,015,074
Arts Print magazines (n=20)	avg.	$ 23,535	$ 8,001	$ 31,536	$ 81,799	$ 10,349	$ 40,383	$ 142,795	$ 95,558
	tot.	$ 449,410	$ 160,024	$ 609,434	$1,472,377	$ 168,343	$ 605,746	$2,855,900	$1,911,164
Tous périodiques imprimées de langue française (n=28)	avg.	$ 15,835	$ 5,311	$ 21,146	$ 18,751	$ 9,269	$ 20,677	$ 53,344	$ 99,180
	tot.	$ 443,370	$ 148,704	$ 592,074	$ 487,531	$ 194,647	$ 165,413	$1,493,635	$2,777,045
Périodiques imprimées litteraires (n=17)	avg.	$ 11,550	$ 3,788	$ 15,338	$ 12,647	$ 1,606	$ 2,235	$ 28,735	$ 78,673
	tot.	$ 196,342	$ 64,402	$ 260,744	$ 189,704	$ 19,269	$ 6,704	$ 488,502	$1,337,434
Périodiques imprimées des arts (n=11)	avg.	$ 22,457	$ 7,664	$ 30,121	$ 27,057	$ 19,486	$ 31,742	$ 91,376	$ 130,874
	tot.	$ 247,028	$ 84,302	$ 331,330	$ 297,827	$ 175,378	$ 158,709	$1,005,133	$1,439,611
Total Eng & Fr	tot.	$ 1,635,614	$ 476,220	$2,111,834	$2,292,866	$ 856,408	$1,236,442	$6,551,521	$7,703,283

The "average" (avg.) is the total for the variable described divided by the number of reporting participants, not the total divided by the number of titles in the genre category.

Table 5 also provides the specific data for Figures 2 and 3, which show a comparative view of the various components of revenue and the percentage amounts for English-language and French-language magazines. Most notable in the figures is that ad sales are apparently the leading category of revenue. Ad sales do lead (36% and 33%), but sales-to-readers (30% and 40%), which combines two categories, subscription and non-subscription sales, is a more relevant comparator. Examined accordingly, for all English-language titles, ad sales remain the leading source of revenue (36% versus 30%). However, as Table 5 indicates, that lead is attributable to advertising in arts magazines. In literary magazines, ad sales clearly come in second following sales-to-readers as a revenue source. For French-language magazines, ad sales are second to sales-to-readers (33% versus 40%) for both literary and arts magazines with the first- to second-place gap being greater for literary titles than for arts titles.

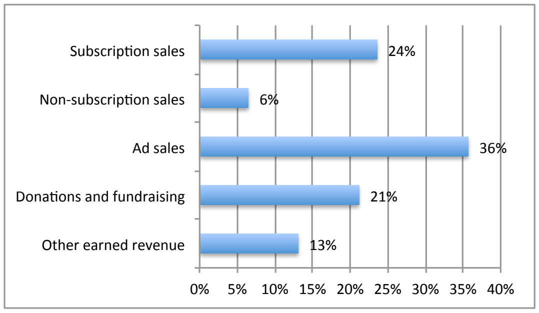

Figure 2. Earned and donated revenue and sources, all English-language magazine titles supported by the Canada Council.

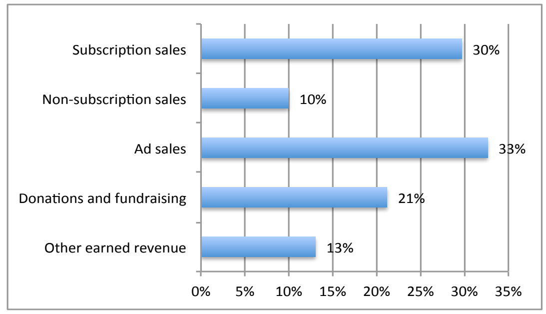

Figure 3. Earned and donated revenue and sources, all French-language magazine titles supported by the Canada Council.

Donations and fundraising is not a negligible category of revenue as it contributes 21% of revenue to both English-language titles and French-language titles. Close examination of the data indicates significantly less than full participation of titles in this revenue source, as well as the presence of sizable gifts to certain titles. Other earned revenue has become a larger category of earnings for magazine titles over the past decade, partially as a result of digital opportunities and the development of interest in branding. Here again, not all titles report in other earned revenue, but some titles are very successful in earning such income.

Jobs: While all expenditures for print titles totaled $14,057,937, certain categories of expenditure are salary and wage-dominated. These are editorial, prepress and other production activity, administration, and distribution, which cost publishers in total $11,102,062. Assuming that these are wholly salary figures (and, to balance things out, that other categories of expenditures are wholly not), the contribution to employment made by the Canadian arts and literary magazine enterprise for 2012, where each job is valued at $35,000, was calculated to be 240 full-time-equivalent (FTE) in-house jobs: 111 in editorial; 24 in prepress; 80 in general salaries with benefits; and, 26 in distribution within their own operations.

These job numbers are marginally (three) fewer than 2010 when the total was 243. (In the 2010 analysis the number of jobs was reported to be 224; subsequent analysis showed it to be 243.)

Outside the firms, presuming that two-thirds of expenditures went to salaries, expenditures generated 41 FTE ($35,000) jobs in printing and binding; and 10 FTE ($35,000) jobs in postal operations.

The net result is that the industry may create as many as 291 FTE jobs at $35,000 per annum. If, on average, each employee received a small $500 raise in each year, the number of jobs would be nine fewer.

Useful as such figures might be, far more than 290 to 300 people are engaged in the stable of titles being reviewed. In addition to volunteers, many others participate either part time in arts and literary magazine publishing, or full time at salaries of less than $35,000 per annum. It would not be at all unreasonable to estimate that at least 600 to 700 people work, in one way or another, directly in arts and literary magazine production (supported by the Canada Council) in Canada.

Grant sources: As noted in the 2010 report, the Canada Council is the lead supporter for arts and literary magazines in all provinces outside Quebec — a lead that is followed closely by many provincial arts councils. In Quebec, the province leads the Council by 7% of all grants. Stable, year-over-year investment by the Canada Council has sustained Canada's cultural magazines in numbers that otherwise would be much diminished. Gradually increasing municipal grants are worth noting.

Grant amounts: Overall, public support for magazines in the form of targeted publishing grants represents 49% of English-language magazine revenue and 65% of French-language magazine revenue. The actual amounts are $4,989,176 and $2,777,045, respectively. Compared with 2010, in percentage (of revenue) terms, grants remained the same for English-language magazines and decreased by 3% for French-language magazines. In dollar terms, grants were down very slightly from 2010, by $50,254 for English-language titles, but more considerably, by $306,721 for French-language titles — both decreases are in line with the decrease in numbers of titles in each market. Figures 4 and 5 illustrate the average components of the grants each title received in 2012.

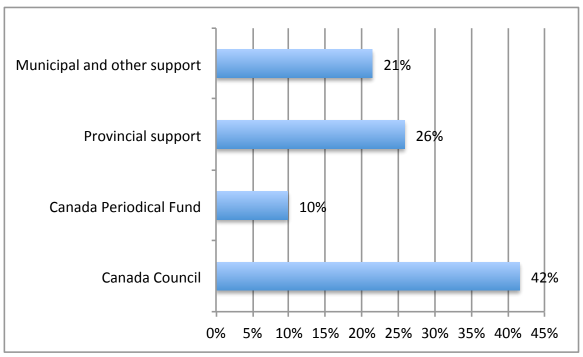

Figure 4. Sources of grants for all English-language titles supported by the Canada Council.

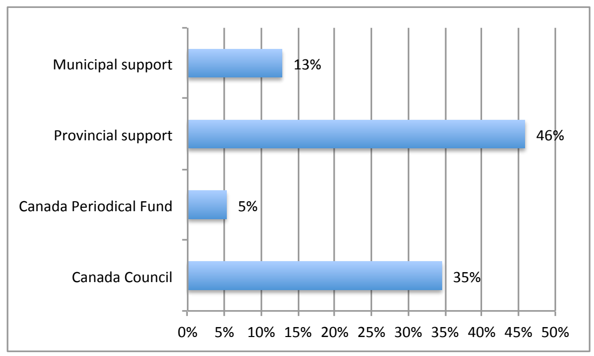

Figure 5. Sources of grants for all French-language titles supported by the Canada Council.

With respect to grants, the most significant differences in detail for English-language titles between 2010 and 2012 is the shrinkage in percentage contribution particularly by the Canada Periodical Fund (down from 16% to 10%) and the increased contribution by municipalities and other sources (24% to 26%). For French-language titles similar changes took place. Canada Periodical Funds are down from 11% to 5%; municipal (and other) grants are up from 10% to 13%.

To complete the picture, Figure 6 (a repetition of Figure 1) depicts the relative value of the component costs or expenditures that Canada Council-recipient titles make to publish their titles.

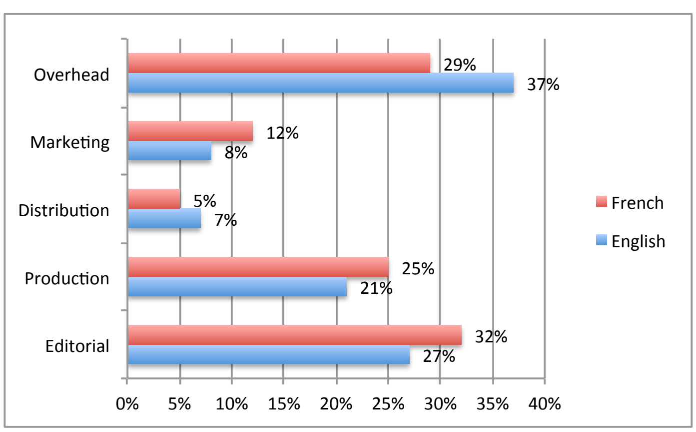

Figure 6. Component expenditures for all English-language and French-language titles supported by the Canada Council.

Detailed revenue analysis over time: English-language print titles

Circulation and revenue

Table 6 is a complex table containing absolute data that represent the average of those titles reporting in each category, not the average of all titles in the population. It also includes percentage data that indicate how much the total revenue of that category contributes to industry earnings. In presenting the data in this manner a high average category in which few titles participate would make a low contribution to overall revenue. The table is meant to be an analytical tool for grant applicants rather than for program decision-makers. These data are then complemented by comparative figures from 2010, 2009, and 2000 so that the reader can discern trends. Note: the percentage data are presented in Table 6 and discussed in this section are expressed as a percentage of all revenue rather than as a percentage of earned and donated revenue in the preceding tables and figures. In addition to Table 6, closer comparative analyses are made available to Canada Council grant recipients. They contextualize the data of the recipient in the title's linguistic group, the genre (literary or arts), and where confidentiality could be maintained, smaller groups of genres and the circulation level of the title.

Table 6 Portrait of the earnings and publishing parameters of the average English-language print title (2012, 2010, 2009, and 2000 data).

	2012	2012 % of revenue	2010	2010 % of revenue	2009	2009 % of revenue	2000	2000 % of revenue
Avg. paid circulation	1594		1651		1667		1804	
Subscription revenue*	$ 20,208	12%	$ 21,488	13%	$ 20,102	13%	$18,473	17%
Non-subscription sales*	$ 5,551	3%	$ 6,906	4%	$ 5,977	4%	$ 5,433	5%
Ad revenue*	$ 38,411	18%	$ 29,263	17%	$ 28,457	18%	$ 24,993	23%
Donations and fundraising*	$ 23,801	11%	$ 18,031	11%	$ 15,079	10%		
Other revenue + employment subs.*	$ 20,067	12%	$ 10,556	6%	$ 11,864	8%		
Earned and donated revenue*	$ 84,298	51%	$ 86,244	51%	$ 81,477	53%	$ 63,025	58%
Percentage of cost of sales	93%		96%		92%		98%	
Canada Council grants*	$ 36,446	21%	$ 34,580	21%	$ 31,781	20%	$ 26,079	24%
Canada Periodical Fund grants*	$ 21,369	5%	$ 13,157	8%	$ 11,741	8%		
Provincial grants*	$ 24,779	13%	$ 19,556	12%	$ 18,182	12%	$ 14,126	13%
Municipal grants*	$ 27,406	11%	$ 13,988	8%	$ 11,979	8%	$ 5,433	5%
All grants*	$ 82,104	49%	$ 81,281	49%	$ 73,683	47%	$ 45,639	42%
All revenue*	$ 166,402	100%	$ 167,525	100%	$ 155,160	100%	$108,664	100%
Canadian authors	87%		87%		91%		87%	
Avg. no. of pages	97		104		96		94	
Avg. cover price	$ 9.68		$ 9.71		$ 9.22		$ 7.32	
Issues per year	3.55		4		4		4	
Print run	2,421		2,471					
Percent print run sold	63%		65%		63%		65%	

* dollar figures are average values of those titles reporting in the category

As Table 6 shows, there has been a very slight fall off in paid circulation to 1,594; sales-to-readers are down slightly at ~$26,000; ad sales are up by ~$9,000 for the few titles that attract ads; the average amount received in donations and fundraising is up considerably (~$6,000 to ~$24,000), but the total earned makes the same level of contribution to revenues as in 2010 (11%); and the average other revenue earned is also up considerably in absolute terms (~$10,000), while the percentage contribution it makes to total revenue, is a substantial increase of 6%. The notable increase in ad sales, and indeed other income categories may be, in part, derived from both advertising and other support for the online component of print titles. On average, with all titles reporting, while earning slightly less than in 2010, English-language titles are receiving slightly more in grant dollars (but the same percentage of revenue). The substantial dollar and percentage increase in "other revenue" (employment subsidies are negligible) indicates that various titles are finding ways of further monetizing either their product or their labour outside normal magazine earnings.

The publishing data provide a picture of stability, but with minimal shifts down in each category except Canadian authorship.

Table 7 provides more detail by presenting data for three English-language literary subcategories and two arts categories. This level of detail reveals considerable variability. Not surprisingly in literary magazines, percentage revenue from both subscriptions and ad sales increases with increased circulation. A bit surprising is that non-subscription sales do not. As well, the decreased contribution of donations and fundraising with increased circulation may indicate a more stable business footing in the larger circulation titles. Both categories of arts titles, and particularly visual arts magazines, report an impressive level of advertising revenue. Support from the Canada Periodical Fund (CPF/FCP) is trending downward and the higher exclusion of small circulation titles is readily discernible. Whether this is a wise policy aimed at maintaining a Canadian periodical industry, or whether it is short-sighted and narrow in vision, is not apparent in the data. In contrast, municipal support is trending upward, especially for small literary magazines. This "New Yorker" phenomenon, where lower circulation literary titles are connected to cities, appears to arise from growing efforts by many cities to strengthen community pride and cohesion, especially among young "creatives" and to emphasize the creative sector as an element of the city.

Table 7 Revenue for English-language magazines by category as a percentage of total revenue (2012 data)

REVENUES	All English-language magazines (n=60)	Literary magazines (n=40)	Arts magazines (n=20)	Literary 500-999 (n=18)	Literary 1000-1499 (n=11)	Literary >1500 (n=11)	Visual Arts Magazines (n=12)	Perf. Arts, film and music (n=8)
Subscriptions	12%	14%	9%	10%	13%	17%	8%	13%
Single copy sales	3%	3%	3%	4%	3%	3%	3%	3%
Ad sales	18%	6%	31%	1%	4%	10%	36%	19%
Donations, fundraising	11%	9%	13%	12%	10%	7%	14%	9%
Other	7%	10%	4%	7%	4%	13%	3%	4%
Total earned, donated rev.	51%	42%	60%	34%	34%	50%	64%	48%
Canada Council grants	21%	24%	18%	26%	27%	21%	14%	27%
Canada Periodical Fund	5%	6%	4%	2%	3%	9%	4%	3%
Provincial grants	13%	15%	11%	16%	19%	13%	9%	14%
Municipal and other grants	11%	13%	8%	22%	17%	7%	8%	8%
Total grants	49%	58%	40%	66%	66%	50%	36%	52%

Detailed revenue analysis over time: French-language print titles

Circulation and revenue

Table 8 parallels Table 6, but is based on the 28 French-language print titles reporting to the Canada Council. It is noteworthy that for French-language titles, the general per-title financial and circulation picture in absolute terms is almost entirely positive. Average paid circulation is slightly down, but subscriptions, single-copy sales, advertising, donations, and other revenue are all up in dollar terms, some quite significantly. Grants are up in every category as well. For example, average donations and fundraising amounts are up by 233% and other revenue has doubled. However, the participation rates in these categories are low, as can be seen from how the averages convert to percentage contribution to total revenue. Looking at percentage contributions to overall revenue and comparing them over time gives a picture of stability underlined by the increased contribution of earnings to cost of sales and increased dollar grant revenue that translates into a 3% drop in grant revenue as a contribution to all revenue.

The steady percentage of Canadian authors, number of pages, cover price, issues per year (expressed for the first time in these studies to two decimal places), print run, and percentage of print run sold, all speak of a stable, but very slightly contracting, enterprise.

Table 8 Portrait of the earnings and publishing parameters of the average French-language print title, (2012, 2010, 2009, and 2000 data).								
	2012	2012 % of revenue	2010	2010 % of revenue	2009	2009 % of revenue	2000	2000 % of revenue
Avg. paid circulation	897		906		883		900	
Subscription revenue*	$ 15,835	10%	$ 14,541	10%	$13,603	10%	$ 10,013	10%
Non-subscription sales*	$ 5,311	3%	$ 5,094	4%	$5,285	4%	$ 5,007	5%
Ad revenue*	$ 18,751	11%	$ 17,963	13%	$17,824	11%	$ 12,016	12%
Donations and fundraising*	$ 20,677	4%	$ 8,858	2%	$10,878	2%		
Other revenue + employment subs.*	$ 9,269	5%	$ 4,660	2%	$7,553	4%		
Earned and donated revenue*	$ 53,344	35%	$ 43,512	31%	$42,922	31%	$ 33,043	33%
Earned rev. as % of cost of sales	60%		51%		51%		58%	
Canada Council grants*	$ 35,526	22%	$ 32,157	21%	$30,004	22%	$ 28,036	28%
Canada Periodical Fund grants*	$ 18,318	3%	$ 10,781	8%	$13,564	10%		
Provincial grants*	$ 45,503	13%	$ 43,823	31%	$42,668	31%	$ 33,043	33%
Municipal grants*	$ 14,861	8%	$ 9,580	7%	$8,820	6%	$ 7,009	7%
All grants*	$ 99,180	65%	$ 96,368	69%	$95,477	69%	$ 67,087	67%
All revenue*	$ 152,524	100%	$ 139,880	100%	$ 138,399	100%	$100,130	100%
Canadian authors	92%		90%		90%		91%	
Avg. no. of pages	105		105		109		63	
Avg. cover price	$9.61		$ 9.59		$ 9.39		$ 8.13	
Issues per year	3.75		4		4		4	
Print run	1,438		1522					
Percent print run sold	60%		57%		60%		56%	
* dollar figures are average values of those titles reporting in the category								

Table 9 provides an indication of the different earnings and grant realities of arts and literary titles, and the varying sizes of Canada Council-supported magazines. Percentage income from subscriptions and non-subscription sales is fairly consistent across the categories of publications except for the "Other arts" titles, where subscriptions are lower than normal. Ad sales range from 16% for visual arts titles to 3% for small (< 510 circulation) literary magazines. Similarly, donations and fundraising run between 0% and 8% and other revenues range from 1% to 11%. Cumulated, earned income varies between 22% and 41%, and averages 35% of revenue.

Table 9 Revenue for French-language print magazines by category as a percentage of total revenues (2012 data)							
REVENUES	All French-language magazines (n=28)	Literary magazines (n=17)	Arts magazines (n=11)	Literary magazines Circ. <510 (n=6)	Literary magazines Circ. > 510 (n=11)	Visual arts magazines (n=5)	Other arts* (n=6)
Subscriptions	10%	11%	10%	10%	11%	12%	8%
Single copy sales	3%	4%	3%	5%	3%	3%	4%
Ad sales	11%	10%	12%	3%	12%	16%	7%
Donations, fundraising	4%	0%	6%	1%	0%	5%	8%
Other	6%	1%	9%	3%	1%	6%	11%
Total earned, donated rev.	35%	27%	41%	22%	28%	42%	40%
Canada Council grants	22%	28%	19%	34%	26%	17%	20%
Canada Periodical Fund grants	3%	6%	2%	0%	7%	3%	0%
Provincial grants	30%	32%	28%	35%	32%	26%	30%
Municipal and other grants	8%	8%	9%	10%	7%	9%	8%
Total grants**	65%	73%	59%	78%	72%	58%	60%
* Other arts = Arts de la scène, film et médiatiques; **Totals include other minor elements beyond the data reported in this table							

On the grants portion of the ledger, Canada Council grants are, on average, 22% of revenue and range between 17% and 34% with the small literary magazines (circulation <510) benefitting the most. Similarly provincial grants (from Quebec) are, on average, 30% of revenue and range between 26% and 35%. Department of Canadian Heritage policy can be read into the observable differences among the various categories. Only larger circulation titles receive any CPF/FCP funding. Each Benchmark study has shown a declining percentage in CPF/FCP funding for Canada Council grant recipients. Of the 28 French-language titles analyzed, only eight received assistance from the CPF/FCP (down from 21 of 32 titles in 2010). On the other hand, steady growth has emerged in municipal grants. On average they have reached 8% and have a range of 7% to 10%.

Expenditure analysis

English-language titles

The percentage figures in Table 10 (visually illustrated in Figures 1 and 6), begin with the various components of cost of sales — editorial, production, and distribution. The cost of sales excludes marketing and overhead. The mean (average) cost of sales for English-language titles is 55% and within subgroups analyzed, between 50% and 63% (both extremes are in arts titles).

As Table 10 shows, average **editorial** costs for English-language titles are 27% and vary between 22% and 36% of costs with literary titles posting 7% higher costs than arts titles. **Production** costs for English-language titles average out slightly higher than editorial costs at 28% and they have a 16% range from 20% and 36%. Not surprisingly, arts titles have higher percentage production costs than literary titles, although the differential is much narrower for French-language titles.

Average **distribution** costs hover between 5% and 8% for English-language publications, the difference in part being related to the number of copies being distributed. Average **marketing** expenditures range between 4% and 10% (for arts titles) for English-language titles with literary titles falling in between. **Overheads** average out at 37% in the English-language market.

Table 10 Expenditures for English-language print magazines by category as a percentage of total expenses (2012 data).

COSTS	English-language print mags n=60	Literary magazines n=40	Arts magazines n=>20	Literary >1,000 n=18	Literary 1000-1499 n=11	Literary 1500+ n=11	Visual arts n=12	Perf. Arts, film and music n=8
Editorial	27%	30%	23%	36%	26%	29%	22%	27%
Production	28%	26%	32%	28%	28%	20%	30%	36%
Distribution	7%	7%	7%	5%	6%	8%	7%	8%
(Cost of sales)	55%	55%	53%	59%	53%	54%	50%	63%
Marketing	8%	8%	9%	6%	8%	8%	10%	4%
Overhead	37%	37%	38%	34%	39%	37%	39%	33%

French-language titles

For French-language titles, as depicted in Table 11, the average cost of sales, inclusive of editorial, production, and distribution, is 59% of all expenditures (with a range of 48% to 69%). This is 4% higher than for English-language titles. For French-language titles, **editorial** costs are on average 32% and the range is also fairly large (25% to 38%). For French-language titles average **production** costs are lower (25%) than editorial costs and they are fairly consistent across literary titles. A greater range of variability (21% to 30%) is found in arts titles, which average out to 26%.

Average **distribution** costs are between 5% and 7% for French-language publications. Average **marketing** expenditures are 12% for French-language titles: the high and low end of the range is in arts titles (20% and 7%). This is 4% more than for English language titles. It begs the question of whether marketing costs are allocated more to overheads in English-language titles. **Overheads** average 29% in the French-language market, 8% lower than for English-language titles.

Some additional insight can be derived from examining Table 11. For example, literary magazines spend about 10% more on editorial than do arts magazines, whereas arts magazines spend more on marketing and overhead. A reminder: the percentages in these tables do not add up exactly to 100% because they are calculated as averages of those titles reporting a particular expense.

Table 11 Expenditures for French-language magazines by category as a percentage of total expenses (2012 data).

COSTS	All French-language magazines (n=28)	Literary magazines (n=17)	Arts magazines (n=11)	Literary magazines Circ. <510 (n=6)	Literary magazines Circ. > 510 (n=11)	Visual arts magazines (n=5)	Other arts* (n=6)
Editorial	32%	35%	26%	38%	34%	25%	27%
Production	25%	25%	26%	26%	24%	21%	30%
Distribution	5%	5%	5%	7%	5%	6%	5%
(Cost of sales)	59%	67%	54%	69%	66%	48%	62%
Marketing	12%	9%	14%	10%	8%	20%	7%
Overhead	29%	25%	32%	22%	26%	32%	31%

Publishing data: English-language and French-language titles

Table 12 takes the percentage data from the four different years this study has been conducted from Tables 6 and 8, adds other data presented elsewhere, and presents the selected data for quick overall comparison on the main measures of this study. The various elements of the publishing data found at the bottom of the table — linguistic content, citizenship of authors, number of issues and pages published, ad revenue, price, circulation and print run, pages per issue, and content pages per issue — are particularly useful when examined in smaller groups within the English-language or French-language title groupings. That information has been provided to all grant recipients.

Table 12 Summary publishing data for Canada's arts and literary print magazines in French and English, (2012, 2010, 2009 and 2000 data).

	English 2012	English 2010	English 2009	English 2000	French 2012	French 2010	French 2009	French 2000
Avg. paid circulation	1594	1651	1667	1804	897	906	883	900
Subscription revenue*	12%	13%	13%	17%	10%	10%	10%	10%
Single copy sales*	3%	4%	4%	5%	3%	4%	4%	5%
Ad revenue*	18%	17%	18%	23%	11%	13%	11%	12%
Earned and donated revenue*	51%	51%	53%	58%	35%	31%	31%	33%
Percentage of cost of sales	93%	96%	92%	98%	60%	51%	51%	58%
Percentage of total revenue	51%	51%			35%	31%		
Cost of sales/all expenses	55%	56%			59%	61%		
Canada Council grants*	21%	21%	20%	24%	22%	21%	22%	28%
Canada Periodical/Magazine Fund*	5%	8%	8%		3%	8%	10%	
Provincial grants*	13%	12%	12%	13%	13%	31%	31%	33%
Municipal grants*	11%	8%	8%	5%	8%	7%	6%	7%
All grants*	49%	49%	47%	42%	65%	69%	69%	67%
Canadian authors	87%	87%	91%	87%	92%	90%	90%	91%
Avg. no. of pages	101	104	96	94	105	105	109	63
Avg. cover price	$ 9.68	$ 9.71	$ 9.22	$ 7.32	$ 9.61	$ 9.59	$ 9.39	$ 8.13
Issues per year	3.55	4	4	4	3.75	4	4	4
Print run	2421	2471			1438	1522		
Percent print run sold	63%	65%	63%	65%	60%	57%	60%	56%
Subscription revenue (avg.)	$20,208	$21,488	$20,102		$ 15,835	$ 14,541	$13,603	
Advertising revenue (avg.)	$38,411	$35,575	$32,215		$ 18,751	$ 20,529	$22,781	
Earned income and donations (avg.	$84,298	$86,244	$81,477		$ 53,344	$ 43,512	$42,922	
* as percent of revenue								

In the overview provided in Table 12, several elements are worth noting, such as:

- The relative constancy of the figures.
- The constancy of the relative contribution of earned and donated revenue and grants.

- The increases in paid circulation and ad revenue.
- The continuing contribution of earned and donated revenue to cost of sales, more than 90% for English-language titles, and more than 50% for French-language titles.
- The slight downward trend for English-language titles of average paid circulation and the hovering of paid circulation around 900 copies for French-language titles.
- The steady (~90%) amount of content authored/created by Canadians.
- The slight increase in average number of pages (down slightly in 2012).
- The gradual, but relatively low, cover price increase (down slightly for English-language magazines in 2012).
- The popularity of quarterlies.
- The trend upward in the average subscription revenue for French-language titles in contrast to a steady state for English-language titles.
- The trend downward for advertising income for French-language titles and the trend upward for English-language titles.
- The trend upward for earned income and donations for French-language titles in contrast to the variability for English-language titles.

Perhaps the most important element to recall in looking at these general trends is that there remains a great deal of variability by language and by genre not reflected by the numbers.

Some financial ratios

The ratios presented to each magazine title provide a sense of how much it costs (per title) to publish and distribute magazine content on a per-page basis. Content cost per page report what is paid out in writing fees and art and photography fees divided by total number of content pages published. Editorial content cost per page is the amount paid out in writing fees alone. Production cost per page as a category is self-explanatory.

Grants/revenue (meaning grants as a share of revenue) expresses the share that income from grants represents in total revenue for each title. This ratio, which would be 50% if grants were equal to earned and donated revenue for each title, differs considerably between groups. Overall for English-language print titles it is 49% and for French-language titles it is 65%**.**

Cost per printed copy (to the publisher) divides total expenses by the print run multiplied by number of issues per year. Here we see substantial variation in arts compared to literary titles and in titles that use colour compared with those that publish in black and white only.

The institutional surcharge is the extra charge applied to institutional subscriptions over individual subscriptions (based on the notion that an increased number of users access library copies). It is expressed as a percentage of the cost to an individual subscriber.

The final four ratios are meant to provide a sense of how much each page costs to produce, the cost per page to the publisher per purchaser (including subscribers and non-subscription purchasers), and the price per page paid by an individual subscriber.

The first two ratios of these last four should be of interest to publishers. They are the cost per page, all expenses taken into account including marketing and overhead, and the content cost per page with only those elements that contribute to cost of sales considered. The latter two might be of more general interest. First is the average cost of each page per purchaser for English-language titles: It is $0.27 (considering only cost of sales elements, thus excluding marketing, distribution, and overhead). The price each consumer pays for that page is $0.09. These are the same as the 2010 data. For French-language titles the average cost per page per purchaser is $0.44 and the price the consumer pays is also $0.09, slightly different numbers from 2010. Thus, overall, for English-language titles, the purchaser is paying one-third of the content generation costs (cost of sales) with two-thirds being subsidized by ads, donations, grants, and other earned revenue. For French-language titles, the purchaser is paying under one-quarter of the content generation costs (cost of sales) with three-quarters being subsidized by ads, donations, grants, and other earned revenue.

Analysis of e-titles

Twelve English-language e-titles applied for grants from the Canada Council in 2013. Seven received Canada Council grants in 2010. Table 13 presents revenue, expenditures, publishing, and usage data for the group.

Table 13 Revenue, expenditures, and usage of English-language e-titles (2012 and 2010 data).

	2012 (n=12)		2010 (n = 9)	
Revenue	Total Amount	Avg. per title	Total Amount	Avg. per title
Ad sales (n=6)*	$ 8,874	$ 1,479		
Fundraising and donations (n=10)	$ 43,730	$ 4,373	$ 44,581	$ 4,953
Total earned and donated income (n=11)	$ 115,379	$ 10,489	$ 61,356	$ 6,817
Canada Council grants (n=7)	$ 56,399	$ 8,057	$ 37,900	$ 4,211
Total grants (n=9)	$ 62,937	$ 6,993	$ 40,900	$ 4,544
Total revenue	$ 178,320	$ 14,860	$ 102,256	$ 11,362
Expenditures				
Editorial	$ 105,156	$ 8,763	$ 63,671	$ 7,075
Production (n=11)	$ 25,399	$ 2,309	$ 20,576	$ 2,286
Circulation	$ 2,940	$ 245	$ 2,404	$ 267
Cost of sales	$ 133,500	$ 11,125	$ 91,165	$ 10,129
Marketing, promotion & publicity (n=10)	$ 16,670	$ 1,667	$ 4,514	$ 502
Overhead (n=11)	$ 27,533	$ 2,503	$ 21,124	$ 2,347
Total expenditures	$ 177,696	$ 14,808	$ 112,289	$ 12,477
Publication data				
Number of issues published/year (n=11)	42	3.82		
Number of E pages published/year (n=11)	2,222	202		
Usage				
Number of visits per issue or month (n=11)	50,479	4,589		
Site visits in year (n=11)	577,368	52,488	762,300	84,700
Page views per year (n=11)	1,166,022	106,002	4,292,145	476,905
Bounce rate (n=na)		67%		

Number of titles reporting is noted when less than full population (12); n's in column 1 refer to 2012 data.

As a group, through fundraising and donations, the 12 titles acquired $43,730, approximately the same amount as did the nine titles in 2010. Their total (not average) earned and donated income was $115,379, which was nearly double the figure in 2010. Per title, that is $10,489, just over 50% more than in 2010. In 2010, only two titles reported ad sales whereas six titles reported a total in ad sales of $8,874 (on average $1,479). Combined, the revenue of the group is $178,320 — a 76% increase. Per title, the increase was $14,808, an increase of $3,446 — or 25% per title.

The seven recipients of Canada Council grants received a total of $56,400 (an average of $8,057, which is $1,741 more than the average amount of all grants — $6,316 each). Total reported grant income for the group (nine titles reporting) was $62,938 (average $6,993, which is $2,439 more, or 55%). Further support was acquired in the form of provincial and municipal grants.

Total editorial costs for the group were $105,196; production costs were $25,399; circulation costs were $2,940; for a total cost of sales of $133,500 ($11,125 per title). Marketing, promotion, and publicity costs were $16,670; overhead expenses were $27,533; and total expenditures were $177,696 — $65,407 more than 2010. Per title, they were $14,808, which is $2,331 more per title than 2010, a 19% increase. These expenditure data are shown in Figure 8.

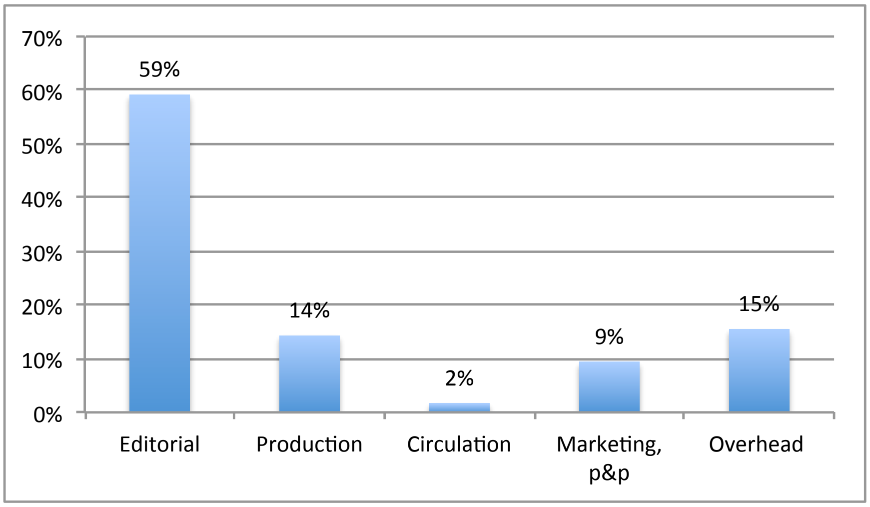

Figure 8 Expenditures by English-language e-titles.

The number of visits to the nine English-language sites for the year reported was 577,368. In 2010, the number of visits was 762,300; the number of page views per year was 1,166,022. In 2012, the number of page views was 4,292,145. This is where the largest differences lie, and as noted, it is difficult to determine the accuracy.

Again, because there were only four titles reporting, nothing quantitatively explicit can be said about French-language e-titles. Only two titles reported earned and donated income. Cost of sales and total expenditures on average are substantially higher than English-language titles. Only three titles reported site-visit and page-view data, and the average number of site visits is substantially less than English-language titles, while number of page views is substantially more than English-language titles. Such variances suggest unreliable data.

Conclusion/reflection

Perhaps the most significant element of Canadian arts and literary magazine production is that it survives. In a digital environment that offers immediacy and interactivity of social media, and a direct connection to a worldwide audience through the internet, the maintenance of small literary and arts print magazines is worthy of note. What puts an even more positive spin on their survival is that, in some cases, their audiences are expanding incrementally at a time when the magazine industry as a whole is struggling to maintain a place in the lives and minds of readers and advertisers. To what can we attribute this survival? It would appear that for both creators and readers (two groups that certainly overlap), it remains attractive to rally around, as British academics would say, symbolic production in material form, encompassing a wide range of sensibilities manifest in 104 different forms. Why? The research has not been done. A reasonable conjecture might be that the titles supported by the Canada Council provide the purest possible opportunities for meaning-making — in the gaze of and with the attention of other meaning-makers — and they represent a material affirmation of talent. As well, these titles provide early artistic opportunity for the rising cream of the creative sector to begin to give expression to their passions and commitments.

This social dynamic being the case, it is a shame that such efforts should be hobbled by evolving retail business models that replace variety and opportunity with distributive and consumptive efficiency. It is also a shame that federal cultural industries development policy, aimed at sustaining Canadian magazines, does not see such titles as incubators in the creative economy as they surely are. The incubation is not so much the titles themselves, but more the opportunities they provide to content creators and Canada's future publishers. Some jurisdictions do recognize this incubation as a double benefit. City and community planners of various Canadian cities are increasingly forming alliances with small magazines in pursuit of mutual interest in building participation, social cohesion, and a creative identity, an outlook that may better suit the core values of those titles supported by the Canada Council than does the building and sustaining of a periodical industry.

While such a reading of the data gives reason for hope, the disappearance of titles and the collapse of single-copy sales give reason for alarm. For years, small magazines have gained a public presence through newsstands. That presence has been a net cost, not, as a member of the public might expect, a net revenue gain. It is difficult to predict the net effect of a decreased presence, but it is certainly not positive.

The long and short of Canadian arts and literary magazine publishing, all titles included, is that it is a $14.7 million enterprise providing 600 to 700 part-time job opportunities mainly for creative young people to give voice to their generation and in doing so provide evidence of opportunity by example to, on average, 1,600 purchasers of English-language titles and 900 French-language titles and 2,000 to 4,000 readers. With increasing attention being paid by these titles to digital possibilities, these opportunities include joining in the effort to create a social bargain among content creators, publishers, advertisers, and readers that will eventually yield sufficient monetization to sustain digital production of periodically and continually produced arts and literary products.

As noted in the 2010 Benchmarks study, "various studies have established the social, informational, inspirational, and entertainment value of such titles, to say nothing of the sense of personal and social purpose it gives to those who contribute content or engage in magazine production. Canada's willingness to make possible this mode of cultural production deserves and receives praise from various quarters around the world." The arts and literary magazines of Canada are a credit to the country and are holding their own in a media-rich world, and they are offering creative opportunities to an evolving Canada. Then as now: "It's the imagination that matters."

Appendix: Glossary of terms

Format P = print, E = electronic

Genre (for example, Literary) is the genre in which a title has been classified and to which it will be compared. Music, Film, and Performing Arts titles are combined into one group for English-language magazines.

% Rev is revenue expressed as a percentage of TOTAL REVENUE. (i.e. total subscription revenue as a percentage of total revenue, earned, donated, and grants included).

% Rev Avg is the total revenue received by the group averaged across all firms in that group (even though some may have reported no revenue in this category). This way of averaging allows for the allocation of all revenue by the group across all categories as comparable percentages. This way of averaging differs from the column beside it labeled "Average" as explained below.

% Exp is expenditures expressed as a percentage of expenses (i.e. production costs as a percentage of total expenses).

% Exp Avg, parallel to % **Rev Avg** is the total spending by the group averaged across all firms in that group (even though some may have reported no spending in this category).

Count is the number of titles reporting in a category.

Average is the average or mean value of all those counted. It is the average of the figures on the same line. For example, it is an average amount reported by all those titles who actually reported paying art and photo fees, not an overall average across all titles of the total amount paid out in art and photo fees.

The implications of this latter way of calculating averages are, for example, that the total of the averages of each line differs from the average total cost—because, not every publisher reported spending for the various items within the category.

Standard deviation is a measure of variability. The values in the standard deviation column define the range on either side of the mean within which 68.27% of cases fall (assuming that the population of titles reporting approximate a normal distribution—a somewhat tenuous assumption). More roughly speaking, the larger the number relative to the mean, the more spread out are the data reported by individual titles. The standard deviation is reported here to give a sense of the variability or spread of the values reported by those whose records were analyzed.

Example: If the mean newsstand price is $3.80 and the standard deviation is 4.00, then 68% of titles would have a newsstand price of between $1.80 and $5.80. If the mean was $3.80, and the standard deviation was 6.00, then 68% of cases would fall between $0.80 and $6.80.