

The Memphis Market

Newspapers First
THE LEADER IN MAJOR MARKETS



DMA

Metro

	<u>#</u>	<u>U.S.Rank</u>	<u>#</u>	<u>U.S.Rank</u>
Households	660,700	#43	430,600	#57
Population	1,762,800	#41	1,148,500	#56
EBI	\$29.5 Billion	#42	\$22.0 Billion	#55
Retail Sales	\$19.6 Billion	#44	\$14.4 Billion	#56

Market Highlights

- Largest city in state, and 18th-largest in U.S. in population; Memphis is "America's Distribution Center," a transportation/global logistics center & home of the FedEx World Hub with nearly 30,000 employees
- Home of world's largest air cargo airport for 11 years: a \$225-million expansion is underway, with its own world runway for increased global traffic; one of the 10 fastest-growing airports in U.S.; home to over 15 airfreight carriers, handling over 1.7 million metric tons of cargo annually (*ACI, 2001*); during 1st qtr. of 2002, domestic air cargo volume was up 58% over last year (*Memphis-Shelby Cnty Airport Authority, 2002*)
- 3rd-largest rail center in U.S, and the 4th-busiest national inland river port
- Memphis is the financial center of Tennessee: headquarters for First Tennessee Bank (nation's top-performing financial services company), National Commerce Bancorp (top-performing U.S. banking institution), Banking Magazine, and Morgan Keegan & Company (South's leading brokerage firm); the area provides over 400 accounting firms, including all "Big 6" accounting firms
- One of the hottest biotech cities in the U.S - Memphis Biotech Foundation is developing the Bio-medical Technology Research Park downtown, on the former Baptist Medical Center campus; home to St. Jude Children's Research Hospital, Univ. of Tennessee Health Science Center, and the Medical Education Research Institute; medical firms in the area include Smith-Nephew, Medtronic Sofamor Danek, Schering Plough, Wright Medical, Orthomatrix, and GTx (*Southern Business & Development, Spring 2002*)
- In the past 10 years, 82,757 new jobs were created in the area, with an unemployment rate of 4.6% (compared to 5.8%) (*Bureau of Labor Statistics, 11/921-11/02*) In 2001, 187 major projects occupied more than 9.5 million square feet of industrial and office space, creating 6,280 new jobs (*memphischamber.com, 2001*)
- 3 Fortune 500 firms in area: Fedex, Autozone, & Union Planters Corp. (*Fortune Magazine, 4/02*) Other top employers: Univ. of Tennessee, First Tennessee Bank, Univ. of Memphis, Belz Enterprises, Storage USA, Guardsmark, Nat'l Bank of Commerce, Morgan Keegan, Cleo, Inc., Malone & Hyde, Smith & Nephew, St. Jude Children's Research Hosp., Int'l Paper, BellSouth, MCI, & Nat'l Bank of Commerce
- In the past 3 years, \$2.5 billion was spent on downtown development for AutoZone Baseball Park for the AAA Redbirds, Memphis Rock'n'Soul Museum, Gibson Guitar Factory, Peabody Place Entertainment Center, W.C. Handy Performing Arts Park, Main Street Trolley Line, and a \$90-million expansion for the Cook Convention Center; another \$2.5 billion is being invested, including the Mississippi Riverfront Development Project, St. Jude Children's Research Hospital billion dollar expansion, enhancement to the new light rail system, \$250-million FedExForum arena for NBA Memphis Grizzlies/entertainment venue, to open fall 2004, and new Soulsville U.S.A.-STAX Museum, to open fall 2003
- Memphis is ranked as:
 - #2 "Best railroad system in the U.S." (second only to Chicago) (*Tennessee Economic Development, 2001-2002*)
 - #2 "Major southern market for new business development" (*Southern Business & Development Magazine, 2000*)
 - #6 "Top 40 real estate markets for 2002" (*Expansion Management Magazine, 8/02*)
 - #8 "Best large metro areas (out of 50) to start and grow a business" (*Inc Magazine, 12/00*)
 - #9 "Best metro in manufacturing export sales per worker" (*Progressive Policy Institute: New Economy Index, 2001*)
 - #10 "Best metro to run a small business" (*Cognetics, 2001*)
 - #12 "Top city in the south for entrepreneurs" (*Entrepreneur Magazine/Dun & Bradstreet, 2002*)
 - #14 "Hottest city for expansion or relocation facilities" (*Expansion Magazine, 1/2002*)



Circulation

	<u>Daily</u>	<u>Sunday</u>
Total	158,622	233,639
DMA	148,270	219,201
Metro	133,679	195,999

Readership

	<u>Daily</u>	<u>Sunday</u>
Total Adults	443,315	638,050
College Grad+	104,700	128,560
Professional/Mgr'l	113,245	152,475
Average HH Income	\$68,240	\$63,673
DMA Reader Income	\$10.1 Billion	\$14.0 Billion

Newspaper Highlights

- Newspaper is the medium that reaches the most upscale, high-end consumers in the Memphis market. Heavy newspaper readers index far above heavy users of both TV and radio among the most valuable prospects in the Memphis DMA:

	<i>Newspaper Quintile 1</i>	<i>TV Quintile 1</i>	<i>Radio Quintile 1</i>		<i>Newspaper Quintile 1</i>	<i>TV Quintile 1</i>	<i>Radio Quintile 1</i>
HHI \$75,000+	172	75	130	Use a stockbroker	153	112	93
College grads+	141	81	115	Exec/Admin/Mgr	143	43	130
Own mutual funds	131	81	99	Home value \$200M+	159	109	125

- Daily, Memphis Commercial Appeal readers have an HHI 24% higher than the DMA average HHI – a difference of over \$13,300; on Sunday, Commercial Appeal readers have an HHI 16% higher (over \$8,800 more) than the average for DMA adults
- Over 1 in 3 DMA adults (34%) read the Commercial Appeal every weekday, and 5 daily insertions reach 51% of DMA adults; 50% of DMA adults read the Sunday Commercial Appeal every week, and 4 Sunday insertions reach 63% of DMA adults
- The Memphis Commercial Appeal provides far greater coverage of metro adults than A.M. drive-time radio, or even 1 prime time TV spot each from ABC, CBS, FOX & NBC combined (*Scarborough 2002, Rel 1*)

	<i>% Metro Adults</i>		<i>% Metro Adults</i>
Daily Commercial Appeal	47%	A.M. Drive Time Radio (average ¼ hour, 44 stations)	23%
Sunday Commercial Appeal	64%	Prime Time TV: ABC, CBS, FOX, NBC	16%

- On an average weekday, the Memphis Commercial Appeal reaches over 133,000 metro households – over 5 times more households reached by Newsweek, Time, & U.S. News weekly magazines combined (25,436) (*Circulation 2003; ABC Magazine Market Coverage Report, 2002- MSA*)
- Leading newspapers in other markets larger than Memphis offer far less metro HH coverage....

	<i>Daily</i>	<i>Sunday</i>		<i>Daily</i>	<i>Sunday</i>
Memphis Commercial Appeal	31%	46%	Baltimore Sun	25%	43%
Norfolk Virginian Pilot	30%	36%	Pittsburgh Post Gazette	24%	39%
West Palm Beach News	30%	37%	Chicago Tribune	20%	30%

....and also offer far less DMA HH coverage:

	<i>Daily</i>	<i>Sunday</i>		<i>Daily</i>	<i>Sunday</i>
Memphis Commercial Appeal	22%	33%	San Francisco Chronicle	18%	19%
Hartford Courant	20%	29%	Boston Globe	18%	27%
Dallas Morning News	20%	32%	Raleigh News & Observer	16%	21%

- Compared to the average adult in the U.S., daily Memphis Commercial Appeal readers are:
 48% more likely to take 3+ dom trips (busn only) 29% more likely to have computer on-line service
 38% more likely to take 1+ frgn trips-busn & pers 18% more likely to own second home/property
 32% more likely to have home equity loan 18% more likely to be professional/managerial
- Compared to the average adult in the U.S., Sunday Memphis Commercial Appeal readers are:
 45% more likely to take a cruise in past 3 years 28% more likely to stay at hotel/motel-business
 35% more likely to rent a car for business 14% more likely to have exec/admin/mgr position
 34% more likely to take any domestic trips for busn 12% more likely to own a home