

The Phoenix Market

Newspapers First
THE LEADER IN MAJOR MARKETS



	<u>DMA</u>		<u>CBSA</u>	
	<u>#</u>	<u>U.S. Rank</u>	<u>#</u>	<u>U.S. Rank</u>
Households	1,765,400	#14	1,468,900	#13
Population	4,810,300	#12	4,033,900	#14
EBI	\$97.9 Billion	#14	\$84.9 Billion	#13
Retail Sales	\$87.8 Billion	#10	\$75.4 Billion	#11

Market Highlights

- Phoenix is the state capital, and the business and cultural hub of the southwest U.S.; America's fastest-growing major metro over the past 10 years (+45.3%-an increase of over 1 million), and the third fastest-growing top 10 metro in numeric growth over the past year, with over 130,200 additional people ; it is also expected to double in size over the next 20 years (*U.S. Census*)
- Phoenix is one of the most affordable major areas in the U.S.–of the top 15 metros, it is ranked #4 overall, based on a composite of grocery, housing, utilities, transportation, health care, misc. (*ACCRA, 1st qtr. '08*); and is also one of the most affordable housing markets - more affordable than Washington D.C., Chicago, Boston, San Francisco, and Los Angeles (*NAHB Housing Opportunity Index, 1st Qtr 2008*)
- Of the top 15 DMAs, Phoenix is ranked #1 in total retail sales per HH; and in 5-year % change in: #1 in population, #1 in households, #1 in EBI, and #1 in total retail sales (*Demographics USA, 2007*)
- In sales per household of the top 15 major DMAs, Phoenix is ranked:

#1 in general merchandising	#1 in furniture – sleeping equipment	#2 in motor vehicles/parts
#1 in furniture/furnishing	#1 in floor coverings	#2 in groceries/other foods
#1 in major HH appliances	#2 in computer hardware/software	#2 in TV/VCR/tape sales
- Home to 6 Fortune 500 firms in the Phoenix area: Freeport-McMoRan Cooper & Gold, Avnet, U.S. Airways, Allied Waste, Insight Enterprises, and PetSmart; Fortune 1000 HQs: Pinnacle West Capital, Amkor Technology, Apollo Group, Meritage Homes, CSK Auto, and RSC Holdings (*Fortune Magazine, 4/08*); other employers: Wells Fargo, Cox Communications, Medtronic, Intel, and Honeywell
- Phoenix's Sky Harbor International is the 9th-busiest U.S. airport in 2007, with 20 airports nearly 42.2 million passengers annually (*Airport Council International, 7/08*), with a \$8.2 billion economic impact (*Carey School of Busn., Arizona State Univ. 3/08*); HQs for US Airways & major hub for S.W. airlines; Phoenix-Mesa Airport, located 28 miles S.W. of Phoenix Sky Harbor, offers domestic commercial flights
- Downtown development includes: \$2 billion revitalization over next 3 years for Cooper Square, a 90-block area, for public and private redevelopment projects; the valley's 20-mile light rail system from N.W. Phoenix to Tempe & Mesa growth, expected to open '08; Phoenix Convention Center expansion, tripling in size; new Arizona State University urban campus for 15,000 students
- Phoenix is home to 4 professional sports teams: Arizona Diamondbacks (baseball), Phoenix Suns (basketball), Phoenix Coyotes (hockey), Arizona Cardinals (football), and the surrounding area also hosts the spring training bases for several major league baseball teams
- Phoenix is ranked as:
 - #1 "Best place to live" of top 10 big cities (*Money Magazine, 10/07*)
 - #2 "Top metro in annual rate of employment growth, adults age 18-34" (*bizjournals.com, '00-'07, top 25 metros*)
 - #2 "Top growing US market" in job growth, climate, recreation, cost of living, housing (*NuWire Investor, 11/07*)
 - #2 "Best city for telecommuting" of top 15 metros (*Time Magazine, 5/08*)
 - #2 "Best boomtown" for large cities, based on employment growth rates (*Inc. Magazine, 5/07*)
 - #3 "Best city for jobs", based on HH income, unemployment, income and job growth (*Forbes, '07*)
 - #3 "Top metro in semiconductor mfg.;" #3 "Top metro in computer training by employment;" #7 "Top metro in high-tech job growth;" and #7 "Top metro in high-tech mfg. employment" (*AEA Cybercities, 6/08*)
 - #4 "Best city with young college grads in cost of living & availability of good jobs" (*Apartments.com, 4/08*)
 - #4 "Best place to live" in growth, educ., employment, crime, housing (*Relocate-America, top 100 markets, 5/08*)
 - #5 "Top major market for economic vitality" in job opportunities & population growth (*bizjournals, 5/08*)
 - #6 "Top metro in economic strength" based on earnings, jobs, wages, and growth (*Policom Rankings, '08*)

The Phoenix Arizona
 Republic Delivers The
 Phoenix Market

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	<u>Circulation</u>			<u>DMA Readership</u>	
	<u>Daily</u>	<u>Sunday</u>		<u>Daily</u>	<u>Sunday</u>
Total	416,550	526,407	DMA	983,348	1,271,593
DMA	408,055	517,252	College Grad+	306,763	384,553
Metro	374,523	478,482	Professional/Mgr'l	282,043	365,884
			Average HH Income	\$92,435	\$93,057
			DMA Reader Income	\$90.9 Billion	\$118.3 Billion

Newspaper Highlights

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

	<i>Newspaper Quintile 1</i>	<i>Radio Quintile 1</i>	<i>TV Quintile 1</i>		<i>Newspaper Quintile 1</i>	<i>Radio Quintile 1</i>	<i>TV Quintile 1</i>
Own 2+ new cars	167	101	97	Own bonds	151	85	117
Use any stockbroker.	164	97	119	Use travel agent	146	110	95
Post graduate degree+	152	87	79	HHI \$100,000+	133	107	87

- The largest newspaper in Arizona, and 11th-largest daily and 15th-largest Sunday paper in the U.S.
- The daily Arizona Phoenix Republic circulation is at least 4 times greater than the next largest DMA newspaper, the Phoenix Tribune; and on Sunday, it is more than 6 times greater
- Over 3 out of 4 adults who read a newspaper in metro Phoenix turn to the Arizona Republic - daily and Sunday (Daily – 75.2%, Sunday 83.7%)
- Daily, the Phoenix Arizona Republic readers have a 11% higher HHI than the average DMA adult - a difference of over \$9,400; and on Sunday, readers have a HHI 12% higher (nearly \$10,000 more) than the average for DMA adults
- The Phoenix Arizona Republic provides far greater coverage of metro adults than A.M. drive-time radio, or even one prime time TV spot each from ABC, CBS, FOX, and NBC combined:

	<i>% Metro Adults</i>		<i>% Metro Adults</i>
Daily Phoenix Arizona Republic	30%	A.M. Drive Time Radio (average ¼ hour, 51 stations)	21%
Sunday Phoenix Arizona Republic	39%	Prime Time TV: ABC, CBS, FOX, NBC	16%

- On an average weekday, the Phoenix Arizona Republic reaches nearly 375,000 metro households- 4 times more households reached by Newsweek and Time weekly magazines combined (88,172) (ABC Magazine Market Coverage Report- Metro, 2007)

- The leading newspaper in larger markets than Phoenix offer far less adults DMA coverage:

	<i>Daily</i>	<i>Sunday</i>		<i>Daily</i>	<i>Sunday</i>
Phoenix Arizona Republic	27%	36%	San Francisco Chronicle	18%	21%
Chicago Tribune	21%	34%	Los Angeles Times	16%	23%
Boston Globe	19%	30%	New York Daily News	16%	17%

- Compared to the average adult in the U.S., daily Phoenix Arizona Republic readers are:
 147% more likely to own a pool or spa
 86% more likely to have home improvement loan
 72% more likely to have home mkt value \$300M+
 64% more likely to own a high definition T.V.
 49% more likely to have money market account
 45% more likely to take a cruise
- Compared to the average adult in the U.S., Sunday Phoenix Arizona Republic readers are:
 125% more likely to visit Mexico
 79% more likely to have AMEX Gold/Platinum card
 78% more likely to take any 3+ dom prs/vac air trips
 67% more likely to take 3+ dom business air trip
 55% more likely to have online service
 47% more likely to stay at upscale hotel-prs/vac
- azcentral.com, website for the Phoenix Arizona Republic, is Arizona's most powerful local medium for effective online advertising with 5,500,000 unique visitors monthly (Access/ABC -Audience-FAX Database)

Source: Circulation, 2008; Scarborough 2008, Release 1